

# PREMIER CHENNAI PROPERTIES LIMITED

September 26, 2016

To,  
BSE Limited (SME-ITP Platform)  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Ref: - Scrip ID: PCPL; Scrip Code: 780007

Sub: - Submission of Annual Report for the Financial Year 2015-16 pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Please find enclosed herewith the Annual Report of Premier Chennai Properties Limited for the Financial Year 2015-16 pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted in the Annual General Meeting of the Company held on September 23, 2016.

Kindly take the same on record and acknowledge the receipt of the same.

Thanking You.

Yours sincerely,  
For Premier Chennai Properties Limited

  
Essakiammal  
Company Secretary



Encl: As above

# **PREMIER CHENNAI PROPERTIES LIMITED**

9<sup>TH</sup> ANNUAL REPORT

Financial Year 2015-16

# PREMIER CHENNAI PROPERTIES LIMITED

## 9<sup>TH</sup> ANNUAL REPORT 2015-16

### **Board of Directors:**

Mr. Anant Kulkarni	Chairman & Independent Director
Mr. Rajan Singh	Independent Director
Mr. Vinode Thomas	Non-Executive Director
Ms. Sunita Manwani	Non-Executive Director
Mr. Anand Kapre	Managing Director & Chief Financial Officer (Resigned w.e.f August 3, 2016)
Mr. Suresh Kootala	Managing Director & Chief Financial Officer (Appointed w.e.f August 3, 2016)

### **Registered Office:**

498, Karumuttu Centre, 3<sup>rd</sup> Floor,  
South Wing, Nandanam, Anna Salai,  
Chennai-600 018, Tamil Nadu

Website: [www.premierchennai.co.in](http://www.premierchennai.co.in)

### **Correspondence Address:**

IL&FS Investment Managers Limited, The IL&FS Financial Centre, 1<sup>st</sup> Floor, Plot No C-22,  
G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

### **Company Secretary & Compliance Officer:**

Ms. Nidhi J. Shah - Resigned w.e.f May 14, 2016  
Ms. Essakiammal - Appointed w.e.f August 3, 2016

### **Statutory Auditors:**

M/s. Vishnu Daya & Co.  
Chartered Accountants

### **Registrar & Share Transfer Agents:**

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Saki-Vihar Road,  
Saki Naka, Andheri (East),  
Mumbai-400 072

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## DIRECTORS' REPORT

### To The Members of Premier Chennai Properties Limited

Your Directors have pleasure in presenting for your consideration and approval the Ninth Annual Report with the Audited Financials of the Company for the year ended March 31, 2016

### FINANCIAL ACHIEVEMENTS AND DIVIDEND

	For the year ended March 31, 2016 (₹)	For the year ended March 31, 2015 (₹)
Total Income	20,15,65,190	26,52,14,716
Profit before Taxation	12,40,70,612	20,81,94,773
Provision for Taxation	(4,03,10,000)	(6,32,57,000)
<b>Net Profit after Taxation</b>	<b>8,37,60,612</b>	<b>14,49,37,773</b>
<b>Appropriations :</b>		
Capital Redemption Reserve	NIL	2,58,340
Balance carried to Balance Sheet	8,37,60,612	14,46,79,433

No amount was transferred to the General Reserve Account

### DIVIDEND

In order to conserve the resources, the Directors have decided not to recommend any dividend on the equity shares of the Company for the year ended March 31, 2016

### REVIEW OF OPERATIONS

The Project, located in OMR a southern suburb of Chennai, was launched in March 2012 and the formal sales launch was in December 2012. Phase I and II are under construction for residential apartments with a saleable area of 9,45,000 sq. ft. and 8,34,000 sq. ft. respectively. Also the construction work for villas with saleable area 9,18,687 sq. ft. and retail development (3,50,000 sq. ft.) is under progress. Phase III of the township development is under land stage admeasuring 65 acres.

As per the JDA arrangement with Pacifica Chennai Infrastructure Company Pvt. Ltd., your Company would get 14.58% of revenues from the sale of apartments and as per JDA arrangement with Sylvanus Builders & Developers Ltd. 12.07% of revenues from sale of villas

During the financial year, the company generated sales revenue of INR 161 mn compared to INR 227 mn in the previous financial year. The PAT for the year is INR 84 mn compared to INR 145 mn in the previous year. In terms of sales performance, 171 apartments and 38 villas were registered in favor of buyers during the financial year compared to sale of 200 apartments and 77 villas in the previous year. The reduction in sales of apartments compared to previous year could be attributed to weakness in demand due to increase in capital values which has reduced affordability of customer.

### **Performance of the Project**

**Apartments:** During the year 55 new bookings were made and however, 52 cancellations (including earlier bookings) were observed. As of March 2016, a total of 757 units have been booked out of total inventory of 1308 units. The current price of units sold is in the range of Rs 3670 per sq ft for economy units and Rs 3720 per sq ft for deluxe units. In addition, Phase 1 apartment towers are completed and the process of handover to customers is underway. Phase 2 towers is expected to completed in the next financial year

**Villas:** During the year 25 new bookings were made and however, 19 cancellations (including earlier bookings) were observed. As of March 2016, a total of 280 units have been booked out of total inventory of 406 units. The current sale price is in the range of Rs 3,995 per sq ft to 4,500 per sq ft. The construction of villas is at varying stages of completion and progress is in line with expectations. Phase wise handover of villas is expected to commence in the next financial year

### **FUTURE OUTLOOK**

Pacifica Aurum is focusing on timely execution and delivery of apartments and villas as certainty of project completion is being appreciated and helps in generation of further sales. However, given the supply scenario in this region, price stagnation will continue in the short-term as home-buyers have many housing options to choose from. However, we expect residential sales to improve over the coming months, as end-users who have been sitting on the fence move forward with purchases. On the other hand, investors are expected to complete their property purchases within 3-6 months to benefit from the current pricing

On the supply side, Pacifica Aurum would not increase any supply as the focus is on completing the existing inventory both in terms of construction and sales. However, the region will continue to see launch of several new projects which may slow down sales in our Project. However, the focus on timely delivery and quality should help our project to be the preferred choice of end users

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

Ms. Nidhi Shah appointed as the Company Secretary with effect from May 18, 2015 in the Board meeting dated May 21, 2015, resigned from the position of Company Secretary of the Company with effect from May 14, 2016

Mr. Anand Kapre was appointed as Managing Director & Chief Financial Officer, subject to the approval of the shareholders at the Board meeting held on May 21, 2015. The shareholders of the Company in the Annual General Meeting held on September 4, 2015 approved the appointment of Mr. Anand Kapre with requisite majority.

In accordance with the provisions of the Companies Act, 2013, Mr. Vinode Thomas, Non-Executive Director of the Company shall retire by rotation in the ensuing Annual General Meeting and being eligible offers himself for re-appointment

## **BOARD INDEPENDENCE**

The Company has received Declarations of Independence pursuant to Reg. 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 from each of its two Independent Directors, viz. Mr. Anant Kulkarni and Mr. Rajan Singh

## **NUMBER OF MEETINGS OF THE BOARD**

The Board of Directors met four (4) times during the Financial Year ended March 31, 2016. The meetings were held during the year on May 21, 2015, September 4, 2015, November 5, 2015 and February 24, 2016. The details of the Board/Committee Meetings and attendance of the Directors at the Board/Committee meeting are given in **Annexure I**

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **AUDIT COMMITTEE**

The Audit Committee of the Company presently comprises of Mr. Anant Kulkarni (Chairman), Mr. Rajan Singh and Ms. Sunita Manwani. The members of the Audit Committee met four (4) times during the Financial Year 2015-2016. All the recommendations of the Audit Committee were accepted by the Board of Directors. Major terms of reference and other relevant details of the Audit Committee have been furnished in **Annexure I**.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee of the Company presently comprises of Mr. Anant Kulkarni (Chairman), Mr. Rajan Singh and Mr. Vinode Thomas. Major terms of reference and other relevant details of the CSR Committee have been furnished in **Annexure I**.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company presently comprises of Mr. Vinode Thomas, (Chairman), Mr. Anant Kulkarni, and Mr. Rajan Singh. All the recommendations of the Nomination and Remuneration Committee were accepted by the Board of Directors. Major terms of reference and other relevant details of the Nomination & Remuneration Committee have been furnished in **Annexure I**.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee of the Company presently comprises of Mr. Anant Kulkarni (Chairman), Mr. Vinode Thomas and Mr. Sunita Manwani . Major terms of reference and other relevant details of the Stakeholders Relationship Committee have been furnished in **Annexure I**.

## **SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS**

The Board has framed a selection criteria for determining the necessary qualifications and attributes for appointment of Directors and also to ensure Board diversity. The details of the above has been uploaded on the website of the Company.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of the Board. The manner in which the evaluation has been carried out is mentioned below:

- The Chairperson may meet with Non-Executive Directors to discuss individual performance and ideas for improvement



- The Board as a whole will discuss and analyze its own performance during the year including suggestions for improvement
- The performance of the Executive Directors shall also be reviewed annually which shall in turn reflect on their remuneration
- The Board shall review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committees

Schedule IV of the Companies Act, 2013 prescribes the Code for Independent Directors (Code). The Company has adopted the Code by incorporating it in Company's Code of Conduct. Roles, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code

The various parameters to be considered while conducting the assessment of Board of Directors, Independent Directors and for Committees is posted on the website of the Company at <http://www.premierchennai.co.in>

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 :

- (a) in the preparation of the Annual Accounts for the year ended March 31, 2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 1 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made 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 March 31, 2016 and of the Profit of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Annual Accounts are prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

## **RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS**

Risk Management forms an integral part of the business of the Company. The Company has a Risk Management Framework, which not only ensures timely identification of risks, analysis of the reasons for such risk, assessment of its materiality, assessment of its impact but also adequate risk mitigation processes. The Risk Management Framework encompasses all areas of the Company's business and the Funds under its management.

The Risk Management Framework ensures that all risks however remote which could potentially threaten the existence of the Company are identified and risk mitigation steps identified for them.

