



# PRIME INDUSTRIES LIMITED

CIN : L15490PB1992PLC012662

Regd. Office : Master Chamber, SCO-19,  
Feroze Gandhi Market, Ludhiana - 141 001, Punjab

Tel. : 0161-3911500, 4100307-09

E-mail: prime\_indust@yahoo.com

Website : www.primeindustrieslimited.com

Date: 25/10/2018

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

Scrip Code: 519299

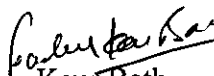
Subject: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for financial year 2017-18, approved and adopted at the 26<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018.

Thanking you,

Yours faithfully,  
For Prime Industries Limited

  
Jasleen Kaur Bath  
(Company Secretary)  
AYIPB8432F

**26<sup>th</sup>**

**ANNUAL REPORT**

**2017-2018**



**PRIME INDUSTRIES LIMITED**

**BOARD OF DIRECTORS**

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

**COMPANY SECRETARY**

Ms. Jasleen Kaur Bath

**STATUTORY AUDITORS**

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

**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@skylinerta.com](mailto:admin@skylinerta.com)

**BANKERS**

Oriental Bank of Commerce  
Feroze Gandhi Market,  
Ludhiana

**CHIEF FINANCIAL OFFICER**

Mr. Kashmir Singh

**SECRETARIAL AUDITORS**

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

**REGISTERED OFFICE**

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

HDFC Bank Ltd  
Mall Road,  
Ludhiana

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# PRIME INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

To,

The Members,

The Directors of Prime Industries Limited (PIL) have great pleasure in presenting their 26<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, 2018 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, 2018 is as under:

(Rs.In Lacs)

PARTICULARS	Figures for the year ended 31 <sup>st</sup> March, 2018	Figures for the year ended 31 <sup>st</sup> March, 2017
Total Revenue	114.55	43.65
Total Expenses	104.26	42.94
Profit Before Tax	10.29	0.71
Tax Expense	1.80	0.04
Profit For The Period	8.49	0.67

## 2. Management Discussion & Analysis

During the year under review, your Company has registered gross operating & other income of Rs. 114.55 Lacs as compared to Rs. 43.65 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 2017-18, your company's revenue during the year under review increased to Rs. 114.55 Lacs as compared to Rs. 43.65 Lacs in previous year. Your company's Net Profit after tax is Rs. 8.49 Lacs as compared to Rs.0.67 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 future 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 Venture or Associate Company during the year under review.

## 10. Deposits.

The Company has not accepted any public deposits pursuant to the provisions of Section 73 to 76 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, were appointed as the Statutory Auditors of the Company in the AGM held on 29.09.2017 for a period of 2 years, from the conclusion of the 25<sup>th</sup> AGM of the Company till the conclusion of 27<sup>th</sup> AGM of the Company subject to annual ratification at respective AGMs.

The Auditor has furnished a certificate to the effect that their ratification, if made, at the ensuing AGM, will be within the limits prescribed under Section 141 of the Companies Act, 2013 and that they are not beneficially holding any security or interest in the Company as defined under Companies Act, 2013.

Consequently, The Board on recommendation of the Audit Committee recommends to ratify the appointment of M/s Sukhminder Singh & Co., Chartered Accountants as the Statutory Auditors of the Company for Financial Year 2018-19 by the members at the AGM.

Members are requested to consider to ratify their appointment and authorize the Board of Directors to fix their remuneration for the year 2018-19.

### (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 2017-18. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2017-18 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 2017-18 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 the provisions of the Companies Act, 2013, forms an integral part of Board Report. Form MGT-9 is available on the website of the Company and can be accessed at <http://www.primeindustriestlimited.com/mgt-9-2018.pdf>

## 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, 2018, viz., Mr. Rajinder Kumar Singhania, Managing Director (Promoter), 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 and Mr. Rajiv Kalra.

The Board, therefore, presently comprises of six Directors.

#### **(a) Statement on 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, 2018:

- 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 Mrs. Parveen Singhania, Director, being longest in office, shall retire at the ensuing AGM and being eligible, offers herself 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.

There were no appointments/Resignations of Directors/Key Managerial Personnel during the Financial Year 2017-18.

However, Ms. Sharon Arora resigned from the position of Company Secretary of the Company w.e.f. 19.05.2018 and Ms. Jasleen Kaur Bath was appointed as the Company Secretary of the Company w.e.f. 30.05.2018

#### **(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 forms part of the Directors' Report.

#### **(d) Key Managerial Personnel**

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

### **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



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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 four (4) times during the FY 2017-18 viz. on 30th May, 2017, 16th August, 2017, 14th November, 2017 and 14th February, 2018.

## 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**

To ensure the composition & independence of the Committee as per the Companies Act, 2013, the Audit Committee's composition and terms of reference are in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Audit Committee is comprised of two Non- Executive Independent Directors and one Non-Executive/ Non-Independent Director viz. Mr. Ashwani Kumar (Non- Executive/Independent Director) Mr. Rajiv Kalra (Non- Executive/Independent Director) and Mr. Harjeet Singh Arora (Non- Executive/Non-Independent Director). All the Members of Audit Committee are financially literate and have accounting knowledge to interpret and understand the financial statements. Mr. Ashwani Kumar is re-confirmed to be the Chairman of the Audit Committee.

The Audit Committee meetings were held at the Registered Office of the Company and Statutory Auditor, Company Secretary and Head of Accounts Department are permanent invitees to the meetings. The Company Secretary of the Company acts as the secretary of the Committee. During the year Audit Committee members, met four (4) times on 30th May, 2017, 16th August, 2017, 14th November, 2017 and 14th February, 2018

- **Nomination and Remuneration Committee**

Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The Nomination and Remuneration Committee comprises of: Mr. Ashwani Kumar (Chairman), Mr. Harjeet Singh Arora and Mr. Rajiv Kalra

Policy on Remuneration of Directors, Key Managerial Personnel & senior employees is annexed herewith and forms the part of Board Report. Policy is also available on the website of the Company and can be accessed at

<http://www.primeindustriestlimited.com/nomination%20&%20remuneration%20PIL.pdf>

One nomination and remuneration committee meeting was held during the year.

- **Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.



