



# PRIME INDUSTRIES LIMITED

CIN : L15490PB1992PLC012662

**Regd. Office :** Master Chamber, SCO -19,  
Feroze Gandhi Market, Ludhiana- 141 001, Punjab  
Tel. : 0161- 3911500, 3013411, 412  
E-mail : prime\_indust@yahoo.com  
Website : www.primeindustrieslimited.com

Date: 14<sup>th</sup> October, 2016

To,  
The Secretary,  
Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai.

**Subject : Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015").**

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of the SEBI (LODR) Regulations, 2015, please find enclose herewith the Annual Report of the Company, approved and adopted at the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016.

Thanking You  
Yours faithfully  
For and on behalf of PRIME INDUSTRIES LIMITED

Sharon Arora  
Company Secretary

*24<sup>th</sup>*

**ANNUAL REPORT**

**2015-2016**



**Prime Industries Limited**



**BOARD OF DIRECTORS**

Mr. R.K. Singhania (Managing Director)  
Mr. Harjeet Singh Arora  
Mr. Ashwani Kumar  
Mr. Darshanjit Singh Minocha  
Mr. Rajiv Kalra  
Mrs. Parveen Singhania

**COMPANY SECRETARY**

Ms. Sharon Arora

**CHIEF FINANCIAL OFFICER**

Mr. Kashmir Singh (w.e.f. 31.07.2016)  
Mr. Sukhbir Singh (till 30.07.2016)

**STATUTORY AUDITORS**

M/s Sukhminder Singh & Co.  
Chartered Accountants  
170-A, Model House,  
Ludhiana, Punjab-141002.

**SECRETARIAL AUDITORS**

M/s Rajeev Bhambri & Associates  
Company Secretaries  
SCO No.9, Jandu Tower, Miller  
Ganj, Ludhiana, Punjab-141001.

**REGISTRAR & SHARE TRANSFER AGENTS**

Skyline Financial Services (P) Ltd.  
D-153/A, First Floor, Okhla Industrial Area,  
Phase-I, New Delhi.  
Ph: 011-26812682/83/84, Fax: 011-26812681  
Email: [admin@skylineta.com](mailto:admin@skylineta.com)

**REGISTERED OFFICE**

Master Chambers, 19,  
Feroze Gandhi Market,  
Ludhiana, Punjab-141001.  
Phone: 0161-3911525  
Email: [prime\\_indust@yahoo.com](mailto:prime_indust@yahoo.com)

**BANKERS**

Oriental Bank of Commerce  
Feroze Gandhi Market,  
Ludhiana

HDFC Bank Ltd  
Mall Road,  
Ludhiana

<b>CONTENTS</b>	<b>PAGE No.</b>
Directors' Report	1-19
Secretarial Audit Report	20-22
Independent Auditors' Report	23-28
Balance Sheet	29
Profit & Loss Account	30
Cash Flow Statement	31
Notes	32-39



**DIRECTOR'S REPORT**

To,

The Members,

The Directors of Prime Industries Limited (PIL) have great pleasure in presenting their 24<sup>th</sup> Annual Report of the company together with the audited statements of accounts for the financial year ended 31<sup>st</sup> March, 2016 along with report of the Statutory Auditors thereon.

**1. Financial summary of the Company**

The summary of financial results of the Company for the period ended 31<sup>st</sup> March, 2016 is as under:

(Rs.In Lacs)

<b>PARTICULARS</b>	<b>Figures for the year ended 31<sup>st</sup> March, 2016</b>	<b>Figures for the year ended 31<sup>st</sup> March, 2015</b>
Total Revenue	59.84	29.57
Total Expenses	57.61	22.29
Profit Before Tax	2.23	7.28
Tax Expense	0.39	0.62
Profit For The Period	1.84	6.66

**2. Management Discussion & Analysis**

During the year under review, your Company has registered gross operating & other income of Rs. 59.84 Lacs as compared to Rs. 29.57 Lacs in previous year.

**3. Dividend**

Keeping in view the present economic situations, the board recommends retaining the earnings in the Company hence, the Board has not recommended any dividend on the equity share capital of the Company.

**4. Reserves**

No amount is being transferred to reserve & surplus in the current year.

**5. Brief description of the Company's working during the year**

In this year of its operations, i.e. FY 2015-16, your Company posted significant increase in revenues. However, your company's revenue during the year under review increased to Rs. 59.84 Lacs as compared to Rs. 29.57 Lacs in previous year. However, your company's Net Profit after tax came down to Rs. 1.84 Lacs as compared to Rs. 6.66 Lacs in the previous year.

**6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the Financial Statements relate and the date of the Report.

**7. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.**

During the year under review no significant and material orders have been passed by the Regulators / Courts that would impact the going concern status of the Company and its futures operations.



**8. Adequacy of Internal Control.**

The Company has a proper and adequate system of internal control, to ensure that all assets are safeguarded, properly utilized and protected against loss from un-authorized use or disposition and those transactions are authorized and recorded by the concerned departments properly and reported to the Audit Committee/Board correctly.

The Company has also in place adequate internal financial controls with reference to financial statements. Such controls are tested from time to time and no reportable material weakness in the design or operation has been observed so far.

**9. Subsidiary/Joint Ventures/Associate Companies.**

The Company did not have any Subsidiary, Joint Ventures or Associate Companies during the year under review.

**10. Deposits**

The Company has not accepted any public deposits pursuant to the provisions of Section 73 within the meaning of Section 58A of the Companies Act, 2013 and the rules made there under and as such, no amount on account of principal or interest on Public Deposits was outstanding on the date of the Balance Sheet.

**11. Auditors**

**(a) Statutory Auditors**

M/s. Sukhminder Singh & Co., Chartered Accountants, hold office till the conclusion of 25<sup>th</sup> Annual General Meeting subject to annual ratification by the members at the respective AGM. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act 2013 and rules made thereunder.

Accordingly, the Board of Directors has recommended the ratification of M/s. Sukhminder Singh & Co, Chartered Accountants, as the Statutory Auditors of the Company for the Financial Year 2016-2017, on remuneration to be decided by the Board, to the shareholders for approval.

**(b) Secretarial Auditors and Secretarial Audit Report**

Pursuant to Section 204 of the Companies Act 2013, your Company had appointed M/s Rajiv Bhambri & Associates, Company Secretaries in practice, Ludhiana as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2015-16. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2015-16 is annexed to this report.

**12. Auditors' Report**

M/s Sukhminder Singh & Co., Chartered Accountants, Statutory Auditors of the Company, have audited the accounts of the Company for the year 2015-16 and their Report is annexed. Pursuant to Section 143(3)(i) of the Companies Act, 2013, the Statutory Auditors have also reported on the adequacy and operating effectiveness of the internal financial controls system over financial reporting, which has been enclosed as 'Annexure' to Independent Auditor's Report. Significant Audit observations, if any, and corrective actions taken by the Management are presented to the Audit Committee of the Board from time to time. There are no qualifications, reservations or adverse remarks or disclaimers made in the Auditor's Report.

**13. Extract of the annual return**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 are included in this Report and form an integral part of this Report.



**14. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Information with respect to Conservation of energy, technology, absorption, foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable because there are no manufacturing activities in the Company.

**15. Directors & Key Managerial Personnel**

The Company's Board comprised six Directors as on March 31, 2016, viz., Mr. Rajinder Kumar Singhania, Managing Director / Promoter / Chairman, Mr. Harjeet Singh Arora, Non-Executive Director / Promoter, Mrs. Parveen Singhania, Non-Executive Woman Director / Promoter, Mr. Darshanjit Singh Minocha, Non-Executive, Non-Independent Director, and two Independent Directors Mr. Ashwani Kumar & Mr. Rajiv Kalra.

The Board, therefore, presently comprises of six Directors -

**(a) Statement of Declaration by Independent Directors**

The Company has received declaration from each independent director under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), that they meet the criteria of independence laid down in the Companies Act, 2013 and Listing Regulations.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the Declarations received by the Company under Section 149(7) of the Companies Act, 2013 the following Non-Executive Directors are identified as Independent Directors of the Company as on March 31, 2016:

- i) Mr. Ashwani Kumar
- ii) Mr. Rajiv Kalra

**(b) Appointment / Re-appointment / Resignation / Retirement of Directors.**

In order to ensure compliance with Section 152(6) of the Act, the Board has considered Mr. Rajinder Kumar Singhania, Managing Director being longest in office, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment, for ensuring compliance with Section 152(6) of Act.

Relevant details, including brief profile of the Director seeking appointment / re-appointment at the ensuing Annual General Meeting, have been furnished in the Notice of the Annual General Meeting which forms an integral part of this Board Report.

There were no appointments/Resignations of Directors/Key Managerial Personnel during the Financial Year 2015-16.

**(c) Remuneration to Directors/Employees and related analysis.**

During the year under review, no employee of the Company received salary in excess of the limits as prescribed under the Act. Accordingly, no particulars of employees are being given pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details pertaining to the ratio of the remuneration of each director to the median employee's remuneration and other prescribed 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 are annexed herewith and form part of the Directors' Report.

**(d) Key Managerial Personnel**

Mr. Rajinder Kumar Singhania, Managing Director, Mr. Sukhbir Singh, Chief Financial Officer and Ms. Sharon Arora, Company Secretary are the Key Managerial Personnel of the Company, as per the provisions of the Companies Act, 2013 and rules made thereunder.