The Company has an adequate system of internal controls commensurate with the nature of its business and complexity of its operations to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management.

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the Internal Audit Reports are reviewed by the Audit Committee.

## **SHARE CAPITAL**

During the year, there was no change in the paid-up share capital of the Company. Therefore, as on March 31, 2016, the total paid-up value of the Company is ₹ 22,37,060/- comprising of 2,23,706 equity shares of ₹ 10/- each.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Board of Directors of the Company vide its Board meeting held on September 4, 2015, consented to renew the Inter-Corporate Deposits of ₹ 150 million granted to G.K. Industrial Park Private Limited (Fellow Subsidiary) at the rate of interest of 18% per annum for a further period of 12 months.

An entry in this regard has been recorded in the Register of Loans & Investments maintained in Form MBP-2 which is kept at the Registered Office of the Company.

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note 2.10 of the Financial Statements.

## **RELATED PARTY TRANSACTIONS**

During the Financial Year 2015-16, the Company extended Inter Corporate Deposit of Rs. 15,00,00,000 to G.K. Industrial Park Private Limited which is its fellow subsidiary for a period of one year bearing interest @18% per annum payable along with principle on due date in previous year. The said deposit along with accrued interest amount has been renewed for one year.

According to the Board of Directors, this transaction was at arm's length basis and also in the ordinary course of the business of the Company and a complete disclosure of the transaction pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is made in Form AOC-2 which is attached herewith as **Annexure II**.

However, there are no materially significant Related Party Transactions made by the Company with its Promoters, Directors, Key Managerial Personnel's or other designated persons which may have a potential conflict with the interest of the Company at large.

All the Related Party Transactions are placed before the Audit Committee and also the Board for approval. The disclosure of transactions with related parties is set out in Note No. 2.22 of the Financial Statements, forming part of the Annual Report.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## **DEPOSITS**

Your Company has not accepted any deposits from the public for the financial year under consideration.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since the Company does not own any manufacturing facility, the Energy Conservation and Technology Absorption particulars in the Companies (Accounts) Rules, 2014, are not applicable.

Also, the Company has made no foreign earnings or any foreign expenditure for the Financial Year ended March 31, 2016.

## **PARTICULARS OF EMPLOYEES**

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company at all levels. The particulars of the employees 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 forms part of the Directors' Report for the year ended March 31, 2016 as **Annexure III**.

There are no employees of the Company falling within the purview of Section 197(12) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. The Policy is also uploaded on the website of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility (CSR) Policy focuses on addressing critical, social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, the Company aligns its CSR strategy and adopts an approach that benefit the communities at large and create social and environmental impact.

The Company adhered to its CSR commitment by contributing to the Prime Minister's National Relief Fund in conformity with the Schedule VII of the Companies Act, 2013. The CSR policy is posted on the Company's website at <http://www.premierchennai.co.in>

The Annual Report on the CSR activities is annexed herewith as **Annexure IV**.

### **WHISTLE BLOWER POLICY**

Whistle Blower Policy aims to provide an avenue for employees and directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Vigil mechanism of the Company. The Whistle Blower policy gives in detail the procedure for inquiry and investigation of complaints, provides for adequate safeguards for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy.

The Company has adopted a Whistle Blower Policy for employees to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The details of the Policy posted on Company's website at <http://www.premierchennai.co.in>

## **STATUTORY AUDITORS**

As per Section 139 of the Companies Act, 2013, the Company shall place the matter relating to the appointment of Statutory Auditors for ratification by members at every Annual General Meeting.

Accordingly, the appointment of M/s. Vishnu Daya & Co., Chartered Accountants, Bangalore, having Registration Number: 008456S as the Statutory Auditors of the Company, is proposed for annual ratification by the shareholders at the ensuing Annual General Meeting.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Statutory Auditors of the Company.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kaushal Dalal & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report is annexed herewith as **Annexure V**.

## **QUALIFICATIONS IN THE AUDITORS' REPORT**

There are no qualifications, reservations or any adverse remarks or disclaimers made by M/s. Vishnu Daya & Co., Statutory Auditors of the Company in their report and by M/s. Kaushal Dalal & Associates, Company Secretaries in Practice, in their Secretarial Audit Report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## **EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return pursuant to Section 92(1) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT 9 are annexed herewith as **Annexure VI**.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations

## **ACKNOWLEDGEMENT**

The Board of Directors take this opportunity to thank the Investors of the Funds under management, shareholders, bankers, Reserve Bank of India, Securities and Exchange Board of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours

For and on behalf of the Board of Directors  
**Premier Chennai Properties Limited**

Sd/-  
Anantkumar Kulkarni  
Chairman  
DIN: 02078034

Place: Mumbai  
Date: May 25, 2016

**A. BOARD OF DIRECTORS****Composition of Board**

- a. The Company's Board comprises of a Non-Executive Chairman, three Non-Executive Directors including one Non Executive Women Director as required under Section 149(1) of the Companies Act, 2013 and one Managing Director. More than one third of the Board comprises of Independent Directors
- b. All the Independent Directors of the Company have furnished a declaration that they satisfy the conditions of being independent as stipulated under the Companies Act, 2013

**Board Meetings**

- a. The Board of Directors met four times during the Financial Year ended March 31, 2016 and the gap between two meetings did not exceed four months. The meetings were held during the year on May 21, 2015, September 4, 2015, November 5, 2015 and February 24, 2016
- b. The category of Directors, their attendance record at the Board Meetings held during the Financial Year ended March 31, 2016 and at the previous Annual General Meeting along with their memberships / chairmanships on the Board Committees of Companies is as follows:

Name & DIN of the Director	Date of Appointment	Category of Director	*No. of Directorships in Indian Companies (including PCPL)	**Committee(s) Position (including PCPL)	
				Member	Chairman
Mr. Anant Kulkarni (DIN: 02078034) (Chairman)	24.03.2014	Non-Executive/ Independent	6	-	2
Mr. Rajan Singh (DIN: 05339297)	01.09.2014	Non-Executive/ Independent	3	1	-
Mr. Vinode Thomas (DIN: 01893613)	09.05.2008	Non-Executive	10	1	-
Ms. Sunita Manwani (DIN: 01839009)	24.03.2014	Non-Executive	7	2	-

# Mr. Anand Kapre (DIN: 00019530)	21.05.2015	Managing Director & CFO	7	-	-
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\* Excludes directorships held in Foreign Companies, if any

\*\* Only Audit Committee and Stakeholders' Relationship Committee have been considered

# Appointed as on May 21, 2015 in the Board meeting dated May 21, 2015

#### Attendance of Directors at Board Meetings and Annual General Meeting

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM held on September 4, 2015
Mr. Anant Kulkarni	4	Yes
Mr. Rajan Singh	4	Yes
Mr. Vinode Thomas	4	Yes
Ms. Sunita Manwani	4	Yes
Mr. Anand Kapre (Appointed with effect from May 21, 2015)	4	Yes

Name of the Director	Attendance at the Board Meetings held on			
	May 21, 2015	September 4, 2015	November 5, 2015	February 24, 2016
Mr. Anant Kulkarni	√	√	√	√
Mr. Rajan Singh	√	√	√	√
Mr. Vinode Thomas	√	√	√	√
Ms. Sunita Manwani	√	√	√	√
Mr. Anand Kapre (Appointed on May 21, 2015)	√	√	√	√



### **Appointment/Re-appointment of Directors**

- a. Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vinode Thomas shall retire by rotation at the ensuing Annual General Meeting
- b. Mr. Anand Sadashiv Kapre has been appointed as Managing Director & Chief Financial Officer (CFO) of the Company
- c. The Board has recommended the re-appointment of Mr. Vinode Thomas to the shareholders of the Company

### **Code of Conduct**

The Board has laid down a Code of Conduct for all its Board members and the Senior Management of the Company. The Code of Conduct includes the Code for the Independent Directors pursuant to Schedule IV of the Companies Act, 2013. The Code of Conduct as laid down by the Board has already been posted on the Company's website. The Company has obtained the confirmation of the compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2015-2016. A declaration on compliance of the Company's Code of Conduct signed by the Managing Director & Chief Financial Officer (CFO) forms part of this Annual Report

### **Selection Criteria for appointment of Board of Directors**

- a. The Board has adopted a Selection Criteria for hiring of Members of the Board. The candidate is expected to meet certain criteria including one of following criteria:
  - Must have served on other Boards
  - Must bring a different dimension to the board due to the area of work or expertise (Legal, Compliance, HR, Marketing etc.)
  - General Management for last 5-10 years in the financial services or, Legal or Real Estate space
  - An independent, eminent Specialist or Professional
  - Experience in the financial services space as an owner of a financial services business

b. Board Diversity:

- The Company is sensitive to the need for a robust Board process that enables different views to be expressed, heard and considered. The Company believes that Board members armed with divergent skills, expertise, experience and knowledge will make the Company's Board more effective and make the Company more agile to face complex issues. A Board comprising of members from divergent backgrounds allows tackling the same issues in differing ways and helps combat common limitations
- The Company is desirous of having suitable Board Diversity in terms of gender, religion, skills, educational and professional patronage, industry experience, and the Company's selection criteria of new Directors shall be guided by these principles

**Evaluation of Board's Performance**

a. The objective of this evaluation is to review the performance of the individual Directors and the Board as a whole. The Board will undertake the following activities annually:

- The Chairperson may meet with Non-Executive Directors to discuss individual performance and ideas for improvement
- The Board as a whole will discuss and analyze its own performance during the year including suggestions for improvement
- The performance of the Executive Directors shall also be reviewed annually which shall in turn reflect on their remuneration
- The Board shall review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committees
- Schedule IV of the Companies Act, 2013 prescribes the Code for Independent Directors (Code). The Company has adopted the Code by incorporating it in Company's Code of Conduct. Roles, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code
- The various parameters to be considered while conducting the assessment of Board of Directors, Independent Directors and for Committees is posted on the website of the Company at <http://www.premierchennai.co.in>