The Stakeholders' Relationship Committee of Board (SRC) comprises Mr. Harjeet Singh Arora (Chairman), Mr. Darshan Jit Singh Minocha (Member). SRC monitors redressal of complaints received from shareholders/ investors with respect to transfer of shares, non-receipt of dividend, non-receipt of Annual Reports, interest payment on Bonds, etc. SRC also takes note of number of transfers processed, issue of fresh share certificates, top shareholders, pattern of shareholding, etc.

During the FY 2017-18, no complaints were received. There was no complaint outstanding as on 31st March, 2018. Also, no instruments of transfer were pending as on 31st March, 2018. The Company Secretary is the Compliance Officer of the Committee. The Committee meets as and when required, to deal with the investor related matters etc

One stakeholders' relationship committee meeting was held during the year.

## 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 2018-19 has already been paid to it.

## 19. 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.primeindustrieslimited.com/PIL%20WHISTLE%20BLOWER.pdf>.

## 20. 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.primeindustrieslimited.com/FAMILARISATION\\_PROGRAMME\\_PIL\(1\).pdf](http://www.primeindustrieslimited.com/FAMILARISATION_PROGRAMME_PIL(1).pdf)

## 21. 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.

## 22. 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.primeindustrieslimited.com/Policy%20on%20related%20party%20-PIL.pdf>

Your Directors draw attention of the members to Note 24 to the financial statement which sets out related party disclosures.

## 23. 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.

## 24. 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>

## 25. 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.

## 26. 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 fulfill 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.

## 27. Corporate Social Responsibility

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

## 28. 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.

## 29. 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.



## 30. Board Evaluation

The Board of Directors of your Company recognises and accepts that Boards are accountable to the public to ensure that they are operating in an effective manner. Care is taken to avoid that the Board does not fall into the "same old way of doing things". Therefore, one of the few ways to identify and address the problem is for the Board to conduct a self-evaluation.

The Nomination and Remuneration Committee of the Company has approved the Annual Evaluation Plan for the Board, Committees and Individual Directors. The Board including its committees and members shall evaluate itself once a year, whether there are apparent major problems or not. Each member of the Board shall complete a form which comprises of objective questions on certain parameters such as their own roles and responsibilities in the Company, Strategic Leadership, Accountability, Board Processes and Board Performance. The responses shall be discussed among members of Board, Committees and at Individual level. The exercise shall be led by the Chairman alongwith a Senior Independent Director of the Company.

The results of the Evaluation shall be shared with the Board, Chairman of respective Committees and individual Director Based on the outcome of the Evaluation, the Board and Committees shall agree on the action plan to improve on the identified parameter. The evaluation in terms of the plan has been completed during the period under review.

## 31. 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  
Sd/-

(Rajinder Kumar Singhania)  
Managing Director  
DIN :00077540

Place: Ludhiana  
Date :14.08.2018



## (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 Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). 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, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;
- v) and 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.
  - 1) 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.
  - 2) 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.

### **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.



# PRIME INDUSTRIES LIMITED

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### **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 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.



# PRIME INDUSTRIES LIMITED

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## 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 was 0.17:1 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.

Sr. No	Name of Director/KMP and Designation.	% increase in Remuneration in the Financial Year 2017-18.
1.	Mr. Rajinder Kumar Singhania (Managing Director/KMP)	Nil
2.	Ms. Sharon Arora (Company Secretary)	14.82%
3.	Mr. Kashmir Singh (Chief Financial Officer)	82.95%

- (iii) the percentage increase in the median remuneration of employees in the financial year. – Not applicable.
- (iv) As on 31st March 2018, the Company had 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.



# PRIME INDUSTRIES LIMITED

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## COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER:

Pursuant to 17(8) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, we hereby certify that:

- a. We have reviewed the financial statements and the Cash Flow Statement for the year ended on 31.03.2018 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
  - I. significant changes, if any, in internal control over financial reporting during the year;
  - II. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - III. that no instances of significant fraud have come to our notice.

FOR PRIME INDUSTRIES LIMITED  
Sd/-  
(R. K. Singhania)  
Managing Director  
DIN – 00077540

Place: Ludhiana  
Date: 30.05.2018

Sd/-  
Kashmir Singh  
Chief Financial Officer





# **PRIME INDUSTRIES LIMITED**

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## **CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to state that the Company had duly adopted a Code of Conduct. After adoption of the Code of Conduct, the same was circulated to all the Board Members and Senior Management Personnel for compliance. It is affirmed that all the Board Members and Senior Management Personnel have complied with the Code of Conduct and have given a confirmation in this regard.

FOR PRIME INDUSTRIES LIMITED

Sd/-

(R. K. Singhania)

Managing Director

DIN – 00077540

Place: Ludhiana

Date: 30.05.2018



Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2018**

**[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, 2018 ('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<sup>st</sup> March, 2018, 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;



# PRIME INDUSTRIES LIMITED

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- (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.

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 Committee 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 and the said application is still pending for want of approval.

### **Rajeev Bhambri & Associates**

Company Secretary in whole time practice

C.P. No. 9491

Place: Ludhiana

Dated: 14.08.2018

**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.**



# PRIME INDUSTRIES LIMITED

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## 'ANNEXURE A'

To,  
The Members,  
Prime Industries Limited,  
SCO 19, Master Chambers,  
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: 14.08.2018



**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Prime Industries Ltd.

**Report on the Financial Statements**

We have audited the accompanying Ind AS financial statements of Prime Industries Ltd. ('the Company'), which comprise the Balance Sheet as at 31 March, 2018, and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS financial statements').

**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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 Ind AS 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 Ind AS 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 of Ind AS Financial Statements 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 Ind AS financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind As 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 Ind As 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 Ind AS 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 Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Indian Accounting Standard of the financial position of the Company as at March 31, 2018 and its financial performance including other comprehensive income and its cash flows and the change in equity 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, 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, the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 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 (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 19 to the IND AS financial statements.
    - (ii) The Company did not have any outstanding long-term contracts including derivative contracts as at 31 March, 2018 for which there were any material foreseeable losses: and
    - (iii) 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

**Sukhminder Singh**  
Partner.  
Membership No. 93100

Place: Ludhiana  
Date: 30.05.2018



## 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 granted unsecured loans to one party covered in the register maintained under section 189 of the Act.
  - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the parties covered in the register maintained under section 189 of the Act were not prima facie, prejudicial to the interest of the Company.
  - b) In the case of the loan granted to the parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of the principal amount.
  - c) There are no overdue amounts in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
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. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder with regard to deposits accepted from the public. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
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, investor protection fund, wealth tax, GST, 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, investor protection fund, wealth tax, GST, 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, 2018 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 investor protection fund, wealth tax, GST and value added tax which have not been deposited on account of any dispute.