Mr. Sukhbir Singh resigned as the C.F.O. from the company w.e.f. 30.07.2016. Mr. Kashmir Singh has



been appointed as the Chief Financial Officer of the company w.e.f. 31.07.2016 in the Board Meeting held on 13.08.2016.

## **16. Number of meetings of the Board of Directors**

The board meetings are convened by giving appropriate notice after obtaining the approval of the Managing Director. The Board meets at least once a quarter to review the results and other items on the agenda, once a year for on the occasion of the annual shareholders' meeting. When necessary, additional meetings are held.

The agenda of the board meetings is drafted by the Company Secretary along with the explanatory notes and these are distributed in advance to the directors. Every Board member is free to suggest the inclusion of items on the agenda. The agenda papers are prepared by the concerned officials of the respective department and are approved by the Managing Director. Agenda papers are circulated to the Board by the Company Secretary. Additional items on the agenda are permitted with the permission of the Chairman. All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval/ decision in the board/ committee meetings.

All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the board meetings.

The Board also passes resolutions by circulation on need basis.

Minutes of the proceedings of the board meeting are prepared within 48 hours of the meeting. Draft minutes are circulated to the Chairman for his comments. The minutes of all the Committees of the Board of Directors of the Company are placed before the Board.

The quarterly, half-yearly and the annual results are first placed before the Audit Committee of the Company and thereafter the same are placed before the Board of Directors.

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the Board through circulation from time to time.

The Board met six (6) times during the FY 2015-16 viz. on May 30, 2015, August 14, 2015, November 14, 2015, December 16, 2015, February 13, 2016, and March 15, 2016.

## **17. Committees of the Board**

The Company has several Committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

## **18. Listing / De-listing of Shares**

The Shares of your Company are presently listed on The Bombay Stock Exchange Limited, Mumbai (BSE) and the Annual Listing Fees for the year 2016-17 has already been paid to it. The company is also listed on The Calcutta Stock Exchange Ltd. However, the same is suspended.

## **19. Audit Committee**

The Audit Committee comprises of namely Mr. Ashwani Kumar (Chairman), Mr. Harjeet Singh Arora and Mr. Rajiv Kalra as other members. During the period under review, Mr. Rajiv Kalra was co-opted as committee member in place of Mr. Darshanjit Singh Minocha who ceased to be a member of Audit Committee.



Audit Committee meeting, which met four (4) times during the year on 30.05.2015, 14.08.2015, 14.11.2015 and 13.02.2016.

No recommendations of the Audit Committee has been rejected by the Board of Directors.

**20. Details of establishment of vigil mechanism for directors and employees**

The Company has implemented a Whistle Blower Policy pursuant to which Whistle Blowers can raise concerns relating to Reportable Matters (as defined in the policy) such as breach of Company's Code of Conduct. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and also available on the website of the Company and can be accessed at <http://www.primeindustriesslimited.com/PIL%20WHISTLE%20BLOWER.pdf>

**21. Familiarization programme for Independent Directors.**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at [http://www.primeindustriesslimited.com/FAMILARISATION\\_PROGRAMME\\_PIL\(1\).pdf](http://www.primeindustriesslimited.com/FAMILARISATION_PROGRAMME_PIL(1).pdf)

**22. Particulars of loans, guarantees or investments under section 186.**

During the year under review, the company has not given any loan, guarantee, provided security to any person or other body corporate or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding the limits prescribed under section 186 of the Companies Act, 2013.

**23. Particulars of contracts or arrangements with related parties:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link <http://www.primeindustriesslimited.com/Policy%20on%20related%20party%20-PIL.pdf>.

Your Directors draw attention of the members to Note 20 to the financial statement which sets out related party disclosures.

**24. Nomination and Remuneration Policy.**

The company's Nomination and Remuneration Policy formulated by the Nomination and Remuneration Committee deals with the appointment and remuneration of Directors and KMPs of the Company. The policy also covers the criteria for determining qualifications, positive attributes, independence of a Director and KMP. In terms of Section 134(3)(e) of Companies Act, 2013 the Nomination and Remuneration Policy of the Company is annexed herewith and forms part of the Directors' Report.

**25. Insider Trading Regulations.**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure") and the Code of Conduct to regulate, monitor and report trading by employees and other connected persons ("Code of Conduct") as approved by the Board on 14.05.2015 are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in





shares of the Company by its Directors, Designated employees and Specified Persons. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Designated employees and Specified Persons from trading in the securities of the Company at the time when there is unpublished price sensitive information.

## **26. Risk management policy**

The Company has adopted Risk Management Policy which has been approved by the board of Directors of the Company. The aim of the Risk Management Policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management policy may be accessed on the Company's website at the link <http://primeindustrieslimited.com/Risk%20management%20policy%20-%20PIL.pdf>

## **27. Human Resources Development**

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. The relations at all levels of the Company have remained very cordial throughout the year.

## **28. Corporate Governance Certificate**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. However, since the company does not fulfil the criteria mentioned in Regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015, the compliances with regard to corporate governance provisions are not applicable to the company.

## **29. Corporate Social Responsibility**

The provisions of Section 135 of Companies Act, 2013 are not applicable to the Company.

## **30. Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace**

The Company has zero tolerance for sexual harassment at the workplace, and has adopted a 'Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace', in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Policy aims to provide protection to women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment.

## **31. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



**32. Acknowledgements**

Your Directors are pleased to place on record their appreciation and express their gratitude to the Company's Bankers, Clients, Advisors and Business Associates for their continued and valuable co-operation and support to the company from time to time.

Your Directors also wish to express their gratitude to investors for the faith that they continues to repose in the Company.

Your Directors would also like to place on record their appreciation for committed services rendered by the employees at all levels of your company.

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

**Place: Ludhiana  
Date : 13.08.2016**

**Sd/-  
(Harjeet Singh Arora)  
Director  
DIN: 00063176**

**Sd/-  
(Rajinder Kumar Singhanian)  
Managing Director  
DIN: 00077540**



**(POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EMPLOYEES)**

**BACKGROUND**

Prime Industries Limited (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

**BRIEF OVERVIEW UNDER COMPANIES ACT 2013**

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.

**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors in its meeting held on 14<sup>th</sup> day of November 2014.

**Definitions**

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means":

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

"Senior Managerial Personnel" means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

**Objective**

The objective of the policy is to ensure that:-

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

## **Role of the Committee**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors, KMP and Senior Management.
- To devise a policy on Board diversity, composition and size.
- Succession planning for replacing Key Executives and overseeing their orientation and successful alignment with the philosophy of the Company.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) 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 his / her appointment, as per Company's Interview and Selection procedure.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as the M.D or Whole-time Director or a 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.

## **TERM / TENURE**

### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director 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.

Rotation: The Managing Director/Whole Time Director and other Non-Executive Directors of the Company shall be liable to retire by rotation subject to the employment agreement, if any signed between the company and such Directors of the Company at the time of appointment.

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

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company 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 of upto maximum of 5 years each, 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.

Rotation: An Independent Director shall not be liable to retire by rotation pursuant to the provisions of sub-sections (6) and (7) of section 152 of the Companies Act, 2013.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Listing Agreement.

## **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly.

## **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

### **1. Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

### **2. Remuneration to Non-Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause(b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and



- ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

**3. Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's HR Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually.

**IMPLEMENTATION**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.



**DETAILS PERTAINING TO REMUNERATION 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.**

- (i) The ratio of the remuneration of the Managing Director to the median remuneration of the employees of the company for the financial year is not applicable since only the Company Secretary was paid remuneration. No other Director of the Company is being paid any remuneration.
- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

<b>Sr. No</b>	<b>Name of Director/KMP and Designation.</b>	<b>% incase in Remuneration in the Financial Year 2015-16.</b>
1.	Mr. Rajinder Kumar Singhania (Managing Director/KMP)	Nil
2.	Mr. Sukhbir Singh (Chief Financial Officer/KMP)	Nil
3.	Ms. Sharon Arora (Company Secretary/KMP)	Nil

- (iii) the percentage increase in the median remuneration of employees in the financial year. – Not applicable.
- (iv) As on 31<sup>st</sup> March 2016, the Company have 3 permanent employees on the rolls of the Company.
- (v) 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 ; - Not applicable.
- (vi) Affirmed that the remuneration is as per the remuneration policy of the company.