**Terms of Appointment of Independent Directors**

The terms of appointment of Independent Directors is posted on the website of the Company at <http://www.premierchennai.co.in>

## **Independent Directors' Meeting**

The Independent Directors met on November 5, 2015 inter alia:

- To review the performance of non-independent directors and the Board of Directors as a whole
- To review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

## **B. AUDIT COMMITTEE**

### **Constitution of the Audit Committee**

The Audit Committee presently comprises of three Directors of which two are Non-Executive Independent Directors. All the members of Audit Committee are financially literate and Ms. Sunita Manwani, who is a Non-Executive Woman Director is a Chartered Accountant by profession and has accounting and financial management expertise

### **Terms of Reference**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Board revised the terms of reference of the Audit Committee, to include the following:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommend to the Board, the appointment, remuneration, terms of appointment of the Auditor of the Company
- Review and monitor the Auditor's independence and performance and effectiveness of the audit process
- Approval of payment to the statutory auditors for any other services rendered by the statutory auditors
- Review with the management, the annual financial statements and the auditors' report thereon, before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013

- (ii) Changes, if any, in accounting policies and practices and reasons for the same
- (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management
- (iv) Significant adjustments made in the Financial Statements arising out of audit findings
- (v) Compliance with the listing and other legal requirements relating to the financial statements
- (vi) Disclosure of any related party transactions
- (vii) Qualifications in the draft audit report
- (viii) Review with the Management, the half yearly financial statements before submission to the Board for approval
- (ix) Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, monitoring related matters and making appropriate recommendations to the Board to take up steps in this matter
- (x) Approval of any subsequent modification of transaction of the Company with related parties
- (xi) Scrutiny of inter-corporate loans and investments
- (xii) Valuation of undertakings or assets of the Company, wherever it is necessary
- (xiii) Review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems
- (xiv) Evaluation of the internal financial controls and risk management systems
- (xv) Review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- (xvi) Discussion with Internal Auditors on any significant findings and follow up there on

- (xvii) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- (xviii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- (xix) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- (xx) Review the functioning of the Vigil Mechanism
- (xxi) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- (xxii) Review the Management Discussion and Analysis
- (xxiii) Review the financial statements of unlisted subsidiary companies
- (xxiv) Carrying out any other function as is referred to it by the Board of Directors

### **Audit Committee Meetings**

- c. The Audit Committee met four times during the Financial Year ended March 31, 2016 and the meetings were held during the year on May 21, 2015, September 4, 2015, November 5, 2015 and February 24, 2016

The Composition of the Audit Committee is as under:

<b>Name of the Director</b>	<b>Category</b>	<b>Designation</b>
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Ms. Sunita Manwani	Non-Executive	Member

### Attendance of the members at the Audit Committee Meetings

Name of Directors	Attendance at the Audit Committee Meetings held on			
	May 21, 2015	September 4, 2015	November 5, 2015	February 26, 2016
Mr. Anant Kulkarni	√	√	√	√
Mr. Rajan Singh	√	√	√	√
Ms. Sunita Manwani	√	√	√	√

#### Attendees

The Statutory Auditors, the Managing Director & Chief Financial Officer and the Company Secretary are invited to attend the meetings. The Audit Committee also invites such other senior executives as it considers appropriate to be present at its meetings

### C. NOMINATION AND REMUNERATION COMMITTEE

#### Composition

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Compensation Committee” as the “Nomination and Remuneration Committee”

The Committee comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Director

#### Terms of Reference

The Board expanded the terms of reference of the Nomination & Remuneration Committee as per the requirements of Companies Act, 2013 to include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of Independent Director and the Board

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- Approve criteria and quantum of compensation for Whole-time Directors
- Recruitment of key management employees and their compensation
- Determination of the annual increments and performance related pay of the employees
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

### **Managerial Remuneration Policy**

The Board has adopted the Managerial Remuneration policy to attract and to retain competent personnel and to provide competitive performance based compensation and benefits depending on various factors such as the market scenario, business performance of the Company and the remuneration practices and to ensure clear communication of vision and business plans

The structure of Managerial Remuneration policy is segregated in five parts namely remuneration pattern of Whole-time Directors, Key Managerial Personnel, Senior Management, Non-Executive Independent Directors and succession planning

#### **a. Remuneration structure of the Whole-time Directors and Key Managerial Personnel:**

Remuneration: This includes Salary based on seniority and experience paid on a monthly basis as per the Rules of the Company

#### **b. Remuneration structure of the Senior Management:**

- The expression “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads excluding the Key Managerial Personal
- The Senior Management have operational responsibilities
- Remuneration: This includes Salary based on seniority and experience paid on a monthly basis as per the Rules of the Company

#### **c. Remuneration structure of Non-Executive Independent Directors:**

Non-Executive Independent Directors are paid Sitting Fees for attending the Board/Board Committee/s Meetings in accordance with the Companies Act, 2013

**d. Succession Planning:**

- Succession Plan ensures continuity in operation and services, in the event of exit of key members of the organization, by supply of suitably qualified and motivated employees who can take up higher roles and responsibilities
- The Company is committed in creating a system of identifying, monitoring, assessing and developing a pipeline of talent. The Company shall continuously engage in the process of developing career path of employees, to recruit and retain top-performing or high talent employees; and gearing them up for the future organizational requirements
- If the Company is unable to fill a key position through internal promotions, the Company shall close the position by recruiting an external candidate whose experience and expertise best matches with its predecessor, in a time bound manner

**Nomination and Remuneration Committee Meetings**

The Nomination & Remuneration Committee met twice as on May 21, 2015 and February 24, 2016.

**Composition of the Nomination and Remuneration Committee**

<b>Name of the Director</b>	<b>Category</b>	<b>Designation</b>
Mr. Vinode Thomas	Non-Executive	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Mr. Anant Kulkarni	Non-Executive/ Independent	Member

**Attendance of the members at Nomination and Remuneration Committee Meeting**

<b>Name of the Director</b>	<b>Attendance at the Nomination and Remuneration Committee Meeting held on</b>	
	<b>May 21, 2015</b>	<b>February 24, 2016</b>
Mr. Vinode Thomas	√	√
Mr. Rajan Singh	√	√
Mr. Anant Kulkarni	√	√

**Details of Remuneration**

- a. Mr. Anand Sadashiv Kapre has been appointed as the Managing Director & Chief Financial Officer (CFO) of the Company with effect from May 21, 2015



- b. Details of Remuneration paid to the Mr. Anand Kapre during the Financial Year 2015-2016

Name of the Director	Salary (₹)	Perquisites (₹)	Total (₹)
Mr. Anand Kapre	4,11,953	-	<b>4,11,953</b>

**Details of payment made to the Non-Executive Directors**

- a. The Company does not pay any remuneration to the Non-Executive Directors. Independent Directors of the Company are paid sitting fees for attending the Board Meetings and the Audit Committee Meetings of the Company
- b. During the Financial Year 2015-2016, the Independent Directors were paid sitting fees of ₹ 10,000 each for attending Board meetings and ₹ 5,000/- each for attending Audit Committee Meetings
- c. Details of Sitting Fees for the Financial Year 2015-2016 to be paid to the Independent Directors of the Company is as under:

Name of the Director	Sitting Fee for attending board/committee meetings	Commission
Mr. Anant Kulkarni	60,000	-
Mr. Rajan Singh	60,000	-

**D. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Committee oversees the following functions:

- Transfer/transmission of shares and such other securities as may be issued
- Issuance of duplicate certificates and rematerialisation of shares and such other securities as maybe issued
- Issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities
- Monitoring expeditious redressal of investors/stakeholders grievances
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

## Composition

- a. The Stakeholders Relationship Committee presently comprises of one Non-Executive Independent Director and two Non-Executive Directors. The Composition of the Stakeholders Relationship Committee is as under

Name of the Director	Category	Designation
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Ms. Sunita Manwani	Non-Executive	Member
Mr. Vinode Thomas	Non-Executive	Member

- b. In compliance with Section 178 of the Companies Act, 2013, since the Company at present has less than 1,000 shareholders, it is therefore not mandatory for the Company to form a Stakeholders Relationship Committee and thus no Committee meetings were held by the committee members in the Financial Year 2015-2016. However the Company has renamed its previously constituted 'Shareholders/Investors Grievance Committee' as the 'Stakeholders Relationship Committee'
- c. During the Financial Year 2015-2016, the Company did not receive any complaints from shareholders and also there were no complaints pending at the end of the year

## **E. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The Committee has been constituted to:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company, as laid down in Schedule VII to the Act
- Identify the focus areas for the CSR activities on a yearly basis and review the same on a periodic basis
- Recommend the amount of expenditure to be incurred on the CSR activities
- Instituting a transparent monitoring mechanism for implementation of the CSR activities undertaken by the Company

### **Composition of the Corporate Social Responsibility Committee**

The composition and attendance record of the members of the Corporate Social Responsibility Committee is given as under:

<b>Name of the Member</b>	<b>Category</b>	<b>Designation</b>
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Mr. Vinode Thomas	Non-Executive	Member

### **Attendance of the members at the Corporate Social Responsibility Committee Meeting**

<b>Name of the Director</b>	<b>Attendance at the Corporate Social Responsibility Committee Meeting held on November 5, 2015</b>
Mr. Anant Kulkarni	√
Mr. Rajan Singh	√
Mr. Vinode Thomas	√

### **F. WHISTLE BLOWER POLICY**

Whistle Blower Policy aims to provide an avenue for employees and directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Vigil mechanism of the Company. The Whistle Blower policy details the procedure for inquiry and investigation of complaints, provides for adequate safeguard for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy. The Policy is posted on the website of the Company at <http://www.premierchennai.co.in>