## **PRIME INDUSTRIES LIMITED**

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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 or government .
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 Companies Act 2013 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 under review and therefore, the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
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

**Sukhminder Singh**  
Partner.  
Membership No. 93100

Place: Ludhiana  
Date: 30.05.2018





## 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, 2018 in conjunction with our audit of the Ind AS 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 ('the Guidance Note') 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 on 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.



# PRIME INDUSTRIES LIMITED

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## **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, 2018 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

**Sukhminder Singh**  
Partner.

Membership No. 93100

Place: Ludhiana  
Date: 30.05.2018



# PRIME INDUSTRIES LIMITED

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## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

Rs.in Lacs

Particulars	Note	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Computer, Furniture & Equipments	2	0.29	0.49	0.68
(b) Investment Property		306.56	334.76	386.66
(c) Financial assets				
Investments	3	617.91	806.31	329.88
(d) Deferred Tax Assets (Net)	4	0.48	0.34	0.24
(e) Other non-current assets	5	12.37	4.15	26.58
<b>Total non-current assets</b>		<b>937.61</b>	<b>1,146.05</b>	<b>744.04</b>
<b>2 Current assets</b>				
(a) Inventories	6	120.39	115.49	115.49
(b) Financial assets				
Cash and cash equivalents	7	33.67	17.05	0.22
Loans	8	126.94	673.76	381.19
(c) Other current assets	9	326.83	61.33	101.35
<b>Total current assets</b>		<b>607.83</b>	<b>867.63</b>	<b>598.25</b>
<b>TOTAL</b>		<b>1,545.44</b>	<b>2,013.68</b>	<b>1,342.29</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>	10			
(a) Equity share capital		786.34	786.34	786.34
(b) Other equity		208.04	(190.53)	(134.25)
<b>Total equity</b>		<b>994.38</b>	<b>595.81</b>	<b>652.09</b>
<b>Liabilities</b>				
<b>1 Current liabilities</b>				
(a) Financial liabilities				
Short term borrowings	11	74.22	1,145.05	67.47
(b) Other current liabilities	12	476.84	272.82	622.73
<b>Total current liabilities</b>		<b>551.06</b>	<b>1,417.87</b>	<b>690.20</b>
<b>TOTAL</b>		<b>1,545.44</b>	<b>2,013.69</b>	<b>1,342.29</b>
Significant Accounting Policies	1			
The accompanying notes are an integral part of the financial statements				

As per our Report of even date  
**For Sukhminder Singh & Co**  
Chartered Accountants  
Firm Registration Number 016737N

Sd/-  
**(Sukhminder Singh)**  
Partner  
Membership Number 93100  
Place: Ludhiana  
Date: 30.05.2018

**For and on behalf of the Board**

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

Sd/-  
**Harjeet Singh Arora**  
Director  
DIN-00063176

Sd/-  
**Jasleen Kaur Bath**  
Company Secretary

Sd/-  
**Kashmir Singh**  
Chief Financial Officer



# PRIME INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2018

Rs.in Lacs

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	13	114.55	43.65
Other income			
<b>I. Total income</b>		114.55	43.65
<b>II. Expenses :</b>			
Employee benefit expense	14	11.93	8.32
Finance cost	15	72.93	19.46
Depreciation and amortization expense	2	0.20	0.19
Other expenses	16	19.20	14.97
<b>Total expenses</b>		104.26	42.94
<b>III. Profit before tax (I-II)</b>		10.29	0.71
<b>IV. Tax expense:</b>			
Current tax (MAT)		1.95	0.14
Income tax relating to earlier year			
Deferred tax		(0.15)	(0.10)
Total of tax expenses		1.80	0.04
<b>V. Profit for the period (III-IV)</b>		8.49	0.67
<b>VI. Other Comprehensive Income</b>			
<b>A Items that will not be reclassified to profit or loss</b>			
Remeasurement of the Shares		363.28	(95.03)
Income tax relating to items that will not be reclassified to profit or loss			
<b>B Items that will be reclassified to profit or loss</b>			
Income tax relating to items that will be reclassified to profit or loss			
<b>Total Other Comprehensive Income (Net)</b>		363.28	(95.03)
<b>VII. Total comprehensive income for the period (V+VI)</b>		371.77	(94.36)
<b>Earnings per share (RS.)</b>			
Basic - Par value of Rs 10 per share		0.11	0.008
Diluted - Par value of Rs 10 per share		0.11	0.008
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date  
**For Sukhminder Singh & Co**  
Chartered Accountants  
Firm Registration Number 016737N

Sd/-  
**(Sukhminder Singh)**  
Partner  
Membership Number 93100  
Place: Ludhiana  
Date: 30.05.2018

For and on behalf of the Board

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**R. K. Singhania**  
Managing Director  
DIN-00077540

Sd/-  
**Harjeet Singh Arora**  
Director  
DIN-00063176

Sd/-  
**Jasleen Kaur Bath**  
Company Secretary

Sd/-  
**Kashmir Singh**  
Chief Financial Officer



# PRIME INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018

Rs.in Lacs

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
<b>A. Cash flow from operating activities</b>				
Net Profit/Loss() before tax and extraordinary items		10.29		0.71
<u>Adjustments for:</u>				
Depreciation and Loss on Sale of Fixed Assets	0.20		0.19	
Provision for Diminution in Value of Investment	-		-	
Reversal of Revaluation Reserves	-		-	
Interest Paid	72.93		19.46	
		73.13		19.65
Operating profit before working capital changes		83.42		20.36
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(4.90)		-	
Trade receivables	-		-	
Short-term loans and advances	546.82		(197.89)	
Other Current Assets	(265.50)		(54.66)	
Long-term loans and advances	(8.22)		22.43	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Short term borrowing	(1,070.83)		1,077.58	
Other current liabilities	204.02		(349.91)	
Cash flow from extraordinary items		(598.61)		497.55
Cash generated from operations		(515.19)		517.91
Net income tax (paid) / refunds		(1.95)		(0.14)
<b>Net cash flow from operating activities (A)</b>		(517.14)		517.77
<b>B. Cash flow from investing activities</b>				
Purchase of Investment		-		(533.38)
Sale of investment		578.48		-
Sale of Property		28.20		51.90
<b>Net cash flow (used in) investing activities (B)</b>		606.68		(481.48)
<b>C. Cash flow from Financing activities</b>				
Interest Paid		(72.93)		(19.46)
<b>Net Increase/(decrease) in Cash and cash equivalents (A+B+C)</b>		16.61		16.83
Cash and cash equivalents at the beginning of the year		17.05		0.22
Cash and cash equivalents at the end of the year		33.67		17.05