**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31<sup>st</sup> March, 2016

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

<b>I REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN L15490PB1992PLC012662
ii	Registration Date 19/10/1992
iii	Name of the Company PRIME INDUSTRIES LIMITED
iv	Category/Sub-category of the Company Public Limited Company/Limited by Shares
v	Address of the Registered office & contact details Master Chambers, 19, Feroze Gandhi Market, Ludhiana
vi	Whether listed company LISTED
vii	Detail of Registrar & Transfer Agent Name Address Contact details SKYLINE FINANCIAL SERVICES PVT. LTD. D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi Ph. No. 91-11-26812682/83/84

<b>II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Interest Income	6492	97.29

<b>III PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES</b>					
SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A				





<b>IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)</b>									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% 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	59650	83403	143053	1.81	59950	83103	143053	1.81	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	1342650	1715500	3058150	38.71	1342650	1715500	3058150	38.71	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (1)</b>	<b>1402300</b>	<b>1798903</b>	<b>3201203</b>	<b>40.52</b>	<b>1402600</b>	<b>1798603</b>	<b>3201203</b>	<b>40.52</b>	<b>0.00</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1402300</b>	<b>1798903</b>	<b>3201203</b>	<b>40.52</b>	<b>1402600</b>	<b>1798603</b>	<b>3201203</b>	<b>40.52</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	886900	886900	11.23	0	886900	886900	11.23	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>886900</b>	<b>886900</b>	<b>11.23</b>	<b>0</b>	<b>886900</b>	<b>886900</b>	<b>11.23</b>	<b>0.00</b>
(2) Non Institutions									
a) Bodies corporates	964160	1322293	2286453	28.94	958558	1322293	2280851	28.87	-0.07
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	148715	596404	745119	9.43	164358	801704	966062	12.23	2.80
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	85814	464700	550514	6.97	176683	158300	334983	4.24	-2.73



c) Others (specify)									
(i) NRI	200	200000	200200	2.53	200	200000	200200	3.34	0.81
(ii) Clearing Member	2811	0	2811	0.04	3000	0	3000	0.09	0.05
(ii) HUF	26800	0	26800	0.34	26801	0	26801	0.34	0.00
<b>SUB TOTAL (B)(2):</b>	1201700	2583397	3811897	48.25	1329600	2482297	3811897	48.77	0.52
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	1201700	3497097	4698797	59.48	1329600	3369197	4698797	60.00	0.52
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	2630800	5269200	7900000	100.00	2732200	5167800	7900000	100	0.00

<b>(ii) SHAREHOLDING OF PROMOTERS</b>								
Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Master Trust Ltd.	569800	7.21	7.21	569800	7.21	7.21	0.00
2	Master Commodity Services Ltd.	120000	1.52	1.52	120000	1.52	1.52	0.00
3	Arora Financial Services Ltd.	110300	1.40	1.33	110300	1.40	1.33	0.00
4	Bluecircle Investments	159650	2.02	1.27	159650	2.02	1.27	0.00
5	Saintco India (P) Ltd.	500000	6.33	0.00	500000	6.33	0.00	0.00
6	Master Infrastructure & Real Estate Developers Ltd.	283000	3.58	0.00	283000	3.58	0.00	0.00
7	Singhania Properties	80500	1.02	0.63	80500	1.02	0.63	0.00
8	Sanawar Investments	50000	0.63	0.63	50000	0.63	0.63	0.00
9	H.K.Arora	63200	0.80	0.00	63200	0.80	0.00	0.00
10	H.S.Arora	66951	0.85	0.00	66951	0.85	0.00	0.00
11	R.K.Singhana	12902	0.16	0.16	12902	0.16	0.16	0.00
12	Crescent Investments	39900	0.51	0.00	39900	0.51	0.00	0.00
13	Master Capital Services Limited	1145000	14.49	0.00	1145000	14.49	0.00	0.00
	<b>Total</b>	<b>3201203</b>	<b>40.52</b>	<b>12.75</b>	<b>3201203</b>	<b>40.52</b>	<b>12.75</b>	<b>0.00</b>



iii)	<b>Change in Promoters' Shareholding</b>
	There are no changes in the Promoter's shareholding during the Financial year 2015-16.

iv)	<b>Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March, 2016:</b>				
Sl. No	For Each of the Top 10 Shareholders	Shareholders at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
1	Arjun Credit Investment Ltd.	226000	2.86	226000	2.86
2	G.S.Auto Leasing Limited	407900	5.16	407900	5.16
3	Chandrka Traders Limited	176600	2.24	176600	2.24
4	Shambuka Agro (P) Ltd.	414000	5.24	414000	5.24
5	Shivalik Securities Ltd.	657243	8.32	657243	8.32
6	Gala Finance & Investment Ltd.	295410	3.74	295410	3.74
7	PSIDC	885000	11.20	885000	11.20
8	Ashok Goyal	107800	1.36	107800	1.36
9	R. Admoolam	58500	<b>0.74</b>	58500	<b>0.74</b>
10	Chandra M Karani	50000	<b>0.63</b>	50000	<b>0.63</b>
11	Plyush Khiara	50000	<b>0.63</b>	50000	<b>0.63</b>
12	Magan Lal M Karani	50000	<b>0.63</b>	50000	<b>0.63</b>
13	Gauri Khiara	50000	<b>0.63</b>	50000	<b>0.63</b>
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change			
	At the end of the year (or on the date of separation, if separated during the year)	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
1	Arjun Credit Investment Ltd.	226000	2.86	226000	2.86
2	G.S.Auto Leasing Limited	407900	5.16	407900	5.16
3	Chandrka Traders Limited	176600	2.24	176600	2.24
4	Shambuka Agro (P) Ltd.	414000	5.24	414000	5.24
5	Shivalik Securities Ltd.	657243	8.32	657243	8.32
6	Gala Finance & Investment Ltd.	295410	3.74	295410	3.74
7	PSIDC	885000	11.20	885000	11.20
8	Ashok Goyal	107800	1.36	107800	1.36
9	R. Admoolam	58500	<b>0.74</b>	58500	<b>0.74</b>



10	Chandra M Karani	50000	0.63	50000	0.63
11	Piyush Khiara	50000	0.63	50000	0.63
12	Magan Lal M Karani	50000	0.63	50000	0.63
13	Gauri Khiara	50000	0.63	50000	0.63

<b>(vi) Shareholding of Directors &amp; KMP</b>					
Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Rajinder Kumar Singhania (M.D)	12902	0.16	12902	0.16
2	Harjeet Singh Arora (Director)	66951	0.85	66951	0.85
3	Darshanjit Singh Minocha (Director)	0	0.00	0	0.00
4	Ashwani Kumar (Director)	0	0.00	0	0.00
5	Parveen Singhania (Director)	0	0.00	0	0.00
6	Rajiv Kalra (Director)	0	0.00	0	0.00
7	Sharon Arora (Company Secretary)	0	0.00	0	0.00
8	Sukhbir Singh (Chief Financial Officer)	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/weat equity etc)	No Change			
	At the end of the year				
1	Rajinder Kumar Singhania (M.D)	12902	0.16	12902	0.16
2	Harjeet Singh Arora (Director)	66951	0.85	66951	0.85
3	Darshanjit Singh Minocha (Director)	0	0.00	0	0.00
4	Ashwani Kumar (Director)	0	0.00	0	0.00
5	Parveen Singhania (Director)	0	0.00	0	0.00
6	Rajiv Kalra (Director)	0	0.00	0	0.00
7	Sharon Arora (Company Secretary)	0	0.00	0	0.00
8	Sukhbir Singh (Chief Financial Officer)	0	0.00	0	0.00



V	INDEBTEDNESS			
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
Additions	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A	Remuneration to Managing Director, Whole time director and/or Manager:		
Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Rajinder Kumar Singhania	
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	2,40,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	-	2,40,000
	Ceiling as per the Act	-	30 Lacs*



<b>B. Remuneration to other directors:</b>			
<b>Sl.No</b>	<b>Particulars of Remuneration</b>	<b>Name of the Directors</b>	<b>Total Amount</b>
1	Independent Directors		
	(a) Fee for attending board committee meetings	None of the Independent Directors have been paid any sitting fees, commission etc	N.A
	(b) Commission		
	(c) Others, please specify		
	<b>Total (1)</b>	NIL	NIL
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings	None of Non Executive Directors have been paid any sitting fees, commission etc	N.A
	(b) Commission		
	(c) Others, please specify.		
	Total (2)	NIL	N.A
	Total (B)=(1+2)		
	<b>Total Managerial Remuneration</b>	-	-
	<b>Overall Ceiling as per the Act.</b>	-	30 Lacs

Note: Maximum remuneration payable as per schedule V of the Companies Act, 2013 based on the effective capital of the company.

<b>C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</b>					
<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>			
		<b>CEO</b>	<b>Company Secretary</b>	<b>CFO</b>	<b>Total</b>
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A.	2,64,200	Nil	2,64,200
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	2,64,200	-	2,64,200



**FORM MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2016  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the  
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**The Members,  
Prime Industries Limited,  
Master Chambers, 19,  
Feroze Gandhi Market, Ludhiana-141001,  
Punjab (India).  
CIN: L15490PB1992PLC012662**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Industries Limited (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2016 ('Audit Period') 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2016, to the extent applicable and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



(vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to, inter alia:

- All labour laws;
- Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Rules, 1992

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) The Listing Agreement entered into by the Company with the BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its amendments till date

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review. 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 a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. as detailed below:-

The company had applied to the Calcutta Stock Exchange Limited for voluntary delisting.

### **Rajeev Bhambri & Associates**

Company Secretary in whole time practice

C.P. No. 9491

Place: Ludhiana

Dated: 30.05.2016

**Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.**

---





**'ANNEXURE A'**

To,

**The Members,  
Prime Industries Limited,  
Master Chambers, 19,  
Feroze Gandhi Market, Ludhiana-141001,  
Punjab (India).  
CIN: L15490PB1992PLC012662**

Our report of even date is to be read along with this letter.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.

**Rajeev Bhambri & Associates**  
Company Secretary in whole time practice  
C.P. No. 9491  
Place: Ludhiana  
Dated: 30.05.2016



## **INDEPENDENT AUDITORS' REPORT**

**To  
The Members of  
Prime Industries Ltd.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Prime Industries Ltd.('the Company')**, which comprise the Balance Sheet as at 31 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 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 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 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 financial statements.



### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 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 Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 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'.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the rule 11 of the Companies (Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 15 to the financial statements.
    - The Company did not have any outstanding long-term contracts including derivative contracts as at 31 March, 2016 for which there were any material foreseeable losses: and
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**Sd/-**  
**Sukhminder Singh**  
Partner.  
Membership No. 93100

Place: Ludhiana  
Date: 30.05.2016



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) Fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified 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.
2. The inventory, which are held in dematerialized/ physical form, has been verified at reasonable intervals by the management and no material discrepancies were identified on such verification.
3. The Company has not granted unsecured loans to any party covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the order is not applicable to the company.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 read with section 186 and section 186 of the Act, with respect to the loans and advances made.
5. The company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.  

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, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it 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 no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to the debenture holders.
9. 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 to the Company.



10. According to the information and explanations given to us, no material fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given 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.
12. 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.
13. 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 Section 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.
14. According to the information and explanations given 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 share or fully or partly convertible debentures during the year.
15. 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.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

Place: Ludhiana  
Date: 30.05.2016

**Sd/-**  
**Sukhminder Singh**  
Partner.  
Membership No. 93100



## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) 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 Industries Ltd (the Company) as of 31 March, 2016 in conjunction with our audit of the 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 were 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 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 Institute of Chartered Accountants of India.

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**Sd/-**  
**Sukhminder Singh**  
Partner.  
Membership No. 93100

Place: Ludhiana  
Date: 30.05.2016



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

Rs. In Lacs

Particulars	Note	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Shareholders' funds</b>			
Share capital	2	786.34	786.34
Reserves and surplus	3	(96.16)	(98.00)
		<b>690.18</b>	<b>688.34</b>
<b>Current liabilities</b>			
Trade payables & Other Liabilities	4	<b>690.20</b>	984.94
<b>TOTAL</b>		<b>1380.38</b>	<b>1673.28</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets - Tangible Assets	5	0.69	1.01
Non-current investments	6	754.62	737.52
Long-term loans and advances	7	26.57	21.21
Deferred tax Assets(Net)	21	0.24	0.20
		<b>782.12</b>	<b>759.94</b>
<b>Current assets</b>			
Inventories	8	115.50	115.50
Cash and cash equivalents	9	0.22	0.66
Short-term loans and advances	10	482.54	797.18
		<b>598.26</b>	<b>913.34</b>
<b>TOTAL</b>		<b>1380.38</b>	<b>1673.28</b>
<b>Significant Accounting Policies</b>	1		
<b>The accompanying notes are an integral part of the financial statements</b>			

As per our Report of even date

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**For and on behalf of the Board**

Sd/-  
**Sukhminder Singh**  
Partner  
Membership Number 93100

Sd/-  
(R.K. Singhania)  
**Managing Director**  
DIN – 00077540

Sd/-  
(Harjeet Singh Arora)  
**Director**  
DIN – 00063176

Place: Ludhiana  
Date: 30.05.2016

Sd/-  
(Sukhbir Singh)  
**Chief Financial Officer**

Sd/-  
(Sharon Arora)  
**Company Secretary**





**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

Rs. In Lacs

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>INCOME</b>			
Revenue from operations	11	59.84	29.57
<b>Total Revenue</b>		59.84	29.57
<b>Expenses</b>			
Employee benefits expense	12	5.24	3.35
Finance costs	13	42.86	8.16
Depreciation and Impairment Loss	-	0.32	1.47
Other expenses	14	9.19	9.31
<b>Total Expenses</b>		57.61	22.29
<b>Profit before tax</b>		2.23	7.28
<b>Tax expense:</b>			
Current tax expense for current year		0.43	0.95
Deferred tax		-0.04	-0.33
<b>Profit for the year</b>		1.84	6.66
Earnings per equity share of face value Rs. 10 each		0.02	0.08
Basic and Diluted (in Rs.)			
Weighted average number of shares outstanding		7900000	7900000
<b>Significant Accounting Policies</b>	1		
<b>The accompanying note are an integral part of the Financial Statements</b>			

As per our Report of even date

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**For and on behalf of the Board**

Sd/-  
**Sukhminder Singh**  
Partner  
Membership Number 93100

Sd/-  
(R.K. Singhania)  
**Managing Director**  
DIN – 00077540

Sd/-  
(Harjeet Singh Arora)  
**Director**  
DIN – 00063176

Place: Ludhiana  
Date: 30.05.2016

Sd/-  
(Sukhbir Singh)  
**Chief Financial Officer**

Sd/-  
(Sharon Arora)  
**Company Secretary**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

**Rs. In Lacs**

Particulars	For the year ended 31 <sup>st</sup> March, 2016		For the year ended 31 <sup>st</sup> March, 2015	
<b>A. Cash flow from operating activities</b>				
Net Profit/Loss before tax and extraordinary items		2.23		7.28
<i>Adjustments for:</i>				
Depreciation and Loss on Sale of Fixed Assets	0.32		1.47	
Provision for Diminution in Value of Investment	-		375.20	
Reversal of Revaluation Reserves	-		(69.77)	
Interest Paid	42.86		8.15	
		43.18		315.05
Operating profit before working capital changes		45.41		322.33
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Short-term loans and advances	314.64		(201.25)	
Long-term loans and advances	(5.36)		(1.75)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(294.74)		(325.99)	
		14.54		(528.99)
Operating profit before extraordinary items		59.95		(206.66)
Cash flow from extraordinary items		-		-
Cash generated from operations		59.95		(206.66)
Net income tax (paid)		(0.43)		(0.95)
<b>Net cash flow (use in) operating activities (A)</b>		59.52		(207.61)
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets		-		(0.02)
Sale of fixed assets		-		96.76
Purchase of Investment		(17.10)		
Sale of Investment				115.08
<b>Net cash flow from (used in) investing activities (B)</b>		(17.10)		211.82
<b>C. Cash flow from Financing activities</b>				
Interest Paid		(42.86)		(8.15)
<b>Net cash flow (use in) financial activities</b>				
Net Increase/(decrease) in Cash and cash equivalents (A+B+C)		(0.44)		(3.94)
Cash and cash equivalents at the beginning of the year		0.66		4.60
Cash and cash equivalents at the end of the year		0.22		0.66

As per our Report of even date

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**For and on behalf of the Board**

Sd/-  
**Sukhminder Singh**  
Partner  
Membership Number 93100

Sd/-  
(R.K. Singhania)  
**Managing Director**  
DIN – 00077540

Sd/-  
(Harjeet Singh Arora)  
**Director**  
DIN – 00063176

Place: Ludhiana  
Date: 30.05.2016

Sd/-  
(Sukhbir Singh)  
**Chief Financial Officer**

Sd/-  
(Sharon Arora)  
**Company Secretary**



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES

<b>A</b>	<b>Basis of Preparation of Financial Statements</b> The financial statements are prepared on historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) and applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of Companies Act, 1956 and on the basis of going concern.
<b>B</b>	<b>Fixed Assets</b> I) Fixed assets are stated at cost of acquisition including taxes, duties and other direct and indirect expenses incidental to acquisition and installation / construction. II) The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indications of impairment thereof, based on external/internal factors. Impairment loss has been recognised and charged to Statement of profit & loss. III) Depreciation on fixed assets is provided on straight line method in the manner and at the rates specified in schedule II of the Companies Act, 2013.
<b>C</b>	<b>Depreciation and Amortisation</b> Depreciation on fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.
<b>D</b>	<b>Impairment of Assets</b> The company is making an assessment whether any indication exists that an asset has been impaired at the end of the year. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.
<b>E</b>	<b>Investments</b> Long term investments are valued at cost unless there is a decline in value other than temporary. Current investments are stated at lower of Cost or Fair Value.
<b>F</b>	<b>Inventories</b> Inventories are valued at the lower of cost and the net realisable value.
<b>G</b>	<b>Revenue Recognition</b> The company follows the mercantile system of accounting and recognised profit or loss on that basis.
<b>H</b>	<b>Employee Benefits</b> The Company has provided the provision for the gratuity and charges to revenue. Provident / Pension Fund are not applicable.
<b>I</b>	<b>Borrowing Costs</b> Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
<b>J</b>	<b>Taxes on income</b> Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.
<b>K</b>	<b>Provisions and contingencies</b> Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements. A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.