## **G. GENERAL BODY MEETINGS**

Particulars of past three Annual General Meetings

<b>AGM</b>	<b>Financial Year</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolutions passed</b>
8 <sup>th</sup> AGM	2014-2015	Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103	04.09.2015	2.00 p.m.	1. Appointment of Mr. Anand Kapre as the Managing Director and CFO  2. Alteration of Articles of Association
7 <sup>th</sup> AGM	2013-2014	5J, 5 <sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai-600 018, Tamil Nadu	30.09.2014	12.00 p.m.	1. Appointment of Mr. Anant Kulkarni as the Independent Director for a term of 5 years  2. Appointment of Mr. Rajan Singh as the Independent Director for a term of 5 years
6 <sup>th</sup> AGM	2012-2013		04.09.2013	10.00 a.m.	No Special Resolution was passed

### **Special Resolutions passed through Postal Ballot**

None of the resolutions approved at the last Annual General Meeting required postal ballot approval

During the year under review, no resolution has been passed through the exercise of postal ballot

## **H. DISCLOSURES**

- a. The Management Discussion & Analysis forms part of this Annual Report
- b. **Related Party Transactions:** All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 42 of the Model Listing Agreement-ITP Platform during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements and Form AOC-2 in **Annexure II**

- c. None of the Directors of the Company are related to each other
- d. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large
- e. Strictures or Penalties: No strictures or penalties were imposed on the Company by the Stock Exchange or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matter related to the capital markets during the last three years
- f. Compliance with Accounting Standards: In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements
- g. CEO & MD/CFO Certification: The Managing Director and Chief Financial Officer (CFO) has issued certificate, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

#### **I. MEANS OF COMMUNICATION**

- a. The Company does not send any half-yearly report to the members of the Company
- b. The Financial results of the Company for the Financial Year 2015-2016 is available on the website of the Company at <http://www.premierchennai.co.in>
- c. The Company's website contains a separate dedicated section 'Investor Relations' which provides all the information on Financials, Shareholding Pattern, Policies, Notices and Updates
- d. The Annual Report of the Company is also placed on the Company's website: <http://www.premierchennai.co.in> and can be downloaded

## **J. GENERAL SHAREHOLDERS' INFORMATION**

<b>Annual General Meeting Day, Date and Time:</b>	Friday, September 23, 2016 at 2.00 p.m
<b>Annual General Meeting Venue:</b>	498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai – 600 035, Tamilnadu
<b>Financial Year:</b>	The Company follows April-March as its Financial Year
<b>Book Closure:</b>	Monday, September 19, 2016 to Friday, September 23, 2016 (both days inclusive)
<b>Dividend Payment:</b>	The Company does not intend to declare dividend to its shareholders for the Financial Year 2015-2016
<b>Listing on Stock Exchange:</b>	The Equity Shares of the Company are listed on BSE- SME Institutional Trading Platform. The Company has already paid the annual listing fees for the Financial Year 2016-2017 to the Stock Exchange
<b>Security Identification Number (ISIN):</b>	INE245Q01019
<b>Scrip Code/Symbol:</b>	Scrip ID: PCPL; Scrip Code: 780007
<b>Corporate Identification Number:</b>	L70101TN2007PLC065552
<b>Board Meeting to be held for approving financial statements for the half year ending:</b>	
September 30, 2016	On or before November 15, 2016
March 31, 2017	On or before May 30, 2017

The shares of the Company have not been traded on the exchange since the Company got listed on the Institutional Trading Platform of BSE-SME Exchange with effect from Friday, June 20, 2014

## **K. SHARE TRANSFER SYSTEM**

The Registrar and Share Transfer Agent (RTA) of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities of the Company

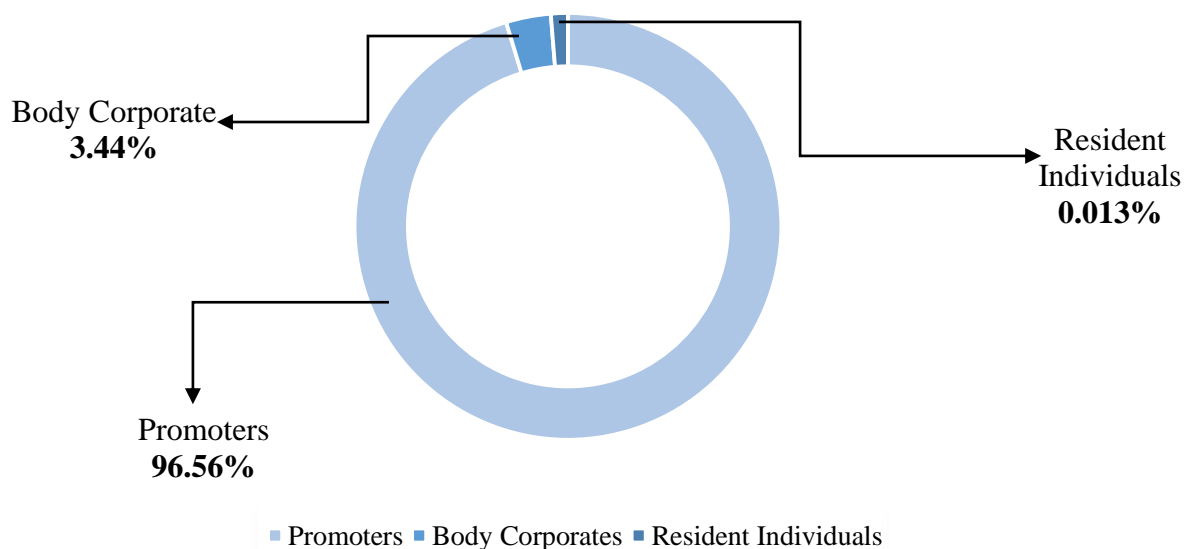
Shares held in the dematerialized form are electronically transferred on the Depositories. The RTA of the Company periodically receives the beneficiary holdings from the Depositories which enables the RTA to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed within a period of 21 days from the date of receipt, provided they are in order in every respect

## **L. CATEGORY WISE SHAREHOLDING AS ON MARCH 31, 2016**

<b>Sr. No.</b>	<b>Category</b>	<b>No. of Shares held</b>	<b>%</b>
1.	Promoters	2,16,003	96.556
2.	Body Corporates	7,700	3.442
3.	Resident Individuals	3	0.013
	<b>Total</b>	<b>2,23,706</b>	<b>100.000</b>

**Distribution of Shareholding as on March 31, 2016**



**M. DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2016 (IN ₹)**

<b>Nominal Shareholding</b>	<b>No. of Shareholders</b>	<b>% of Total</b>	<b>Share Amount</b>	<b>% of Total</b>
1-5000	5	71.4286	5,040	0.2253
50001-100000	1	14.2857	72,000	3.2185
100001-9999999999	1	14.2857	21,60,020	96.5562
<b>Total</b>	<b>7</b>		<b>22,37,060</b>	<b>100.000</b>

**N. RECONCILIATION OF SHARE CAPITAL AUDIT**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external practicing company secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Audit Certificate in regard to the same is submitted to BSE-SME Limited

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby members have an option to dematerialize their shares with either of the depositories

**O. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

100% of the equity shares have been dematerialized as on March 31, 2016

**P. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

Nil



**Q. ADDRESS FOR CORRESPONDENCE**

**Registrar and Share Transfer Agents:**

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Saki-Vihar Road,  
Saki Naka, Andheri (East),  
Mumbai-400 072  
Tel. No.: +91-22-4043 0200  
Fax. No.: +91-22-2847 5207

**Registered Office:**

498, Karumuttu Centre, 3<sup>rd</sup> Floor,  
South Wing, Nandanam, Anna Salai,  
Chennai-600 035, Tamil Nadu  
Tel. No.: +91-44-2431 3535  
Fax No.: +91-44-2431 5353

**Correspondence Address:**

IL&FS Investment Managers Limited,  
The IL&FS Financial Centre, 1<sup>st</sup> Floor,  
Plot No C-22, G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai-400 051  
Tel. No.: +91-22-2659 3793  
Fax No.: +91-22-2653 3056

**FORM NO. AOC 2**

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis:

**NOT APPLICABLE**

- a. Name(s) of the related party and nature of relationship;
- b. Nature of contracts/arrangements/transactions;
- c. Duration of the contracts / arrangements/transactions;
- d. Salient terms of the contracts or arrangements or transactions including the value, if any;
- e. Justification for entering into such contracts or arrangements or transactions;
- f. Date(s) of approval by the Board;
- g. Amount paid as advances, if any; and
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

2. Details of material contracts or arrangement or transactions on an arm's length basis:

- a. Name(s) of the related party and nature of relationship;

**G.K. Industrial Park Private Limited**

Fellow Subsidiary

- b. Nature of contracts/arrangements/transactions;

**G. K. Industrial Park Private Limited**

Renewal of Inter-Corporate Deposit

- c. Duration of the contracts / arrangements/transactions;

**G. K. Industrial Park Private Limited**

Ongoing, repayable on September 29, 2016

- d. Salient terms of the contracts or arrangements or transactions including the value, if any;

**G. K. Industrial Park Private Limited**

The Company vide its Board Resolution dated September 4, 2015, extended the Inter-Corporate Deposit of ₹150 million granted to G. K. Industrial Park Private Limited, fellow subsidiary for a period of one year bearing interest @18% per annum payable along with principle on due date in previous year. The said deposit along with accrued interest amount i.e ₹177 million has been renewed for one year.