As per our Report of even date  
**For Sukhminder Singh & Co**  
 Chartered Accountants  
 Firm Registration Number 016737N

Sd/-  
**(Sukhminder Singh)**  
 Partner  
 Membership Number 93100  
 Place: Ludhiana  
 Date: 30.05.2018

**For and on behalf of the Board**

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

Sd/-  
**Harjeet Singh Arora**  
 Director  
 DIN-00063176

Sd/-  
**Jasleen Kaur Bath**  
 Company Secretary

Sd/-  
**Kashmir Singh**  
 Chief Financial Officer



## Note No.1 Significant Accounting Policies

### A. Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company has adopted Ind AS with April 1, 2017 as the transition date and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs, except otherwise indicated.

### B. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### C. Fixed Assets

On adoption of Ind AS the company retained the carrying value of all the fixed assets as recognized in financial statement as at the date of transition to Ind AS measured as per previous GAAP and used that as deemed cost as permitted by Ind AS 101.

Fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The costs of acquisition including taxes, duties and other direct and indirect expenses incidental to acquisition and installation/construction directly attributable to acquisition are capitalized until the property,

Depreciation on fixed assets is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 except.

Fixed assets which are added/ disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion. The company depreciates fixed assets over their estimated useful lives using the straight-line method.

### D. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over useful lives on a straight-line basis, from the date that they are available for use

### E. Impairment of Assets

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.



## F. Investments

All the equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in "other comprehensive income".

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss

## G. Inventories

Inventories are valued at cost or net realizable value, whichever is lower.

## H. Revenue Recognition

The company follows the mercantile system of accounting and recognizes profit or loss on that basis

## I. Employee Benefits

The Company has provided the provision for the gratuity and charges to revenue. Provident /Pension Fund are not applicable.

## J. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets, up to the date when such assets are ready for intended use. Other borrowing costs are charged as expenditure in the year in which they are incurred. The capitalization of borrowing costs to be suspended during extended periods in which active developments will be interrupted.

## K. Accounting for Taxes on Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the period after considering tax allowances & exemptions as determined in accordance with the provisions of the Income Tax 1961

### Deferred Tax

Deferred income tax is recognized using the balance sheet approach.

Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods, are recognized using the tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward only if there is a virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

## L. Provisions and Contingent Liabilities & Contingent Assets

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

## M. Earnings per share

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares





# PRIME INDUSTRIES LIMITED

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## Note 2 Computer, Furniture & Equipments

Particulars	Rs.in Lacs			
	Computer	Furniture & Fixture	Office Equipments	Total
<b>Gross carrying value:-</b>				
<b>As at April 01, 2016</b>	0.66	7.22	16.61	24.49
Additions				
Disposals				
<b>As at March 31, 2017</b>	0.66	7.22	16.61	24.49
Additions				
Disposals				
<b>As at March 31, 2018</b>	0.66	7.22	16.61	24.49
<b>Depreciation:-</b>				
<b>As at April 01, 2016</b>	0.43	6.79	16.59	23.81
Charge for the year	0.10	0.09	-	0.19
Disposals				-
<b>As at March 31, 2017</b>	0.53	6.88	16.59	24.00
Charge for the year	0.10	0.09	0.01	0.20
Disposals				
<b>As at March 31, 2018</b>	0.63	6.97	16.60	24.20
<b>Net carrying value:-</b>				
<b>As at April 01, 2016</b>	0.23	0.43	0.02	0.68
<b>As at March 31, 2017</b>	0.13	0.34	0.02	0.49
<b>As at March 31, 2018</b>	0.03	0.25	0.01	0.29

## Note 3 Investments

Particulars	As at 31st	As at 31st	As at 31st
	March,2018	March,2017	March,2016
<b>Investment in equity instruments (Quoted at Fair Value)</b>			
593598 (As at 31 March 2016: 593598) Equity shares of Rs.10 each fully paid up in Master Trust Ltd.	534.25	170.97	297.92
Nil (As at 31 March 2017: 40000) Equity shares Rs.10 each in SEL Manufacturing Ltd		28.00	28.00
<b>of other entities (Unquoted)</b>			
178000 (As at 31 March 2016: 178000) Equity shares of Rs.10 each in Eminent Buildwell P Ltd	83.66	83.66	83.66
	<b>617.91</b>	<b>282.63</b>	<b>339.58</b>
<b>Investment In Bonds (Unquoted)</b>			
Nil (as at 31.03.2017: 20) Deep Discount Bonds of Rs.10000/ each Master Capital Service Ltd.	-	30.48	17.10
Nil (as at 31.03.2017 260) Deep Discount Bonds of Rs.10000/- each of Master Capital Service Ltd.		520.00	-
Total	<b>617.91</b>	<b>833.11</b>	<b>356.68</b>
Less: Provision for diminution in value of Investments		(26.80)	(26.80)
<b>Total</b>	<b>617.91</b>	<b>806.31</b>	<b>329.88</b>

## Note 4 Deferred tax:

Particulars	Rs.in Lacs		
	As at 31st	As at 31st	As at 31st
	March,2018	March,2017	March,2016
Deferred tax assets -			
Opening	0.34	0.24	0.20
Expenses Allowable on Payment Basis	0.12	0.09	-
Difference in Carrying Amount of Fixed Assets	0.02	0.01	0.04
Closing	0.48	0.34	0.24

## Note 5 Other Non Current Assets

Particulars	As at 31st	As at 31st	As at 31st
	March,2018	March,2017	March,2016
Advance income tax (net of provision for tax)	11.14	2.92	25.29
Security Deposit	1.23	1.23	1.29
<b>Total</b>	<b>12.37</b>	<b>4.15</b>	<b>26.58</b>





# PRIME INDUSTRIES LIMITED

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## Note 6 Inventories

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Stock-in-trade (acquired for trading)	120.39	115.49	115.49
<b>Total</b>	<b>120.39</b>	<b>115.49</b>	<b>115.49</b>