**Note 2 Share Capital**

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount (in Lacs)	Number of shares	Amount (in Lacs)
<b>Authorised</b> Equity shares of Rs.10 each	8,000,000	800.00	8,000,000	800
<b>Issued</b> Equity shares of Rs.10 each	7,900,000	790.00	7,900,000	790.00
<b>Subscribed and fully paid up</b> Equity shares of Rs.10 each	7,826,700	782.67	7,826,700	782.67
<b>Subscribed but not fully paid up</b> Equity shares of Rs.10 each	73,300	3.67	73,300	3.67
<b>Total</b>	<b>7,900,000</b>	<b>786.34</b>	<b>7,900,000.00</b>	<b>786.34</b>

2.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

2.2 Calls unpaid by others Rs. 3.66 Lacs (As at 31 March, 2015 Rs. 3.66 Lacs)

2.3 The details of shareholders holding more than 5% shares:

Name of the shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held (in Lacs)	% of holding	Number of shares held (in Lacs)	% of holding
Master Trust Ltd	569,800	7.21	569,800	7.21
Master Capital Services Ltd	1,145,000	14.49	1,145,000	14.49
Saintco India (P) Ltd	500,000	6.33	500,000	6.33
G.S. Auto Leasing Ltd	407,900	5.16	407,900	5.16
Shambuka Agro Pvt Ltd	414,000	5.24	414,000	5.24
Shivalik Securities Ltd	657,243	8.32	658,193	8.32
Punjab State Industrial Development Corporation Ltd	885,000	11.20	885,000	11.20

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount (in Lacs)	Number of shares	Amount (in Lacs)
Equity Shares at the beginning of the year	7,900,000	786.34	7,900,000	786.34
<b>Equity Shares at the end of the year</b>	<b>7,900,000</b>	<b>786.34</b>	<b>7,900,000</b>	<b>786.34</b>



**Note 3 Reserve and Surplus**

Rs.in Lacs

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>a) Capital Reserve</b>		
As per last Balance Sheet	92.50	92.50
<b>b) Profit and Loss Account</b>		
As per last Balance Sheet	(190.50)	(572.36)
Add: Profit/(Loss) for the year	1.84	6.66
Provision for Diminution In Investments	-	375.20
Closing balance	(188.66)	(190.50)
<b>Total</b>	<b>(96.16)</b>	<b>(98.00)</b>

**Note 4 Trade Payable & Other Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Advances for business	374.50	374.50
Other Liabilities	315.70	610.44
<b>Total</b>	<b>690.20</b>	<b>984.94</b>

**Note 5 Fixed Assets**

Rs.in Lacs

Particulars	Gross block				Accumulated depreciation			Net block	
	Balance as at 1 <sup>st</sup> April, 2015	Additions	Disposals / Adjustment	Balance as at 31 <sup>st</sup> March, 2016	Balance as at 1 <sup>st</sup> April, 2015	Depreciation expense for the year	Balance as at 31 <sup>st</sup> March, 2016	Balance as at 31 <sup>st</sup> March, 2016	Balance as at 31 <sup>st</sup> March, 2015
Furniture & Fitting	7.22	-	-	7.22	6.65	0.14	6.79	0.43	0.57
Vehicle	41.51	-	-	41.51	41.51	-	41.51	-	-
Office Equipments	16.61	-	-	16.61	16.54	0.05	16.59	0.02	0.07
Computer	0.67	-	-	0.67	0.30	0.13	0.43	0.24	0.37
<b>Total</b>	<b>66.01</b>	<b>-</b>	<b>-</b>	<b>66.01</b>	<b>65.00</b>	<b>0.32</b>	<b>65.32</b>	<b>0.69</b>	<b>1.01</b>
<b>Previous year</b>	<b>162.74</b>	<b>0.03</b>	<b>96.76</b>	<b>66.01</b>	<b>63.53</b>	<b>1.47</b>	<b>65.00</b>	<b>1.01</b>	<b>-</b>



**Note 6 Non-current Investments**

Rs.in Lacs

Particulars	As at 31 <sup>st</sup> March 2016			As at 31 <sup>st</sup> March 2015		
	Quoted *	Unquoted	Total	Quoted *	Unquoted	Total
<b>Investments (At cost):</b>						
<b>Investment in equity instruments</b>						
of associates						
593598 (as at 31 <sup>st</sup> March 2015: 593598) Equity shares of Rs.10 each fully paid up in Master Trust Ltd.	266.00	-	266.00	266.00	-	266.00
<b>of other entities</b>						
40000 (As at 31 <sup>st</sup> March 2015: 40000) Equity shares Rs.10 each in SEL Manufacturing Ltd	28.00	-	28.00	28.00	-	28.00
178000 (As at 31 <sup>st</sup> March 2015: 178000) Equity shares of Rs.10 each in Eminent Buildwell P Ltd	-	83.66	83.66	-	83.66	83.66
			<b>377.66</b>			<b>377.66</b>
12 (As at 31 <sup>st</sup> March 2015: NIL) Deep Discount Bonds of Rs. 10,000/- each of Master Capital Service Ltd	-	17.10	17.10	-	-	-
<b>Investments in Land</b>		386.66	386.66	-	386.66	386.66
Total	-	-	781.42	-	-	764.32
Less: Provision for diminution in value of investments	(26.80)	-	(26.80)	(26.80)	-	(26.80)
<b>Total</b>	<b>267.20</b>	<b>487.42</b>	<b>754.62</b>	<b>267.20</b>	<b>470.32</b>	<b>737.52</b>

\* Market value of quoted shares is Rs. 241.10 Lacs (previous year Rs. 156.32 Lacs)

**Note 7 Long-term loans and Advances**

Rs.in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Prepaid taxes (net of provision for tax)	25.29	19.93
Security Deposit	1.28	1.28
<b>Total</b>	<b>26.57</b>	<b>21.21</b>



**Note 8 Inventories**

Rs.in Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Stock-in-trade (Land acquired for trading & share)	115.50	115.50
<b>Total</b>	<b>115.50</b>	<b>115.50</b>

**Note 9 Cash and cash Equivalents**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Cash in hand	0.08	0.08
Balances with banks In current accounts	0.14	0.58
<b>Total</b>	<b>0.22</b>	<b>0.66</b>

**Note 10 Short-term loans and Advances**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Advance Recoverable in Cash or in Kind or for Value to be received Unsecured, considered good	482.54	797.18
<b>Total</b>	<b>482.54</b>	<b>797.18</b>



**Note 11 Revenue from operations**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Income from Sale Purchase of Securities/Land/Others	1.52	(3.34)
Interest Income	58.22	26.97
Other Income	0.10	5.94
<b>Total</b>	<b>59.84</b>	<b>29.57</b>

**Note 12 Employee benefits expenses**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Salary, Wages, Other Allowances & Gratuity (Including Directors Remuneration Rs. 2.40 Lacs Previous Year Rs. 2.40 Lacs)	5.24	2.40
Staff Welfare Exp	-	0.95
<b>Total</b>	<b>5.24</b>	<b>3.35</b>

**Note 13 Finance costs**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Interest expense on: Borrowings	42.84	8.15
Other borrowing costs - Bank Charges	0.02	0.01
<b>Total</b>	<b>42.86</b>	<b>8.16</b>

**Note 14 Other expenses**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Printing & Stationery	0.44	0.41
Travelling & Conveyance	0.08	0.22
Legal & Professional Charges	0.46	1.06
Postage & Telegram, Telephone & Telex	1.16	1.24
Insurance Charges	0.02	0.09
Vehicle Maintenance	-	0.03
Other General Exp	6.91	6.14
Payment to Auditors		
As auditors - statutory audit	0.10	0.10
For taxation matters	0.02	0.02
<b>Total</b>	<b>9.19</b>	<b>9.31</b>





**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**15 Contingent liabilities**

- (a) Balance of Sundry Debtors, creditors, loans & advances are subject to confirmation and reconciliation if any
- (b) The Company has filed legal cases against debtors/advances of Rs. 40.58 lacs (previous year 23.12 lacs) for recovery of outstanding amounts. No provision has been considered necessary for the cases filed, since in the opinion of management these debts are recoverable.
- (c) The Company has other small litigations with the clients, which have arisen in ordinary course of business. The company has reviewed the impact of all such litigation on Financial Position. In view of the management and the legal advice sought, no provision is required to be made in case of litigation against/by the company. Therefore, provision for the same has not been provided in books of accounts.

16 In the opinion of the Board, all the current assets, Loans & advances having the value on realization in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.

17 Income from Sales, Purchase of securities, Land, Others include, Income from Investment in Land Rs. Nil (Previous Year Rs.103.11Lacs), Misc Income Rs Nil (Previous Year Rs 0.60 Lacs), Profit/(loss) on Securities Shares/Derivatives Trading Rs.1.52 Lacs (Previous Year (Rs. 3.44) Lacs), Profit/(loss) on Investment in Securities Rs. Nil (Previous Year (Rs.103.61 Lacs)).

18 Detail of investments covered under the provision of Section 186 of the Act, are given in the Note No. 6 to the Financial Statement.

19 The company is primarily engaged in Real Estate and allied activities and there are no separate reportable segments as per Accounting Standard (AS) 17 on "Segment Reporting".