- e. Justification for entering into such contracts or arrangements or transactions;

**G. K. Industrial Park Private Limited**

Deposit was given by Premier Chennai Properties Limited to G. K. Industrial Park Private Limited for financial purpose

- f. Date(s) of approval by the Board;

**G. K. Industrial Park Private Limited**

As on September 4, 2015

- g. Amount paid as advances, if any; and

**G. K. Industrial Park Private Limited**

**Nil.** As it was renewal of an ICD provided

- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

**Not Required**

**Annexure III****PARTICULARS OF EMPLOYEES**

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<b>Sr. No</b>	<b>Requirements</b>	<b>Disclosure</b>	
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Not Applicable The Company had only two employees for the Financial Year 2015-2016	
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	MD & CFO	Nil
		CS	10%
3	The percentage increase in the median remuneration of employees in the financial year	Not Applicable The Company had only two employees for the Financial Year 2015-2016	
4	The number of permanent employees on the rolls of the Company	The Company had only two employees on its roll for the Financial Year 2015-2016.	
5	The explanation on the relationship between average increase in remuneration & Company performance	In view of moderate performance of the company there was only nominal increase in the remuneration of the employee	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration of KMPs (as % of revenue)	0.55% (0.17% for FY 2014-15)

7	Variations in the market capitalization of the Company as on March 31, 2015 and as on March 31, 2016 and the Price earnings ratio as at the closing date of the current FY and previous FY : Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :	Not Applicable  The shares of the Company have not been traded on the exchange since the Company got listed on the Institutional Trading Platform of BSE-SME Exchange with effect from Friday, June 20, 2014		
8	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 ;	% increase in the remuneration other than the Executive Director		Nil, as there is no increase in individual's salaries in the financial year
		% increase in the remuneration of the Executive Director		
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company		<b>% to Total Profit for Managerial remuneration purpose FY 15-16</b>	<b>% to Total Profit for Managerial remuneration purpose FY 14-15</b>
		MD & CFO	0.33%	0.08%
		CS	0.22%	0.09%
10	The key parameters for any variable component of remuneration availed by the directors	<ol style="list-style-type: none"> <li>1. Financial Performance of the Company</li> <li>2. Key Initiatives taken</li> <li>3. Contribution to the Company's growth</li> <li>4. On the recommendations of Nomination and Remuneration Committee</li> </ol>		
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable		
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed		

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)  
ACTIVITIES**

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

Outline of Company's Corporate Social Responsibility (CSR) Policy is given in the Directors' Report. The CSR Policy is also posted on the website of the Company at <http://www.premierchennai.co.in>

- 2. Composition of the CSR Committee:**

Mr. Anant Kulkarni - Chairman  
Mr. Rajan Singh  
Mr. Vinode Thomas

- 3. Average Net Profit of the Company for last three Financial Years:**

Average Net Profit: ₹ 9,62,34,648/-

- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above):**

The Company is required to spend ₹ 19,24,693/- towards CSR

- 5. Details of CSR spend during the Financial Year:**

- a. Total amount spent for the Financial Year**

₹ 19,50,000/-

- b. Amount unspent, if any**

Nil

**c. Manner in which the amount spent during the Financial Year is detailed below**

<b>CSR Project or Activity Identified</b>	<b>Sector in which the project is covered</b>	<b>Projects or Programs (1) Local area or other (2) Specify the state or district where projects or programs was undertaken</b>	<b>Amount outlay (budget) programs or project wise</b>	<b>Amount spent on the projects or programs. Sub-heads (1) Direct expenditure on projects or programs (2) Overheads</b>	<b>Cumulative expenditure upto the reporting period</b>	<b>Amount spent direct or through implementing agency</b>
Contribution to the Prime Ministers' National Relief Fund	Public Welfare	New Delhi	₹ 19,50,000/-	-	₹ 19,50,000/-	Direct

For and on behalf of  
**Premier Chennai Properties Limited**

Sd/-  
Anand Sadashiv Kapre  
Managing Director & CFO  
DIN: 00019530

For and on behalf of  
**Corporate Social Responsibility Committee**

Sd/-  
Anant Kulkarni  
Chairman of CSR Committee  
DIN: 02078034

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 2015-2016**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**PREMIER CHENNAI PROPERTIES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s PREMIER CHENNAI PROPERTIES LIMITED** (hereinafter called “the Company”), incorporated on **28<sup>th</sup> November, 2007** having **CIN: L70101TN2007PLC065552** and Registered office at 498, Karumuttu Centre, 3<sup>rd</sup> Floor, South Wing, Nandanam, Anna Salai, Chennai, Tamil Nadu-600035. 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<sup>st</sup> March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2016** 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 the Bye-Laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015 w.e.f 15<sup>th</sup> May, 2015.
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable**
- (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**
- (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable**
- (vi) 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;
- (vii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not Applicable**
- (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable**

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the company for the Compliances under the applicable Acts and the regulations to the Company. The List of major head/groups of Acts/laws and regulations applicable to the Company is enclosed and marked as **Annexure –I**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:- S.S 1 and S.S 2 w.e.f. 01<sup>st</sup> July, 2015.
- (ii) The Model Listing Agreement for listing on Institutional Trading Platform of SME Exchange entered into by the Company with BSE Limited upto 30<sup>th</sup> November, 2015.
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w. e. f. 01<sup>st</sup> December, 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. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the notified Secretarial Standards, Companies Act, 2013 and the rules made thereunder, 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 including meeting through the video conference.

Majority decision is carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

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:

- a. The members of the Company vide Special Resolutions passed in the Annual General Meeting held on 04<sup>th</sup> September, 2015 has approved the following:
  - Appointment of Mr. Anand Kapre as the Managing Director and Chief Financial Officer (CFO) pursuant to the provisions of the Sections 196, 197, 203 and all the other applicable provisions of the Companies Act, 2013 and the rules made thereunder; and
  - Adoption of new set of Articles of Associations of the Company.

**For Kaushal Dalal & Associates**  
*Company Secretaries*

Sd/-  
**Kaushal Dalal**  
**Proprietor**  
**M. No: 7141 CP No: 7512**

**Date: April 14, 2016**  
**Place: Mumbai**

**ANNEXURE-I**

<b>Sr. No</b>	<b>Name of the Other Acts</b>
1	Labour Laws and other incidental Laws related to the employees appointed by the Company either on its payroll or on the contractual basis as related to the wages, provident fund, Gratuity, ESIC, Compensation etc.
2	Foreign Contribution Regulation Act, 2010
3	Foreign Exchange Management Act, 1999 /Foreign Direct Investment Policy
4	Information Technology Act, 2000
5	Consumer Protection Act, 1986
6	Acts Specified under the Direct and the Indirect tax
7	Acts prescribe under the Environmental Protection
8	Acts prescribe under the prevention and control of the pollution
9	General Clauses Act, 1897
10	Tamil Nadu Shops and Establishments Act, 1948
11	The Land Acquisition Act, 1894

**For Kaushal Dalal & Associates**  
*Company Secretaries*

Sd/-

**Kaushal Dalal**  
**Proprietor**

**M. No: 7141 CP No: 7512**

**Date: April 14, 2016**

**Place: Mumbai**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on March 31, 2016**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	<b>CIN</b>	L70101TN2007PLC065552
2.	<b>Registration Date</b>	28/11/2007
3.	<b>Name of the Company</b>	Premier Chennai Properties Limited
4.	<b>Category/Sub-category of the Company</b>	Public Company limited by shares
5.	<b>Address of the Registered office &amp; contact details</b>	498, Karumuttu Centre, 3 <sup>rd</sup> Floor, South Wing, Nandanam, Anna Salai, Chennai-600035, Tamil Nadu
6.	<b>Whether listed company</b>	Yes
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (East), Mumbai-400 072

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Specialized Construction Activities	4390-As per NIC Code 2008	85.58%

**III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND FELLOW COMPANIES**

Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Fellow	% of shares held	Applicable Section
<b>Sunshine Holdings (Mauritius) Limited</b> <u>Address :</u> Suite 2005, Alexander House, Cybercity, Ebene, Mauritius	Foreign Company	Holding	96.56	2(46)
<b>G. K. Industrial Park Private Limited</b> <u>Address :</u> 30, Chennai Bye Pass Road, Mannarpuram, Trichy, Tamil Nadu-620 020	U45200TN2007PTC065754	Fellow Subsidiary	--	--

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1	-	1	0.0004	1	-	1	0.0004	-
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
<b>Sub-total (A)(1)</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>0.0004</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>0.0004</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs Individuals									
b) Others Individuals									
c) Bodies Corp.	216002	-	216002	96.556	216002	-	216002	96.556	-
d) Banks/FIs									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>216002</b>	<b>-</b>	<b>216002</b>	<b>96.556</b>	<b>216002</b>	<b>-</b>	<b>216002</b>	<b>96.556</b>	<b>-</b>
<b>Total shareholding of promoter (A)=(A)(1)+(A)(2)</b>	<b>216003</b>	<b>-</b>	<b>216003</b>	<b>96.557</b>	<b>216003</b>	<b>-</b>	<b>216003</b>	<b>96.557</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks / FIs									
c) Central Govt.									
d) State Govt.(s)									
e) VC funds									
f) Insurance companies									

g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1)</b>									
<b>(2) Non-Institutions</b>									
a) Bodies Corp.	7700	-	7700	3.442	7700	-	7700	3.442	-
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3	-	3	0.0013	3	-	3	0.0013	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
-Directors									
-NRIs									
-HUFs									
Clearing Members									
Trusts									
<b>Sub-total (B)(2)</b>	<b>7703</b>	<b>-</b>	<b>7703</b>	<b>3.443</b>	<b>7703</b>	<b>-</b>	<b>7703</b>	<b>3.443</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>7703</b>	<b>-</b>	<b>7703</b>	<b>3.443</b>	<b>7703</b>	<b>-</b>	<b>7703</b>	<b>3.443</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>223706</b>	<b>-</b>	<b>223706</b>	<b>100</b>	<b>223706</b>	<b>-</b>	<b>223706</b>	<b>100</b>	<b>-</b>



B) Shareholding of Promoter

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Sunshine Holdings (Mauritius) Limited	216002	96.56	-	216002	96.56	-	-
Mr. Rajeev Maheshwari [Nominee of Sunshine Holdings (Mauritius) Limited]	1	0.0004	-	1	0.0004	-	-
<b>Total</b>	<b>216003</b>	<b>96.56</b>	<b>-</b>	<b>216003</b>	<b>96.56</b>	<b>-</b>	<b>-</b>

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	There has been no change in the Promoter Shareholding during the year			
	At the end of the year	-	-	-	-

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IL&FS TRUST COMPANY LIMITED	7200	3.2185	7200	3.2185
2.	SARTHI CAPITAL ADVISORS PRIVATE LIMITED	500	0.2235	500	0.2235
3.	MR. SALEH AFIMIWALLA	01	0.0004	01	0.0004
4.	MR. SANJAY MITRA	01	0.0004	01	0.0004
5.	MR. MANOJ BORKAR	01	0.0004	01	0.0004