## Note 7 Cash and cash equivalents

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Cash in hand	0.00	0.05	0.08
Cheques in hand	-	5.25	-
Balances with banks In current accounts	33.67	11.75	0.14
<b>Total</b>	<b>33.67</b>	<b>17.05</b>	<b>0.22</b>

## Note 8 Loans

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Loans To related Parties Unsecured, considered good	106.43	-	-
Other Loans	20.51	673.76	381.19
<b>Total</b>	<b>126.94</b>	<b>673.76</b>	<b>381.19</b>

## Note 9 Other Current Assets

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Advance against land	293.00	21.67	36.00
Other Recoverable	33.83	39.66	65.35
<b>Total</b>	<b>326.83</b>	<b>61.33</b>	<b>101.35</b>

## Note10 Statement of Changes in Equity

Rs.in Lacs

(a) Equity Share Capital Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Balance at the beginning of the reported period	786.34	786.34	786.34
Changes in the equity share capital during the year	-	-	-
<b>Balance at the closing of the reported period</b>	<b>786.34</b>	<b>786.34</b>	<b>786.34</b>

(b) Other Equity Particulars	Reserve & Surplus		Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Other items of other comprehensive income	
<b>Balance as at April 1, 2016</b>	<b>92.49</b>	<b>(188.66)</b>	<b>(38.08)</b>	<b>(134.25)</b>
Profit for the year	-	0.67	-	0.67
Other comprehensive income for the year	-	-	(56.95)	(56.95)
Total comprehensive income for the year	-	-	(56.95)	(56.95)
<b>Balance as at March 31, 2017</b>	<b>92.49</b>	<b>(187.99)</b>	<b>(95.03)</b>	<b>(190.53)</b>
Profit for the year	-	8.49	-	8.49
Provision For Diminution in investment	-	26.80	-	26.80
Other comprehensive income for the year	-	-	363.28	363.28
Total comprehensive income for the year	-	-	363.28	363.28
<b>Balance as at March 31, 2018</b>	<b>92.49</b>	<b>(152.70)</b>	<b>268.25</b>	<b>208.04</b>

## Note 11 Short -Term Borrowings

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
<b>Loans and advance from related parties</b>			
Unsecured	-	475.49	20.29
<b>Other loans and advances</b>			
Unsecured	74.22	669.56	47.18
<b>Total</b>	<b>74.22</b>	<b>1,145.05</b>	<b>67.47</b>



# PRIME INDUSTRIES LIMITED

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## Note 12 Other Current Liabilities

Particulars	As at 31st March,2018	As at 31st March,2017	As at 31st March,2016
Statutory Dues	7.29	1.91	4.23
<b>Other Liabilities</b>	<b>469.55</b>	<b>270.91</b>	<b>618.50</b>
<b>Total</b>	<b>476.84</b>	<b>272.82</b>	<b>622.73</b>

## Note 13 Revenue from operations

Particulars	Rs.in Lacs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Income from Sale Purchase of Securities/Land/Others	12.53	8.35
Interest Income	101.73	32.20
Lease Rent & Other Income	0.29	3.10
<b>Total</b>	<b>114.55</b>	<b>43.65</b>

## Note 14 Employee benefits expenses

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Salary, Wages, Other Allowances & Gratuity (Including Directors Remuneration Rs.60000 Previous year Rs.240000)	11.87	8.32
Staff Welfare Exp	0.06	-
<b>Total</b>	<b>11.93</b>	<b>8.32</b>

## Note 15 Finance costs

Particulars	For the Year Ended 31st March,2018	For the Year Ended 31st March,2017
Interest expense on: Borrowings	72.92	19.45
Other borrowing costs - Bank Charges	0.01	0.01
<b>Total</b>	<b>72.93</b>	<b>19.46</b>

## Note 16 Other expenses

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Printing & Stationery	0.54	0.49
Travelling & Conveyance	0.10	0.02
Legal & Professional Charges	1.12	1.05
Postage & Telegram, Telephone & Telex	1.22	1.26
Insurance Charges	0.10	0.10
Other General Exp	15.89	11.82
Payment to Auditors		
As auditors - statutory audit	0.20	0.20
For taxation matters	0.03	0.03
<b>Total</b>	<b>19.20</b>	<b>14.97</b>

## 17. Corporate Information

Prime Industries Limited (the Company) is a public company and is incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on the Bombay Stock Exchange. The registered office of the company is located at Master Chambers, 19, Feroze Gandhi Market Ludhiana, Punjab.

## 18. First-time adoption of Ind-AS

These financial statements of Prime Industries Limited for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS



101 - First Time adoption of Indian Accounting Standard, with April 1, 2017 as the transition date.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2018.

## 19. 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. NIL (previous year 42.00 lacs) for recovery of outstanding amounts. As per legal advice sought and in the opinion of the management these debts are recoverable. No provision has been considered necessary for the cases filed.

20. 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

21. Income from Sales, Purchase of Securities, Land, Others include, Income from Investment in Land Rs.20.19 lacs (Previous Year Rs.8.35), Profit/(Loss) on Securities, Shares/Derivatives Trading (Rs. 8.00) (Previous Year Nil) Profit on trading of Debenture Rs.0.34 (Previous Year Rs. Nil). Provision for Diminution in Investments of Rs.26.80 Lacs (previous year Rs. NIL) is reversed directly to Reserve & Surplus as the same was previously not charged in Profit & Loss Account

22. Detail of Investments covered under the provision of Section 186 of the Act, are given in the note No.3 to the Financial Statement

23. 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".