**20 Related party transactions**

As required by AS-18, Related Party Disclosures, are given below:

	<b>Associates / Enterprises owned or significantly influenced by the key Management Persons or their Relatives</b>	<b>Key Management Personnel and their Relatives</b>
	Master Trust Ltd. Master Capital Service Ltd. Master Commodity Services Ltd. Master Share & Stock Brokers Ltd. Eminent Buildwel Pvt. Ltd. H.K. Arora Real Estates Services Ltd. Prime Agro Farms Pvt. Ltd. Big Build Real Estate Pvt. Ltd. Amni Real Estate Pvt. Ltd. Matria Estate Developers Pvt. Ltd. Mtl Capital Consultants Pvt. Ltd. Sainoo India (P) Ltd. Singhania Properties Crescent Investments Blue Circle Investments Sanawar Investments & Partner Ship Firms	Mr. R.K. Singhania Mr. Harjeet Singh Arora Mrs. Parveen Singhania Mr. Ashwani Kumar Mr. Darshanjit Singh Manocha Mr. Rajive Kalra Mr. Puneet Singhania Mr. Chirag Singhania Mrs. Rohila Singhania Mrs. Harnesh Kaur Arora Mr. Jashanjyot Singh Mrs. Palka A Chopra Mrs. Harinder Kaur Manocha



**Transactions with related parties**

Transaction with related parties				Rs. in Lacs
	Associates	KMP	Relatives of KMP	Total
Interest Paid	41.35	-	-	41.34
	(3.40)	-	-	(3.40)
Brokerage/Commision Paid	-	-	-	-
	(0.38)	-	-	(0.38)
Remuneration	-	2.60	-	2.60
	-	(2.40)	-	(2.40)
<u>Balances outstanding at the end of the year</u>				
Loan & Advances taken	20.29	-	-	20.29
	(32.22)	-	-	(32.22)
Other Trade payables	78.04	-	-	78.04
	(78.04)	-	-	(78.04)

**21 Deferred Tax (liability)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Tax effect of items constituting deferred tax liability on difference between book balance and tax balance of fixed assets	0.24	0.20
Net deferred tax (liability)	0.24	0.20

- 22 Disclosures relating to amount unpaid at the year end and together with interest required under Micro, Small and Medium Enterprises Development Act 2006 have been given to the extent company has received the information from supplier's regarding the status under such act.
- 23 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date

**For Sukhminder Singh & Co.**  
Chartered Accountants  
FRN 016737N

**For and on behalf of the Board**

Sd/-  
**Sukhminder Singh**  
Partner  
Membership Number 93100

Sd/-  
(R.K. Singhania)  
**Managing Director**  
DIN – 00077540

Sd/-  
(Harjeet Singh Arora)  
**Director**  
DIN – 00063176

Place: Ludhiana  
Date: 30.05.2016

Sd/-  
(Sukhbir Singh)  
**Chief Financial Officer**

Sd/-  
(Sharon Arora)  
**Company Secretary**

**BOOK POST**  
(PRINTED MATTER)

*If undelivered please return to :*

**PRIME INDUSTRIES LTD.**

Regd. Office: Master Chambers  
SCO 19, Feroze Gandhi Market,  
Ludhiana. (PUNJAB)



**PRIME INDUSTRIES LIMITED**

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime\_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

**NOTICE**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Friday, the 30<sup>th</sup> day of September, 2016 at 12.00 Noon at the Registered Office of the Company, situated at S.C.O-19, 3<sup>rd</sup> Floor, Master Chambers, Feroze Gandhi Market, Ludhiana, Punjab-141002, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and Profit & Loss Account for the period ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rajinder Kumar Singhania (DIN: 00077540), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company for the Financial Year 2016-17.

**SPECIAL BUSINESS:**

4. Re-appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), as the Managing Director of the Company, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 approval of the members, be and is hereby accorded for the appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), as the Managing Director of the Company for a period of three years with effect from 01<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2019 on the terms and conditions of appointment and remuneration as agreed between Mr. Rajinder Kumar Singhania and the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file the necessary returns with the Registrar of Companies and to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution without again referring the same to the General Meeting.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Mr. Rajinder Kumar Singhania, the remuneration by way of salary, perquisites, commission or any other allowances as specified above and in accordance with the limits specified under the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.”



5. Approval of Related Party Transactions to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and of the Rules made thereunder (including any statutory modifications, or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby given to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties (as per details mentioned in the Statement annexed to the notice) for availing and/or rendering of any services.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and to do all acts, deeds, matters and things that may be necessary, proper or expedient thereto for the purpose of giving effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging on such terms and conditions and at such time or times, and in such form and manner, as it may think fit, the whole or substantially the whole of the Company's any one or more of the undertakings or all the undertakings, including the present, and/or future properties, whether moveables or immoveables in favour of the financial institutions/banks/any other investing agencies/trustees for the holders of the debentures/ bonds/other instruments issued/to be issued and loans raised/to be raised by the Company from financial institutions/ banks/any other investing agencies or any other person(s)/ bodies corporate upon the terms and conditions as may be decided by the Board of Directors of the Company, to secure loans, debentures, bonds, working capital facilities, or other instruments, in any currency, in accordance with the relevant statutory provisions and guidelines issued in that behalf on private placement basis or otherwise, as the case may be, of an aggregate value not exceeding the overall borrowing limits fixed pursuant to Section 180(1)(c) of the Companies Act, 2013, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company to the aforesaid financial institutions/banks/other parties or any of them under the respective agreements/documents entered into/to be entered into by the Company in respect of the said loans/debentures/ bonds or other instruments.

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank pari passu with the mortgages and/or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board of Directors and as may be agreed to by and between the concerned parties.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to finalise with the aforesaid parties or any of them and execute any and all agreements and documents, necessary for creating mortgages and/or charges as aforesaid and accepting or making any alterations, changes, variations to or in the terms and conditions and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing this resolution and to resolve any question or doubt relating thereto, or otherwise considered by the Board of Directors to be in the best interest of the Company.”

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:



**“RESOLVED THAT** pursuant to the provisions of section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as “the board” which term shall be deemed to include any committee thereof), to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) by a sum not exceeding Rs. 500 crores, and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit.

**RESOLVED FURTHER THAT** the board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 186 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force, the Board of Directors of the Company be and is hereby authorized to give loan(s) any guarantee(s) provide any security(ies) in connection with loan(s) made and invest the funds of the company, in their absolute discretion as deemed beneficial and in the interest of the Company, upto an amount of Rs. 500 Crores.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any director or Company Secretary be and are hereby authorized to take from time to time, all decisions and such steps as may be necessary for giving effect to the above resolution and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem fit, necessary or appropriate.”

Place: Ludhiana  
Date: 13.08.2016

By order of the Board  
For Prime Industries Limited

Regd. Office : Master Chambers, 19,  
Feroze Gandhi Market,  
Ludhiana - 141001, Punjab

Sd/-  
(R.K. Singhanian)  
Managing Director  
DIN - 00077540

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of



members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under item 4 to 8 to be transacted at the Meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from, September 26, 2016 to September 30, 2016 (both days inclusive) for the purpose of Annual General Meeting.
4. Since the Company's shares are in compulsory demat trading, to ensure better services and elimination of risk of holding shares in physical form, we request our shareholders holding shares in physical form to dematerialize their shares at the earliest.
5. Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of the meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days during office hours upto the date of the Annual General Meeting.
7. Nomination facility is available to the members in respect of shares held by them. Members holding Shares in physical form may obtain the nomination forms from the Company's Registrar and Share Transfer Agent. Members holding Shares in electronic form may obtain the nomination form from their respective Depository Participants.
8. Electronic copy of the notice along with the Annual Report is being sent to all members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not been registered their email address, physical copies of the Annual Report are being sent to them.
9. Voting through electronic means:
  - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the amended Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).
  - b) A member may exercise his vote by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended.
  - c) During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date 23.09.2016, may opt for remote e-voting. The e-voting module shall be disabled by CDSL for voting thereafter.
  - d) The e-voting period commences at 9:30 a.m. on Tuesday, 27<sup>th</sup> September, 2016 and ends at 5:00 p.m. on Thursday, 29<sup>th</sup> September, 2016. The e-voting module shall be disabled by CDSL for voting thereafter.
  - e) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
  - f) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on



the cut-off date for the purpose of E-voting i.e. Friday, 23<sup>rd</sup> September, 2016.

- g) The Board of Directors at its meeting held on 13.08.2016 has appointed Mr. Rajeev Bhambri, Practicing Company Secretary (M. No. FCS 4327) as the scrutinizer to scrutinize the e-voting process (including the Ballot forms received from members not having access to E-voting process) in a fair and transparent manner.
- h) Instructions for e-voting:
- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (ii) Click on “Shareholders” tab.
  - (iii) Select the “Prime Industries Limited” from the drop down menu and click on submit
  - (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. Next enter the Verification Code as displayed and Click on Login.
  - (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 casted your vote earlier for any company/entity, then your existing password is to be used.
  - (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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. Eg. If your name is BALWANT SINGH with sequence number 1 then enter BA0000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. In case both the details are not recorded with the depository and company please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the EVSN 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 for 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 – 160816053 for Prime Industries 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 you have decided to vote on, 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 same password then enter the User ID and the image verification code and click on Forgot Password & 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 and NRI etc.) and custodian are required to log on to <https://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 a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on and cast their 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.
- (xviii) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xix) Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, there will not be voting by show of hands on any of the agenda items at the Meeting and poll will be conducted in lieu thereof.

Note: Any person, who acquires shares of the Company and becomes a Member of the Company after



dispatch of the Notice and holds shares as on the cut-off date i.e. 23rd September, 2016 may follow the same instructions as mentioned above for e-Voting.