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors and KMPs hold shares in the Company			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	None of the Directors and KMPs hold shares in the Company			
	At the end of the year	None of the Directors and KMPs hold shares in the Company			

**V. INDEBTEDNESS : Not Applicable**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Mr. Anand Kapre #</b>
	<b>Designation</b>	<b>MD &amp; CFO</b>
	<u>Gross salary</u>	
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
	<b>Total (A)</b>	<b>4,80,000/-</b>

# Appointed vide Board Resolution dated May 21, 2015 subject to Shareholders' Approval

B. Remuneration to other Directors:  
**Independent Directors**

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Anant Kulkarni	Mr. Rajan Singh	
	Fee for attending board/committee meetings	60,000	60,000	1,20,000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (B)(1)</b>	<b>60,000</b>	<b>60,000</b>	<b>1,20,000</b>

**Other Non-Executive Director**

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Vinode Thomas	Ms. Sunita Manwani	
	Fee for attending board/committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(B)(1)+(B)(2)</b>	<b>60,000</b>	<b>60,000</b>	<b>1,20,000</b>

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Ms. Nidhi Shah* Company Secretary
1	<u>Gross salary</u>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	**3,30,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit Others, specify...	-
5	Others, please specify	-
	<b>Total</b>	<b>**3,30,000/-</b>

\* Appointed vide Board resolution dated May 18, 2015

\*\* The Board in their meeting dated February 24, 2016, increased the remuneration payable to Ms. Nidhi Shah with effect from December, 2015

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

## **COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics for the year ended March 31, 2016

For **Premier Chennai Properties Limited**

Sd/-  
Anand Sadashiv Kapre  
Managing Director & CFO  
DIN: 00019530

Place: Mumbai  
Date: May 25, 2016



## **MD & CFO CERTIFICATION**

I, the undersigned, in my capacity as Managing Director and Chief Financial Officer of Premier Chennai Properties Limited (“the Company”) to the best of my knowledge and belief certify that:

- a. I have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2016 and that to the best of my knowledge and belief, I state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any 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. I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or volatile of the Company’s Code of Conduct.
- c. I hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company
- d. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies
- e. I have indicated, based in my most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over the financial reporting

**For Premier Chennai Properties Limited**

Sd/-  
Anand Sadashiv Kapre  
Managing Director & CFO  
DIN: 00019530

Date: May 25, 2016

**Brief note on the changes in the Board Members and KMP from the date of approval of Directors Report (May 25, 2016) up to the date of issuance of Notice of Annual General Meeting (August 3, 2016) :**

1. Mr Anand Sadashiv Kapre resigned as the Managing Director and Chief Financial Officer of the company with effect from July 31, 2016

2. Subject to the approval of Members of the Company, Mr Suresh Kootala has been appointed as the Managing Director and Chief Financial Officer of the Company in capacity of the Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013, by the Board of Directors of the Company, for a term of three years, with effect from August 3, 2016

Appointment of Mr Suresh Kootala as the Managing Director and Chief Financial Officer of the Company has been proposed for the approval of the Members of the Company, vide Special Resolution at the ensuing Annual General Meeting to be held on September 23, 2016

3. Ms Essakiammal has been appointed as the Company Secretary of the Company, in capacity of the Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013, with effect from August 3, 2016.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A. Industry Structure and Developments

1. The real estate sector in India has witnessed a paradigm shift in the last decade. From being a largely unorganized sector in the past, it has steadily transformed over the years to become a more structured one. According to the Economic Survey 2015-16, the real estate sector constituted 7.4 per cent of India's GD5 in 2014-15. Both domestic and global slowdown affected the sector with growth decelerating from 4.4% in 2014-15 to 3.7% in 2015-16
2. The residential space continues to face headwinds in the form of muted sales and subdued consumer demand. Furthermore, the sector has been challenged by frequent delays in project completion and a complex approval process. This has resulted in developers curtailing new project launches and focusing on executing existing projects to deliver within the committed timeframe. Beyond the short-term demand factors, there is immense potential for residential real estate in India. According to a report published by Bain & Company, the organized Indian real estate demand is estimated at roughly around 82 million square meters. It is forecast to reach approximately 0.13 billion square meters by 2020, a 9% annual growth rate. Residential real estate is responsible for 85% of the demand. This growth is supported by robust underlying market drivers such as favorable macroeconomic conditions, increasing affordability and urbanization, improved access to credit and the gradual shift from unorganized real estate construction to organized development
3. Further, policy announcements and reforms to revive the real estate space, including the relaxation of Foreign Direct Investment FDI norms, introduction of 100 smart cities, direct and indirect tax benefits for affordable housing projects, Real Estate Investment Trusts REITs, etc. have helped in generating a positive outlook for the real estate market

### B. Residential Real Estate

1. Residential demand has lagged behind supply in major cities across India which has led to high unsold inventories and in turn resulting in the fall of newly launched units. According to property research firm Knight Frank, CY 2015 ended with the lowest number of new launches and sales volumes across the top eight cities of India since 2010. While the sales volume during the year was similar to that in 2014 new launches fell sharply by 21%
2. Affordability in Indian residential real estate is at a 5 year high as income growth over last 5 years 10 -12% p.a has outpaced property price inflation (-10 to 10%) . Further mortgage

rate cuts have come off by over 125 bps since 2015 and are expected to decline further through the year. Developers too have reduced unit configurations to smaller sizes to start addressing this demand

### **C. Commercial Real Estate**

1. Positive market sentiments and a gradual macro-economic recovery continue to support India's commercial real estate segment. India's office space absorption stood at 3.25 mn square meters during 2015 – the second highest figure in the country's history after 2011. The demand for office space in 2011 came from occupiers taking advantage of low rents after the global financial crisis. This time however it was the result of corporates implementing their growth plans
2. Bengaluru was a standout performer among key markets with demand being driven by IT-ITes, e-commerce companies and startups. According to property research firm Knight Frank, the vacancy levels in India reached an eight year low of 15.8% in 2015. Bengaluru had the lowest vacancy level in the country at 8% followed by Pune at 11.3% . Chennai and Pune led in terms of annual absorption growth at 37% and 15% respectively. In terms of new completions, NCR and Bengaluru witnessed the fastest growth at 56% and 13% respectively
3. Going forward, office leasing demand is expected to remain steady backed by expansionary activities from technology firms and domestic financial institutions. The office segment has also seen a huge interest from private equity players and a large number of office deals have been announced last year primarily for completed projects

### **D. Segment-wise or Product-wise Performance**

1. The Project, located in OMR a southern suburb of Chennai, was launched in March 2012 and the formal sales launch was in December 2012. Phase I and II are under construction for residential apartments with a saleable area of 9,45,000 sq. ft. and 8,34,000 sq. ft. respectively. Also the construction work for villas with saleable area 9,18,687 sq. ft. and retail development (3,50,000 sq. ft.) is under progress. Phase III of the township development is under land stage admeasuring 65 acres.
2. The Company had entered into a Joint Development Agreement (JDA) with KCP packaging and the Developer according to which the Developer would be responsible for the development of the project and bear all expenses of construction, marketing, getting approvals, etc. and PCPL would get 14.58% of revenues from the sale of apartments and 12.07% of revenues from sale of villas
3. The product wise performance for the Financial Year 2015-16 is as follows:

Apartments	-	171 units were registered in favor of buyers
Villas	-	38 units were registered in favor of buyers

## **E. Chennai Market Overview:**

South and South-West micro-markets have been the top performers in the city on the basis of absorption and launches, accounting for nearly 63% of the total sales and 52% of the total launches in the city during FY'16. Perumbakkam, Guindy, Tambaram and Karapakkam have emerged as the top performing localities due to consistently high absorption and low inventory overhang

West micro market has been the top performer in terms of annual price appreciation followed by Central and South-West micro markets. Madambakkam, in the South-West micro market, is poised for higher growth in short to medium term with relatively affordable average price of around Rs. 4,000 per ft<sup>2</sup>, low inventory overhang of 20 months and a high livability score of 90

Pallavaram-Tambaram belt, in South-West Chennai, continues to gain prominence in terms of residential demand, due to its proximity to both Old Mahabalipuram Road (OMR) and Grand Southern Trunk Road (GST)

Alandur and Guindy have emerged as the most promising locations with low inventory overhang levels of 10 months and 6 months respectively; Proximity to IT/ITeS hubs, improved connectivity and upcoming commercial developments have been key factors for the same

Eight out of the top 15 localities in Chennai belong to the South Chennai micro-market, owing to their proximity to the major IT/ITeS hubs situated along OMR and GST; The employees working in and around the employment hubs situated in the vicinity of OMR and GST have been the major contributors to the residential demand in the region

Chennai Metro is likely to have a positive impact on the performance of localities in OMR, which includes Perumbakkam, Sholinganallur, Navallur and Karapakkam

## **F. Micro Market Overview**

A predominant number of apartment projects in the micro market are priced in the range of INR 3,500-4,500 per sqft. Apartments are transacted on the basis of several factors such as location, positioning, product quality (specifications and amenities), developer reputation and the relevant stage in construction lifecycle of the project. Typical configurations are 2BHK to 3 BHK+Study with a few projects/ share of supply accounted by larger size apartments and pent-houses (5BHK and above). Developers tend to differentiate their product on the basis of amenities like school, club house. The average pricing of villas in the micro market range from INR 7,500 - 8,500 per sqft. Pacifica Aurum project, located in the micro-market, is targeting the mid-market segment, with apartments priced around INR 3,500 per sqft and compact villas priced around INR 4,700 per sqft

Some developments like Prestige Luxury springs have quotes 15-20% more than average pricing because of the specs they offer in terms of facilities like sprawling private gardens

which cover 50% of each plot, to central air-conditioning, wardrobes in the bedrooms, state-of-the-art appliances in the kitchen and a home automation system.