## 24. Related party transactions

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

### Associates/Enterprises owned or significantly Influenced by the key management personnel Or their relatives.

Master Trust Ltd.  
Master Capital Services Ltd.  
Master Commodity Services Ltd.  
Master Share & Stock Brokers Ltd.  
Master Insurance Brokers Ltd.  
MTL Capital Consultants Pvt. Ltd.  
Prime Agro Farms Ltd.  
Big Build Real Estate Pvt. Ltd  
Amni Real Estate Pvt. Ltd.  
Matria Estate Developers Pvt. Ltd  
Eminent Buildwell Pvt Ltd.  
H.K Arora Real Estates Services Ltd  
Saintco India (P) Ltd.  
Singhania Properties  
Crescent Investments  
Blue Circle Investments  
Sanawar Investments

### Key Management personal and their relatives.

Mr. R.K Singhania  
Mr. Harjeet Singh Arora  
Mr. Ashwani Kumar  
Mr. Darshanjit Singh Manocha  
Mr. Rajive Kalara  
Mr. Puneet Singhania  
Mr. Chirag Singhania  
Mt. Jashanjot Singh Arora  
Mrs. Parveen Singhania  
Mrs. Rohila Singhania  
Mrs. Harneesh Kaur Arora  
Mrs. Palka A Chopra  
Mrs. Harinder Kaur Manocha  
Mrs. Priyanka Arora  
Mrs. Isha Singhania



# PRIME INDUSTRIES LIMITED

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## Transactions with related parties

Rs.in Lacs

Particulars	Associates	KMP	Relatives of KMP	Total
Interest Earned	77.55 (3.11)	- -	- -	77.55 (3.11)
Remuneration	- -	0.60 (2.40)	- -	0.60 (2.40)
Balances outstanding at the end of the year				
Loan & Advances taken	- (475.49)	- -	- -	- (475.49)
Loan & Advances given	106.42 (-)			106.42 (-)
Other Trade payables	- (76.45)	- -	- -	- (76.45)

## 25. Deferred tax (IAssets)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	0.34	0.24
Tax effect of items constituting deferred tax Assets		
Expenses Allowable on Payment Basis	0.12	0.09
Difference in Carrying Amount of Fixed Assets	0.02	0.01
<b>Net deferred tax (Assets)</b>	<b>0.48</b>	<b>0.34</b>

26. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure

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

**Sukhminder Singh**  
Partner.

Membership No. 93100

Place: Ludhiana  
Date: 30.05.2018



# PRIME INDUSTRIES LIMITED

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Disclosure as required by Indian Accounting Standard (Ind AS) 101 First Time Adoption of Indian Accounting Standards.

## Reconciliation of Equity as at April 1, 2016

Rs. In Lacs

Particulars	Opening Balance Sheet as at April 1st, 2016		Ind AS
	Indian GAAP	Effects of transition to Ind AS	
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipment	0.68		0.68
(b) Investment Property	386.66	-	386.66
(c) Financial Assets			
(i) Investments	367.96	(38.08)	329.88
(d) Deferred Tax Assets (Net)	0.24	-	0.24
(e) Other Non-Current Assets	26.58	-	26.58
<b>Total non-current assets</b>	<b>782.12</b>		<b>744.04</b>
<b>(2) Current Assets</b>			
(a) Inventories	115.49	0.00	115.49
(b) Financial Assets			
Cash & Cash Equivalents	0.22	-	0.22
Loans	381.19	-	381.19
(c) Other Current Assets	101.35	-	101.35
<b>Total current assets</b>	<b>598.25</b>	0.00	<b>598.25</b>
<b>TOTAL ASSETS</b>	<b>1,380.37</b>	<b>(38.08)</b>	<b>1,342.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	786.34	-	786.34
(b) Other Equity	-96.17	(38.08)	(134.25)
<b>Total equity</b>	<b>690.17</b>		<b>652.09</b>
<b>LIABILITIES</b>			
<b>(1) Current Liabilities</b>			
(a) Financial Liabilities			
Short term borrowings	67.47	-	67.47
(b) Other Current Liabilities	622.73	-	622.73
<b>Total current liabilities</b>	<b>690.20</b>	-	<b>690.20</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,380.37</b>	<b>-38.08</b>	<b>1,342.29</b>



# PRIME INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

## Reconciliation of Equity as at April 1, 2017

Rs. In Lacs

Particulars	Balance Sheet as at March 31, 2017		
	Indian GAAP	Effects of transition to Ind AS	Ind AS
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipmen	0.49		0.49
(b) Investment property	334.76		334.76
(d) Financial Assets			
(i) Investments	901.34	(95.03)	806.31
(e) Deferred Tax Assets (Net)	0.34		0.34
(f) Other Non-Current Assets	4.15		4.15
<b>Total non-current assets</b>	<b>1,241.08</b>		<b>1,146.05</b>
<b>(2) Current Assets</b>			
(a) Inventories	115.49		115.49
(b) Financial Assets			
(i) Cash & Cash Equivalents	17.05		17.05
(ii) Loans	673.76		673.76
(c) Other Current Assets	61.33		61.33
<b>Total current assets</b>	<b>867.63</b>		<b>867.63</b>
<b>TOTAL ASSETS</b>	<b>2,108.71</b>	(95.03)	<b>2,013.68</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	786.34		786.34
(b) Other Equity	-95.50	(95.03)	(190.53)
<b>Total equity</b>	<b>690.84</b>		<b>595.81</b>
<b>LIABILITIES</b>			
<b>(1) Current Liabilities</b>			
(a) Financial Liabilities			
Short term borrowings	1145.05		1,145.05
(b) Other Current Liabilities	272.82		272.82
<b>Total current liabilities</b>	<b>1,417.87</b>		<b>1,417.87</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,108.71</b>	(95.03)	<b>2,013.68</b>



# PRIME INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

## Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 Rs. In Lacs

PARTICULARS	Year Ended March 31, 2017		Ind AS
	Indian GAAP	Effects of transition to Ind AS	
I. Revenue From Operations	43.65		43.65
II. Other Income			
<b>III. Total Income (I+II)</b>	43.65		43.65
<b>IV. Expenses</b>			
Employee Benefits Expense	8.32		8.32
Finance Cost	19.46		19.46
Depreciation and Amortization Expense	0.19		0.19
Other Expense	14.97		14.97
<b>Total Expenses (IV)</b>	42.94		42.94
<b>V. Profit/(Loss) Before Tax (III-IV)</b>	0.71		0.71
VI. Tax Expense			
Current tax (MAT)	0.14		0.14
Deferred Tax	(0.10)		(0.10)
<b>VII. Profit/(Loss) for the period from Continuing Operations (V-VI)</b>	0.67		0.67
VIII. Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss	0	(95.03)	(95.03)
B (i) Items that will be reclassified to Profit or Loss			
<b>IX. Total Comprehensive Income for the Period (VII+VIII)</b>	0.67	(95.03)	(94.36)

As per our Report of even date  
**For Sukhminder Singh & Co**  
Chartered Accountants  
Firm Registration Number 016737N

Sd/-  
**(Sukhminder Singh)**  
Partner  
Membership Number 93100  
Place: Ludhiana  
Date: 30.05.2018