10. Members who do not have access to e-voting facility.

Those members who do not have access to the E-voting Facility may send duly completed Ballot Form (enclosed with the Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Rajeev Bhambri, Practicing Company Secretary (M.No. FCS 4327) at SCO No. 9, Jandu Tower, Miller Ganj, Ludhiana, Punjab - 141003 not later than 29<sup>th</sup> September, 2016 (5.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

11. Members are requested to carefully read the instructions and in case of any queries, you may refer to the Q & A on e-Voting for Members and User Manual for Shareholders to cast their votes available in the help section of [www.evotingindia.com](http://www.evotingindia.com).
12. The facility for voting, through ballot paper shall also be made available at the venue of the 24<sup>th</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
13. The Scrutinizer, appointed by the Board of Directors to scrutinize the e-voting process in a fair and transparent manner, shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- a) The Results shall be declared on the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.primeindustrieslimited.com](http://www.primeindustrieslimited.com) and [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared by the chairman. The results shall also forwarded to the concerned stock exchange where its equity shares are listed.
14. Pursuant to Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company is allowed to send the Notice of General Meetings through electronic mode to their Members. The Members are requested to support this initiative of paperless compliance by registering/ updating their e-mail addresses with :
- Depository Participant (in case of shares held in dematerialised form) or
  - Registrar & Transfer Agent- Skyline Financial Services (P) Ltd, New Delhi by sending an E-mail to [admin@skylinerta.com](mailto:admin@skylinerta.com) or with the Company at [prime\\_indust@yahoo.com](mailto:prime_indust@yahoo.com) (in case of shares held in physical form).
15. The Notice & Annual Report of the Company circulated to the members, will also be made available on the Company's website at [www.primeindustrieslimited.com](http://www.primeindustrieslimited.com)
16. Information required to be provided under the SEBI (LODR) Regulations, 2015 , regarding the Directors who are proposed to be appointed/ re-appointed is as below:-

<b>Name of the Director</b>	<b>Rajinder Kumar Singhania</b>
<b>Age (years)</b>	62 years



<b>Qualification</b>	FCA
<b>Expertise</b>	Wide experience of more than 35 years working in the field of Corporate Strategy, Tax Planning, Financial Engineering and M&A space.
<b>Directorship held in other Companies</b>	<ol style="list-style-type: none"><li>1. Master Share &amp; Stock Brokers Ltd.</li><li>2. Master Trust Limited</li><li>3. Arora Financial services Limited</li><li>4. Master Projects Private Limited</li><li>5. Master Commodity Services Limited</li><li>6. Master Capital services Limited</li><li>7. Master Insurance Brokers Limited</li><li>8. Master Portfolio Services Limited</li><li>9. Master Infrastructure &amp; Real Estate Developers Ltd.</li><li>10. H.K. Arora Real Estate Services Limited</li><li>11. Eminent Buildwell Private Limited</li><li>12. Prime Agro Farms Private Limited</li><li>13. Bigbuild Real Estate Private Limited</li><li>14. Gold Touch Agri Private Limited</li><li>15. Mansfield Estate Developers Private Limited (MTL Capital Consultants (p) LTD.)</li><li>16. Matria Estate Developers Private Limited</li></ol>
<b>Chairmanships / Memberships of Committees of other public companies</b>	<ol style="list-style-type: none"><li>1. Prime Industries Limited - Nomination &amp; Remuneration Committee</li><li>2. Master Capital Services Limited - Corporate Social Responsibility Committee</li></ol>
<b>Shares held in the Company</b>	12902
<b>Relationship with other Director(s)</b>	Mr. Parveen Singhania is the spouse of Mrs. Rajinder Kumar Singhania. No other Director is related to Mr. Hajeet Singh Arora



**EXPLANATORY STATEMENT TO THE NOTICE**

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the businesses under Item No. 4 to 8 accompanying the Notice dated 13.08.2016.

**Item No.4**

The Remuneration committee and the Board of Directors of the Company in their respective meetings held on 13.08.2016, subject to the approval of the Members at the forthcoming Annual General Meeting, recommend to re-appoint Mr. Rajinder Kumar Singhania as the Managing Director of the Company for a further period of three years commencing from 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2019 on such terms and conditions, as set out in the draft Agreement to be entered into between the Company & Mr. Rajinder Kumar Singhania.

The draft of fresh agreement to be entered between the Company and Mr. Rajinder Kumar Singhania contain the following principal terms and conditions:

Mr. Rajinder Kumar Singhania is to be re-appointed for a further period of 3 (three) years commencing from 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2019 as Managing Director of the Company and he shall devote whole of his time and attention to his services as Managing Director of the Company and shall under the superintendence, control and direction of the Board, perform the duties and exercise the powers as may be entrusted to confer upon by the Board.

**Brief Resume of Mr. Rajinder Kumar Singhania**

Date of Birth	15.07.1954
Date of Appointment	01.08.1998
Qualification	FCA
Directorship of other Companies	<ol style="list-style-type: none"> <li>1. Master Trust Limited</li> <li>2. Master Share &amp; Stock Brokers Limited</li> <li>3. Arora Financial Services Limited</li> <li>4. Master Projects Private Limited</li> <li>5. Master Commodity Services Limited</li> <li>6. Master Capital Services Limited</li> <li>7. Master Insurance Brokers Limited</li> <li>8. Master Portfolio Services Limited</li> <li>9. Master Infrastructure &amp; Real Estate Developers Limited</li> <li>10. H.K. Arora Real Estate Services Limited</li> <li>11. Eminent Buildwell Private Limited</li> <li>12. Prime Agro Farms Private Limited</li> <li>13. Bigbuild Real Estate Private Limited</li> <li>14. Gold Touch Agri Private Limited</li> <li>15. MTL Capital Consultants Private Limited</li> <li>16. Matia Estate Developers Private Limited</li> </ol>
Member of other Committees	<ol style="list-style-type: none"> <li>1. Prime Industries Limited - Nomination &amp; Remuneration Committee</li> <li>2. Master Capital Services Limited - Corporate Social Responsibility Committee</li> </ol>
No. of Shares held in the Company	12902

In consideration of his services as Managing Director, Rajinder Kumar Singhania shall receive the remuneration in the following manner:

- (i) Salary : At the rate of Rs.20,000/- (Rupees Twenty Thousand) per month or such higher sum as may from time to time be determined by the Remuneration Committee/Board.



- (ii) Perquisites : Such perquisites and allowances as or may from time to time be allowed to Senior Executives of the Company or as may from time to time be determined by the Remuneration Committee/Board.

Provided that if in any financial year during his term of appointment hereunder, the Company has no profit or its profits are inadequate, he shall for that year be entitled to the above remuneration or such lower remuneration as may from time to time be determined and decided by Remuneration Committee/Board depending upon the effective capital of the Company for the time being, as per Explanation I to Section IV to Part II of Schedule V of the Act or any statutory modification or amendments thereof.

Provided further that the following perquisites shall not be included in the computation of the ceiling on remuneration in any financial year if the Company has no profit or its profits are inadequate in that financial year-

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-Tax act, 1961,
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
  - c. Encashment of leave at the end of the tenure.
- (iii) In addition to the above, he shall not be entitled to any sitting fees for any Board/Committee meeting. Notwithstanding anything herein contained, either party shall be entitled to determine his appointment by giving three months' notice in writing in that behalf to the other party and on the expiry of the period of such notice, his appointment shall stand terminated. The Company shall also be entitled to terminate his appointment on giving him three month's salary as specified above.

The re-appointment and remuneration of Mr. Rajinder Kumar Singhania, Managing Director of the Company requires the approval of the Members of the Company in general meeting in terms of Para A of Section II to Part II of Schedule V to the Act.

Mr. Rajinder Kumar Singhania, being the appointee and Mrs. Parveen Singhania his wife being the Director of the Company are concerned or interested in this resolution. None of the other Directors/ Key Managerial Personnel (KMP) of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:-

1. General Information – Given hereinabove.

Specific Information:-

1.	Nature of Industry	Engaged in real estate activities
2.	Date or expected date of Commercial Production	N.A. since the Company has already commenced its business activities
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.



4. Financial Performance:-

(Rs. in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2016 (audited)	For the year ended 31 <sup>st</sup> March, 2015 (audited)	For the year ended 31 <sup>st</sup> March, 2014 (audited)	For the year ended 31 <sup>st</sup> March, 2013 (audited)
Total income	59.84	29.57	16.02	48.00
Profit before tax	2.23	7.27	(0.47)	(2.50)
Profit after tax	1.84	6.66	(0.74)	(1.40)

5. Foreign Investments or collaborations, if any – There is no direct foreign investment in the company. There is no foreign collaboration in the company.

II. Information about the Appointee

1.	Background Details	Mr. Rajinder Kumar Singhania is well known personality in the corporate circles. He is the Managing Director of the Company. He is one of the promoters and has rich experience.
2.	Past Remuneration	Rs. 20,000/- per month
3.	Recognition and Awards	---
4.	Job Profile and his suitability	He is the promoter director of the Company. He has over 10 years of experience as Director (Finance) with a top corporate and more than 35 years of experience in Corporate Strategy, Tax Planning, Financial Engineering and M&A space.
5.	Remuneration Proposed	Rs. 20,000/- per month
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Parveen Singhania is the spouse of Mrs. Rajinder Kumar Singhania. No other Director is related to Mr. Rajinder Kumar Singhania.
7.	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	The proposed remuneration is comparable and competitive, considering the industry, size of the company, the managerial position and the credentials of the Chairperson.

II. Other Information:

- (1) Reasons of loss or inadequate profits: Due to sluggishness in the demand of real estate activities there has been fall in the profits of the Company. The losses are not significant in the long run.
- (2) Steps taken or proposed to be taken for improvement: Resource optimization at all levels.
- (3) Expected increase in productivity and profits in measurable terms: The industry is dependent on the market forces and therefore the profitability shall improve once the demand picks up.