The prominent share of buyers in this area are from the Siruseri-Navalur belt of IT companies with about 7-10% being investors who want to own a second home for investment. Most of the projects in the area cater to the working population of Siruseri with the average ticket size of the apartments between INR 75-85 lakhs

In the recent past, there has been a moderation in sales velocity seen in a large number of projects, which are attributed to a number of reasons, including the high interest rates, persistently high inflation and moderation in economic growth rates among others

There has not been much movement in the commercial activity in the micro market. Vacancy and upcoming supply is expected to put pressure on the capital values in the micro market. Quality of stock and infrastructure would dictate the trend setters in the area. The developers have moved away from time bound payment and have largely linked the payment to the progress of construction. This is also expected to lead to a rapid absorption for completed projects at ready to move in stage

## **G. Outlook**

1. The current challenging market environment necessitates increased dynamism. The company is focusing on increasing sales and expediting construction. The micro market is faced with over supply. However, project layout, product size and amenities provides good differentiation from competing projects. With improvement in economic outlook and fall in interest rates, the company is confident of good performance

## **H. Risks and concerns**

Lack of demand on account of the following may result in below than expected performance:

- Over supply in the micro market due to competing projects
- Lack of liquidity due to dampened sales may delay project completion

## **I. Internal Control Systems and their adequacy**

The Company having carried out Internal Audit, has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

## **J. Discussion on the Financial Performance with respect to Operational Performance**

During the financial year, the company generated sales revenue of INR 161 mn compared to INR 227 mn in the previous financial year. The PAT for the year is INR 84 mn compared to INR 145 mn in the previous year.

**K. Material developments in Human Resources/Industrial Relations front, including number of people employed:**

There are two employees on the payroll of the Company

## **Independent Auditor's Report**

### **To the Members of Premier Chennai Properties Limited**

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

We have audited the accompanying standalone financial statements of Premier Chennai Properties Limited ("the Company"), which comprises the balance sheet as at 31 March, 2016, the statement of profit and loss, the cash flow statement for the year the ended, and a summary of the significant accounting policies and other explanatory information.

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

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

#### **Auditor's Responsibility**

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

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

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

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



the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) on the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations which would impact its financial position.
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivate contracts
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

*for Vishnu Daya & Co.,*  
*Chartered Accountants*  
ICAI Firm's registration number: 008456S

Sd/-  
**Guruprasad**  
*Partner*  
ICAI Membership No. 219250

Chennai  
May 25, 2016

## **Annexure – A to the Independent Auditors’ Report**

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

1. The Company has not acquired any fixed assets as on Balance Sheet date. Accordingly clause 3 (i) of the Order is not applicable to the Company for the current year.
2. Inventories representing land under development held by the Company and is part of project developmental activities carried out by the developer as per the agreement have been physical verified / reviewed at reasonable intervals by the management. No material discrepancies were noticed on physical verification.
3. The Company has granted loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 (“the Act”).
  - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed 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 loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated terms and conditions, whenever they have become due.
  - c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investment made.
5. The Company has not accepted any deposits from the public.
6. According to the information and explanation given to us, for the activities carried out by the Company, Central Government has prescribed the maintenance of cost records, under Section 148 (1) of the Act as per the Companies (cost records and audit) Rules, 2014. However, the Company turnover is not in excess of the limits prescribed for maintenances of Cost Records for the current year under reporting, accordingly, clause 3 (vi) is not applicable to the Company.
7.
  - a. According to information and explanations given to us and on the basis of our examinations of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, employees’ state insurance, excise duty and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

- According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, employees' state insurance, excise duty and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and based on the examination of the records of the Company, there are no dues in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company has not availed any credit facilities from financial institution or bank or government or debenture holders. Accordingly, clause 3 (viii) of the Order is not applicable.
9. The Company has not raised moneys by way of public offer or further public offer (including debt instrument) and term loans during the under review. Accordingly, clause 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. According to information and explanation provided 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 on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
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 shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected to him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*for Vishnu Daya & Co.,*  
*Chartered Accountants*  
ICAI Firm registration number: 008456S

Sd/-  
**Guruprasad**  
*Partner*  
ICAI Membership No. 219250

Chennai  
May 25, 2016

## **Annexure – B – to the 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 Premier Chennai Properties Limited (“the Company”) as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

#### **Auditor’s 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

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

### **Opinion**

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

*for Vishnu Daya & Co.,  
Chartered Accountants*

ICAI Firm registration number: 008456S

**Sd/-  
Guruprasad  
Partner**

ICAI Membership No. 219250

Chennai  
May 25, 2016

### Balance Sheet as at March 31, 2016

			Amount Rs.	
		Not es No.	As at 31 March 2016	As at 31 March 2015
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	Share Capital	2.01	22,37,060	22,37,060
	Reserves and Surplus	2.02	1,15,98,53,437	1,07,60,92,825
			<b>1,16,20,90,497</b>	<b>1,07,83,29,885</b>
	<b>Current liabilities:</b>			
	Trade payable			
	(A) total outstanding dues of micro enterprises and small enterprises		-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	2.03	4,66,231	9,12,703
	Other Current liabilities	2.04	28,23,69,307	46,04,23,893
	Short- term provisions	2.05	5,01,145	35,27,477
			28,33,36,683	46,48,64,073
	<b>Total</b>		<b>1,44,54,27,180</b>	<b>1,54,31,93,958</b>
<b>I</b>	<b>ASSETS</b>			
	<b>Current assets</b>			
	Current investments	2.06	-	-
	Inventories - Land under development	2.07	1,04,79,98,368	1,11,79,72,642
	Trade receivables	2.08	3,42,05,659	11,06,45,981
	Cash and bank balance	2.09	16,47,68,923	14,76,98,332
	Short term loans and advances	2.10	15,00,00,000	15,00,00,000
	Other current assets	2.11	4,84,54,230	1,68,77,003
	<b>Total</b>		<b>1,44,54,27,180</b>	<b>1,54,31,93,958</b>

Summary of Significant accounting policies

1



The notes referred to above form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

**for Vishnu Daya & Co.,**  
Chartered Accountants  
FRN No.: 008456S

Sd/-  
**Guruprasad**  
Partner  
M No: 219250

Mumbai  
25<sup>th</sup> May, 2016

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

Sd/-  
**Anand Sadashiv Kapre**  
Managing Director &  
Chief Financial Officer  
DIN: 00019530

Sd/-  
**Vinode Thomas**  
Director  
DIN: 01893613

## Statement of Profit and Loss Account for the year ended 31 March 2016

			Amount Rs.	
Particulars	Notes No.	Current Year	Previous Year	
Revenue from Operations	2.12	16,15,75,976	22,69,79,619	
Other income	2.13	3,99,89,214	3,82,35,097	
<b>Total revenue</b>		<b>20,15,65,190</b>	<b>26,52,14,716</b>	
<b>Expenses:</b>				
Project expense	2.14	6,99,74,274	4,52,95,862	
Employee cost	2.15	6,85,484	3,61,404	
Finance cost	2.16	-	2,58,170	
CSR Expenditure	2.17	19,50,000	5,35,000	
Other expenses	2.18	48,84,820	1,05,69,507	
<b>Total expenses</b>		<b>7,74,94,578</b>	<b>5,70,19,943</b>	
<b>Profit/(loss) before tax</b>		<b>12,40,70,612</b>	<b>20,81,94,773</b>	
Tax expenses:				
Current tax		4,03,10,000	6,32,57,000	
Deferred tax		-	-	
<b>Profit / (Loss) for the year</b>		<b>8,37,60,612</b>	<b>14,49,37,773</b>	
Earnings per Equity Share				
Equity shares of par value Rs 10/- each				
Basic		374	589	
Diluted		374	589	
Weighted average number of shares				
Basic		2,23,706	2,46,001	
Diluted		2,23,706	2,46,001	

### Summary of Significant accounting policies 1

The notes referred to above form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

**for Vishnu Daya & Co.,**  
Chartered Accountants  
FRN No.: 008456S

Sd/-  
**Guruprasad**  
Partner  
M No: 219250

Mumbai  
25<sup>th</sup> May, 2016

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

Sd/-  
**Anand Sadashiv Kapre**  
Managing Director &  
Chief Financial Officer  
DIN: 00019530

Sd/-  
**Vinode Thomas**  
Director  
DIN: 01893613

### Cash Flow Statement for the year ended March 31, 2016

		Current Year	Previous Year
		Rs.	Rs.
<b>Cash flow from operating activities</b>			
Net Profit/(loss) before taxation		12,40,70,612	20,81,94,773
Less:			
Interest expenses relating to income tax		-	2,58,170
Interest income		(2,96,64,726)	(1,41,49,123)
Dividend and gain from Mutual Fund investment		(97,48,226)	(2,40,85,974)
<b>Operating profit before working capital changes</b>		<b>8,46,57,660</b>	<b>17,02,17,847</b>
Changes in Working Capital:			
(Increase)/Decrease in Inventories		6,99,74,274	4,52,95,862
(Increase)/Decrease in other current assets & loans & advances		(25,46,578)	2,05,05,132
(Increase)/Decrease in Trade receivables		7,64,40,322	(9,57,27,026)
Increase/(Decrease) in Current Liabilities		(17,85,01,058)	11,29,66,563
<b>Cash generated / (used in) from investing activities</b>		<b>5,00,24,620</b>	<b>25,32,58,378</b>
Taxes paid		(4,60,22,734)	(7,26,74,913)
<b>Net Cash generated/ (used in) from operations</b>	<b>(A)</b>	<b>40,01,886</b>	<b>18,05,83,465</b>
<b>Cash flow from Investing Activities</b>			
Current investment in Mutual fund (net)		-	40,11,49,783
Interest received		33,20,480	14,14,913
Inter-corporate deposits		-	(15,00,00,000)
Dividend earned from Mutual Fund investment		97,48,226	2,40,85,974
Dividend earned reinvested in Mutual Fund		-	-
<b>Cash generated / (used in) from investing activities</b>		<b>1,30,68,706</b>	<b>27,66,50,670</b>
<b>Cash flow from Finance Activities</b>			
Share capital including securities premium		-	-