**For and on behalf of the Board**

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

Sd/-  
**Harjeet Singh Arora**  
Director  
DIN-00063176

Sd/-  
**Jasleen Kaur Bath**  
Company Secretary

Sd/-  
**Kashmir Singh**  
Chief Financial Officer



# 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 26<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 12.00 Noon at Hotel Silver Stone situated at D-Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab-141001 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the period ending 31st March, 2018 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Parveen Singhania (DIN: 00112932), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company for the Financial Year 2018-19 and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Sukhminder Singh & Co., Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of 27<sup>th</sup> Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

### SPECIAL BUSINESS:

4. Approval of Related Party Transactions, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary 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."
5. Approval of Loans and Investments by 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 Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company, all other provisions of applicable laws and in supersession of the previous Shareholders' Resolution passed in the AGM held on 30.09.2016, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any Body Corporate(s) and / or give any guarantee or provide security in connection with a loan to any Body Corporate(s) and / or acquire by way of subscription, purchase or otherwise, the securities of any Body Corporate(s) upto an aggregate amount not exceeding Rs. 500





## PRIME INDUSTRIES LIMITED

crore ('Overall Limit') notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded, to give loan(s) within the **Overall Limit** to the following entities in such a manner that the total loan(s) given in one or more tranches do not exceed the below mentioned limits ('Specific Individual Limits') at any point of time, for their principal business activities:-

Sr. No.	Company	Amount (in Rs./-)
1.	Master Trust Limited	50.00 Crore
2.	Master Infrastructure And Real Estate Developers Limited	50.00 Crore

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments 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: 14.08.2018

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

By order of the Board  
For Prime Industries Limited

Sd/-

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



# PRIME INDUSTRIES LIMITED

## 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 Businesses under Item No. 4 and 5 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 25, 2018 to September 29, 2018 (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. As per the SEBI circular bearing no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, the company is required to obtain the copy of Pan Card and Bank details from all shareholders holding shares of the Company in physical form. **Those members whose Pan and Bank details are not updated in our records are requested to kindly furnish a self attested copy of your Pan Card and latest bank statement (not older than 3 months)**, along with the following information, so that all future dividends could directly be credited to the respective bank account:

- 1 Name of Shareholder(s)
- 2 Folio No.
- 3 Pan (**attach Self attested copy of Pan**)
- 4 Bank Details (**attach Self attested copy of Bank Statement**)
- 5 Bank Account No.
- 6 Name of Bank
- 7 Branch Address
- 8 IFSC No.
- 9 MICR No.

You are requested to send the desired details/documents to the Company's Address.

6. **As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08<sup>th</sup> June, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Therefore, members holding shares in physical form are requested to dematerialize their shares before 05<sup>th</sup> December, 2018 as there will be no transfer of shares in physical form after 05<sup>th</sup> December, 2018.**
7. 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.
8. 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.
9. 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.
10. 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.
11. 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 21.09.2018, 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 Wednesday, 26<sup>th</sup> September, 2018 and ends at 5:00 p.m. on Friday, 28<sup>th</sup> September, 2018. 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.



## PRIME INDUSTRIES LIMITED

- 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. Saturday, 21<sup>st</sup> September, 2018.
- g) The Board of Directors at its meeting held on 14.08.2018 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:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 – 180818011 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".



## PRIME INDUSTRIES LIMITED

- 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. 21<sup>st</sup> September, 2018 may follow the same instructions as mentioned above for e-Voting.
12. 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 28<sup>th</sup> September, 2018 (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.
13. 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)
14. The facility for voting, through ballot paper shall also be made available at the venue of the 26<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.
15. 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.primeindustriesslimited.com](http://www.primeindustriesslimited.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.
16. 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).
17. The Notice & Annual Report of the Company circulated to the members, will also be made available on the Company's website at [www.primeindustriesslimited.com](http://www.primeindustriesslimited.com)
18. 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>Parveen Singhania</b>
<b>Age (years)</b>	66 years
<b>Qualification</b>	M.A
<b>Expertise</b>	Mrs. Parveen Singhania is a postgraduate in Arts and has over 25 years of experience in investment, trading and securities market. Crescent Investments (A private company with unlimited liability)
<b>Directorship held in other Companies</b>	NIL
<b>Chairmanships /Memberships of Committees of other public companies</b>	
<b>Shares held in the Company</b>	50,000 shares
<b>Relationship with other Director(s)</b>	Mrs. Parveen Singhania is the spouse of Mr. Rajinder Kumar Singhania. No other Director is related to Mrs. Parveen Singhania.



# PRIME INDUSTRIES LIMITED

## 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 and 5 accompanying the Notice dated 14.08.2018.

### Item No.4

Section 188 of the Companies Act, 2013 as amended from time to time, requires the approval of the members by way of a prior Ordinary 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 ordinary 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.

Sr. No .	Name of the related party	Name of the director or key managerial personnel who is related, if any.	Nature of relationship
<b>Subsidiaries/Wholly Owned Subsidiaries</b>			
1.	Master Capital Services Limited.	None of the Directors or Key managerial personnel is related except to the extent of their directorship in the associate company.	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 the associate company.	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 the associate company.	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 Singhania 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 Singhania 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. 5

The Company in its AGM held on 30th September, 2016 had taken approval of its shareholders, by way of Special Resolution to give loans to any Body Corporate(s) and / or give any guarantee or provide security in connection with a loan to any Body Coporate(s) and / or acquire by way of subscription, purchase or otherwise, the securities of any Body Corporate(s) upto an aggregate amount not exceeding Rs. 500 crore('Overall Limit').

The amended provision of Section 185, notified on 7<sup>th</sup> May, 2018 require the approval of members to grant loan to Body Corporate (s) in whom the Directors are interested for their principal business activities only.

Master Trust Limited and Master Infrastructure And Real Estate Developers Limited had approached the Company for loan services. The Board in its meeting held on 14<sup>th</sup> August, 2018, considered the matter and proposed to supersede the earlier Special Resolution to also include lending powers to Body Corporate (s) in whom the director is interested within



## PRIME INDUSTRIES LIMITED

the **Overall Limits**. The Loans are to be disbursed in one or more tranches in such a manner that the total amount of loan(s) ('**Specific Individual Limit**') at any point of time does not exceed the following limits:

Company	Amount (in Rs./-)
Master Trust Limited	50.00 Crore
Master Infrastructure And Real Estate Developers Limited	50.00 Crore

Accordingly, the previous special resolution is proposed to be superseded in order to also allow lending to Body Corporate(s) in whom the director is interested.