**Item No. 5**

Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 dated 14.08.14 requires the approval of the members by way of a prior Special resolution for specified transactions beyond threshold limits with Related Parties.

Further, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes that all material



related party transactions to require approval of the shareholders through special resolution. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a transaction with a related party to be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover the company as per the last audited financial statements of the company.

Your Company from time to time renders and avails various services which may also include credit facilities from/to such Related Parties. Since, the transaction value for such services may exceed the prescribed threshold limits as prescribed under Sec 188 of the Act and the Rules made thereunder, therefore, as a matter of abundant precaution, the proposal is being put before the members of the Company for their approval.

The disclosures required to be provided under the provisions of the Companies Act, 2013 read with as amended Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below for perusal of the members.

**Subsidiaries/Wholly Owned Subsidiaries**

Sr. No.	Name of the related party	Name of the director or key managerial personnel who is related, if any.	Nature of relationship
1.	Master Capital Services Limited.	None of the Directors or Key managerial personnel is related except to the extent of their directorship in Master Capital Services Limited.	Directors of the Company are Directors in Master Capital Services Limited
2.	Master Commodity Services Limited	None of the Directors or Key managerial personnel is related except to the extent of their directorship in Master Commodity Services Limited.	Directors of the Company are Directors in Master Commodity Services Limited
3.	Master Infrastructure and Real Estate Developers Limited	None of the Directors or Key managerial personnel is related except to the extent of their directorship in Master Infrastructure & Real Estate Developers Limited.	Directors of the Company are Directors in Master Infrastructure and Real Estate Developers Ltd.
4.	Master Trust Limited	Mr. Harjeet Singh Arora and Mr. Rajinder Kumar Singhanian hold shares in Master Trust Limited.	Directors of the Company are Directors and Shareholders in Master Trust Ltd.
5.	Bigbuild Real Estate Private Ltd.	Mr. Harjeet Singh Arora and Mr. Rajinder Kumar Singhanian are directors and shareholders in Bigbuild Real Estate Private Ltd.	Directors of the Company are Directors and Shareholders in Bigbuild Real Estate Private Ltd.

	Nature, material terms, monetary value particulars of the contract or arrangement.	As may be decided by the Board of Directors at relevant time.
	Any other information relevant or important for the members to take a decision on the proposed resolution	Nil

**Item No. 6**

Pursuant to provisions of Section 180 (1)(a) of the Companies Act, 2013, the sale, lease or otherwise disposal of the whole or the substantially the whole of the undertaking of the company requires the approval of the members by way of a Special Resolution. The increasing business operations of the Company necessitate use of the borrowing limits by the Board of Directors upto the extent of the existing borrowing limit of Rs. 500 Crore over and above the paid-up capital and free reserves of the Company. For such borrowings, the Board is required to



create charge on/mortgage the properties of the company to secure the borrowings. Further, creating charge/ mortgage on the property of the Company is deemed covered by the provisions of Section 180(1)(a) of Companies Act, 2013. As per Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management And administration Rules, 2014), consent of the members under Section 180(1)(a) of the Companies Act, 2013 is required to be obtained. Hence, your Directors recommend the aforesaid Resolution in Item No. 6 of the accompanying Notice for the approval of the Members of the Company by way of a Special Resolution.

None of the Directors / Key Managerial Personnel and their relatives who are members of the Company, is directly or indirectly, concerned or interested in this resolution except to the extent of their respective shareholding in the company.

#### **Item No. 7**

Under section 180(1)(c) of the Companies Act, 2013 (the Act), sanction of the company is required for enabling the board of directors to borrow money in excess of paid-up share capital and free reserves of the company by way of a special resolution. Under section 180 of the Act, the above powers of the board are required to be exercised only with the consent of the company by a special resolution. As per Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management And administration Rules, 2014), consent of the members under Section 180(1)(a) of the Companies Act, 2013 is required to be obtained. Hence, the resolution as set out in item no. 7 is being sought, by way of a special resolution, pursuant to section 180(1)(c) of the Act seeking approval of the shareholders to authorise the directors to borrow in excess of the aggregate of the paid-up capital and free reserves up to a sum not exceeding Rs. 500 crores.

The board recommends the resolution under Item No. 7 for approval of the members. None of the directors, key managerial personnel and their relatives is concerned or interested in the resolution set forth in Item no. 7 of the notice.

#### **Item No. 8**

Pursuant to the provisions of Section 186 of the Companies Act, 2013 company is required to obtain approval of shareholders by passing a special resolution in general meeting in case it proposes to make investment(s) or give loan(s), guarantee(s) or provide security(ies) upto an amount of Rs. 500 Crores. In view of better utilization of funds available with the company it is proposed to pass enabling resolution authorizing board of directors of the company to make investment(s) or give loan(s), guarantee(s) or provide security(ies) upto the limits as mentioned in proposed resolution.

None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution

**Place: Ludhiana  
Date: 13.08.2016**

**By order of the Board  
For Prime Industries Limited**

**Regd. Office : Master Chambers, 19,  
Feroze Gandhi Market,  
Ludhiana - 141001, Punjab**

**Sd/-  
(R.K. Singhanian)  
Managing Director  
DIN - 00077540**





**Route map for reaching Prime Industries Limited from Bhai Bala Chowk, Ludhiana**





# PRIME INDUSTRIES LIMITED

## PRIME INDUSTRIES LIMITED

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime\_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

### 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) :		E-mail Id :	
Registered address :		Folio No/ Client Id :	
		DP ID :	

I/We, being the member (s) of ..... shares of Prime Industries Limited, hereby appoint

1. Name: .....

Address: .....

.....

E-mail Id .....

Signature:....., or failing him/her

1. Name: .....

Address: .....

.....

E-mail Id .....

Signature:....., or failing him/her

1. Name: .....

Address: .....

.....

E-mail Id .....

Signature:....., or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the company, to be held on the Friday 30<sup>th</sup> September, 2016 at 12.00 Noon at S.C.O-19, 3<sup>rd</sup> Floor, Master Chambers, Feroze Gandhi Market, Ludhiana, Punjab-141002 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below.



Item No.	Resolution Type	Description	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Ordinary	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon.		
2.	Ordinary	Re-Appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), who retires by rotation and being eligible, seeks re-appointment.		
3.	Ordinary	Ratification of Appointment of the Statutory Auditors of the Company		
4.	Ordinary	Re-Appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), as the Managing Director of the Company.		
5.	Special	Approval of Related Party Transactions.		
6.	Special	Authorising the Board of Directors u/s 180(1)(a) of the Companies Act, 2013		
7.	Special	Authorising the Board of Directors u/s 180(1)(c) of the Companies Act, 2013		
8.	Special	Authorising the Board of Directors u/s 186 of the Companies Act, 2013		

Signed this..... day of ..... 20.....  
 Signature of shareholder .....

Signature of Proxy holder(s) .....

Revenue Stamp

**Note:**

1. 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.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
6. The member has the option of indicating the manner in which the vote be cast. This is only optional. If the member leaves the 'For' or 'Against' column blank against any or all the resolutions, the Proxy will be entitled to vote in the manner as he/she thinks appropriate.



**PRIME INDUSTRIES LIMITED**

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime\_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

**ATTENDANCE SLIP**

(Please complete and hand it over at the entrance of the meeting hall.)  
(Only Members or their Proxies are entitled to be present at the Meeting)

Folio No. \_\_\_\_\_

Client ID/DPID\* \_\_\_\_\_

Name of Shareholder/Joint Shareholder/Proxy \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

No. of Shares held \_\_\_\_\_

I/We hereby record my/our presence at the 24th Annual General Meeting held on Friday, 30th September, 2016 at 12.00 Noon. at S.C.O-19, 3rd Floor, Master Chambers, Feroze Gandhi Market, Ludhiana, Punjab-141002.

SIGNATURE OF THE MEMBER(S)/PROXY(S) PRESENT  
\_\_\_\_\_

\*Applicable to investors holding shares in electronic form only

---



# PRIME INDUSTRIES LIMITED

## PRIME INDUSTRIES LIMITED

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime\_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

### BALLOT FORM

(To be returned to Scrutinizer appointed by Prime Industries Limited)

1. Name(s) of Member(s) :  
(including joint-holders, if any)

2. Registered Folio No. / :  
DPID No. / Client ID No.\*

(\* Applicable to Members holding shares  
in dematerialised form)

3. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice dated **13.08.2016** to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Item No.	Description	Type of resolution (Ordinary/Special)	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	Re-Appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), who retires by rotation and being eligible, seeks re-appointment.	Ordinary		
3.	To re-appoint Statutory Auditors of the Company	Ordinary		
4.	Re-Appointment of Mr. Rajinder Kumar Singhania (DIN: 00077540), as the Managing Director of the Company.	Ordinary		
5.	Approval of Related Party Transactions.	Special		
6.	Authorising the Board of Directors u/s 180(1)(a) of the Companies Act, 2013	Special		
7.	Authorising the Board of Directors u/s 180(1)(c) of the Companies Act, 2013	Special		
8.	Authorising the Board of Directors u/s 186 of the Companies Act, 2013	Special		

Place :

Date :

\_\_\_\_\_  
Signature of Member / Beneficial Owner

E-Mail \_\_\_\_\_  
Tel. No. \_\_\_\_\_