The loan(s) provided to Body Corporate (s) in whom the Directors are interested shall be utilized by the borrowing Companies for their principal business activity only.

Since, the transaction requires the approval of the members by way of a Special Resolution, therefore, the proposal is being put before the members of the Company for their approval.

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: 14.08.2018

By order of the Board  
For Prime Industries Limited  
Sd/-

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

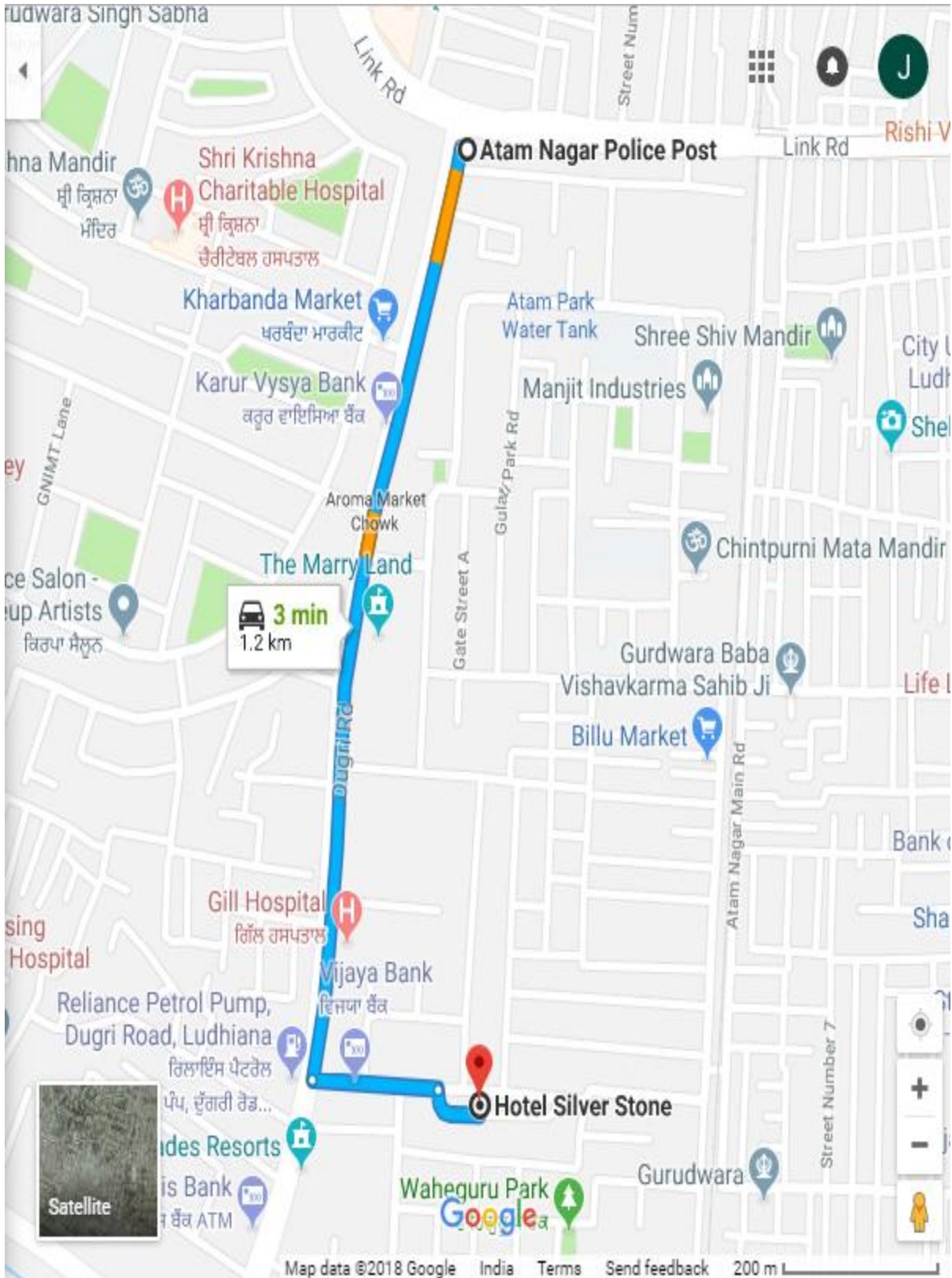
(R.K. Singhanian)  
Managing Director  
DIN - 00077540





# PRIME INDUSTRIES LIMITED

## Route map for reaching Hotel Silverstone from Atam Nagar Police Post, Ludhiana





# 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

2. Name: .....

Address:

E-mail Id:

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

3. 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 26<sup>th</sup> Annual General Meeting of the company, to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 12.00 Noon at Hotel Silver Stone situated at D-Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab-141001 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:





# PRIME INDUSTRIES LIMITED

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 Financial Statements for the year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.		
2.	Ordinary	Re-Appointment of Mrs. Parveen Singhania (DIN:00112932), who retires by rotation and being eligible, seeks re-appointment.		
3.	Ordinary	Ratification of Appointment of the Statutory Auditors of the Company		
4.	Ordinary	Approval of Related Party Transactions.		
5.	Special	Approval of Loans & Investments by the Company		

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 joint holders, the signature of any one holder will be sufficient, but names of all the joint holders 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 26<sup>th</sup> Annual General Meeting held on Saturday, the 29<sup>th</sup> day of September 2018, at 12.00 Noon at Hotel Silver Stone situated at D-Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab-141001

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

\_\_\_\_\_

\*Applicable to investors holding shares in electronic form only

\_\_\_\_\_



# PRIME INDUSTRIES LIMITED

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

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

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## 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 **14.08.2018** 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.	Resolution Type	Description	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Ordinary	Adoption of the audited Financial Statements for the year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.		
2.	Ordinary	Re-Appointment of Mrs. Parveen Singhania (DIN:00112932), who retires by rotation and being eligible, seeks re-appointment.		
3.	Ordinary	Ratification of Appointment of the Statutory Auditors of the Company		
4.	Ordinary	Approval of Related Party Transactions.		
5.	Special	Approval of Loans & Investments by the Company		

Place :

Date :

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

E-Mail \_\_\_\_\_

Tel. No. \_\_\_\_\_