Share capital buy back		-	(31,00,08,000)
Cash generated / (used in) from finance activities	(C)	-	(31,00,08,000)
<b>Net Increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>1,70,70,591</b>	<b>14,72,26,135</b>
Cash and Cash equivalent at the beginning of the year		14,76,98,332	4,72,197
Cash and Cash equivalent at the end of the year		16,47,68,923	14,76,98,332
<b>Net Increase in cash and cash equivalents</b>		<b>1,70,70,591</b>	<b>14,72,26,135</b>
This is the cash flow statement referred to our report of even date			

**for Vishnu Daya & Co.,**  
Chartered Accountants  
FRN No.: 008456S

Sd/-  
**Guruprasad**  
Partner  
M No: 219250

Mumbai  
25<sup>th</sup> May, 2016

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

Sd/-  
**Anand Sadashiv Kapre**  
Managing Director &  
Chief Financial Officer  
DIN: 00019530

Sd/-  
**Vinode Thomas**  
Director  
DIN: 01893613

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

**Corporate Information**

Premier Chennai Properties Limited (“The Company”), was incorporated on November 28, 2007, in the name Pallanishamy Properties Private Limited, and subsequently on September 08, 2012 changed the name to Premier Chennai Properties Private Limited, further, on January 27, 2014 name of the Company was changed to Premier Chennai Properties Limited. The objective of the Company is carrying out activities in the area of construction of buildings and related infrastructure development activities. The Company is subsidiary company of M/s. Sunshine Holdings (Mauritius) Ltd.

**Note - 1 - Significant Accounting Policies**

**1.01 Basis of Preparation**

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting policies in India and comply with the mandatory accounting standards specified under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rule, 2014.

**1.02 Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, as of the balance sheet date and the reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the date of the balance sheet. Actual amount could differ from these estimates. The differences if any will be dealt accordingly in subsequent years.

**1.03 Valuation of Inventories representing properties acquired for development**

Properties acquired for development represent land acquired for development & construction, and is stated at cost including the cost of land, the related costs of acquisition and other costs like share of project development cost incurred to get the properties registered in the name of the Company and ready for its intended use. The Company has entered into joint development agreement with M/s. Pacifica Chennai Infrastructure Company Pvt. Ltd and its 100% subsidiary M/s. Sylvanus Builders & Developers Limited (Sylvanus) who have started the construction activities.

Value of inventory representing land includes cost of acquisition, share of project development cost and other allocable expenses and is valued at lower of cost and net realizable value.

#### **1.04 Revenue recognition**

The Company is in the business of property development. The Company acquired the land and entered into agreement with M/s. Pacifica Chennai Infrastructure Company Private Limited., (for construction of flats) and with its 100% subsidiary M/s. Sylvanus Builders & Developers Ltd., (for construction of villas) (Developer) for development of said property. The land is developed as an integrated residential complex comprising of flats and villas. The units are sold by Developer after entering into agreement to sell the undivided interest in the land, by virtue of composite transaction with the customer jointly by the Developer. The land is developed as an integrated residential complex comprising of flats and villas. Further, the Company as per the joint development agreement entitled to receive as consideration 14.58% of collection in the case of every flat sold and 12.07% of collection in the case of every villa sold. The Company recognizes its share of revenue on registration of Undivided Share of Land (UDS) in favour of purchase of flat or villa resulting in transfer of significant risk and reward.

Dividend income on investments is accounted for when the right to receive the payment is established.

#### **1.05 Taxation**

##### **a. Income tax**

Income tax expense comprises current tax for the year determined in accordance with the income-tax Act, 1961

##### **b. Deferred tax**

Deferred taxation is provided using the liability method in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods.

Deferred tax assets are recognized in the financial statements only when such assets are virtually expected to be realizable in the foreseeable future.

#### **1.06 Earnings per share**

In determining earning per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

#### **1.07 Impairment of assets:**

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired.

#### **1.08 Segment reporting:**

The Company is in the business of property development and at present the Company has acquired the land and entered into agreement with other parties for development of said land for an agreed percentage of consideration from the sale proceedings of the said developed properties. Hence operates on only one segment.

### 1.08 Provisions and Contingencies

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect a current best estimate.

All known liabilities wherever material are provided for. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

### Notes No. - 2.01 -Share capital

	As at March 31, 2016			As at March 31, 2015	
	Par Value of Shares	No. of Shares	Amount	No. of Shares	Amount
<b>a. Authorized</b>					
Equity Shares	10	2,50,000	25,00,000	2,50,000	25,00,000
<b>b. Issued, subscribed and fully paid up</b>					
Equity Shares, ₹ 10/- par value	10	2,23,706	22,37,060	2,49,540	24,95,400
Less: Buyback of shares during the year (Refer Note No. 2.27-c)		-	-	25,834	2,58,340
<b>Total</b>	-	<b>2,23,706</b>	<b>22,37,060</b>	<b>2,23,706</b>	<b>22,37,060</b>

- i. The Company has only one class of shares referred to as equity shares having a par value of 10/- each
- ii. Holder of Equity shares is entitled to one vote per share
- iii. The aggregate number of bonus shares issued in the last five years immediately preceding the balance sheet date is- **NIL**



c. Reconciliation of the number of shares Outstanding	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,23,706	22,37,060	2,49,540	24,95,400
Add: Allotment of shares during the year	-	-	-	-
Less: Buyback of shares during the year	-	-	25,834	2,58,340
Shares outstanding at the end of the reporting date	<b>2,23,706</b>	<b>22,37,060</b>	<b>2,23,706</b>	<b>22,37,060</b>

d. Shareholding pattern	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% of shares	No. of Shares	% of shares
Holding Company -M/s. Sunshine Holdings (Mauritius) Limited				
Equity Shares, ₹ 10/- par value	2,16,003	96.56	2,16,003	96.56

e. List of shareholder holding over 5% shares as at reporting date	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% of shares	No. of Shares	% of shares
M/s. Sunshine Holdings (Mauritius) Limited Equity Shares, ₹ 10/- par value	2,16,003	97	2,16,003	96.56

**f. Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment, including terms and amount: Nil**

(Company has not reserved any shares for issue under options or otherwise and contracts/ commitments for sale/disinvestment as on reporting date.)

**g. Share information related to immediately preceding five years from reporting date:**

Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

Share allotted as fully paid up bonus shares : Nil

Shares bought back	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Aggregate number and amount: 25,834 Equity Shares of Rs.10 each for a premium of Rs. 11,990 aggregating to Rs.31,00,08,000)	-      -	25,834      31,00,08,000
<b>h.</b> Terms of securities convertible in to equity / preference shares as at reporting date: <b>NA</b>		
<b>i.</b> Calls unpaid as at reporting date: <b>Nil</b>		
<b>j.</b> Calls unpaid by directors and officers as at reporting date: <b>Nil</b>		
<b>k.</b> Forfeited shares as at reporting date: <b>Nil</b>		

**Notes No. - 2.02 - Reserves and surplus**

**a. Securities Premium Reserve**

Opening balance  
Add: Additions during the period  
Less: Reductions during the year on account of buyback of shares

**b. Capital Redemption Reserve**

Opening balance  
Add: Transfer from Statement of Profit and Loss

**c. Surplus - Balance in Statement of Profit and Loss**

- Opening balance - Profit / (Loss)  
  
Add: Profit after tax from Statement of Profit and Loss for the year  
Less: Appropriations  
Transfer to Capital Redemption Reserve  
- Closing balance - Profit

**Total (a+b+c)**

As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
87,38,55,229	1,18,36,04,889
-	-
-	30,97,49,660
87,38,55,229	87,38,55,229
2,58,340	-
-	2,58,340
2,58,340	2,58,340
20,19,79,256	5,72,99,823
8,37,60,612	14,49,37,773
-	(2,58,340)
28,57,39,868	20,19,79,256
<b>1,15,98,53,437</b>	<b>1,07,60,92,825</b>

**Notes No. - 2.03 - Trade Payables**

Dues to Micro and Small enterprises  
Others  
- Creditors for expenses

As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
-	-
4,66,231	9,12,703

**Notes No. - 2.04 – Other Current Liabilities**

	<b>As at 31<sup>st</sup> March 2016</b>	<b>As at 31<sup>st</sup> March 2015</b>
Advance from customers	28,20,13,393	46,02,96,707
Other Liabilities	3,55,914	1,27,186
<b>Total</b>	<b>28,23,69,307</b>	<b>46,04,23,893</b>

(Advance from Customers represents the Company's share of amount received from JD Partners as per the agreement. The advance amount received from buyers as per the agreement to sell are first deposited into Escrow Account and thereafter after duly appropriating towards taxes, if any, as per joint development agreement, balance amount will be shared between the parties as per agreed ratio. Thus, the collection from the customers is recorded in the books of the Company only on receipt by the Company.)

**Notes No. - 2.05 - Short term provisions**

	<b>As at 31<sup>st</sup> March 2016</b>	<b>As at 31<sup>st</sup> March 2015</b>
Provision for taxation (net)	5,01,145	35,27,477

**Notes No. - 2.06 - Current investments - at cost****(unquoted)**

Mutual fund units

	<b>As at 31<sup>st</sup> March 2016</b>	<b>As at 31<sup>st</sup> March 2015</b>
	-	-

**Notes No. - 2.07 - Inventories - Land under development  
(Valued at lower of cost and net realisable value)**

a. Land under development including share of development cost

Opening balance

Less: Proportionate value of UDS registered to flat owners

**Total**

	<b>As at 31<sup>st</sup> March 2016</b>	<b>As at 31<sup>st</sup> March 2015</b>
	1,11,79,72,642	1,16,32,68,504
	6,99,74,274	4,52,95,862
<b>Total</b>	<b>1,04,79,98,368</b>	<b>1,11,79,72,642</b>

**Notes No. - 2.08 - Trade receivable**

(unsecured, considered good)

dues exceeding six months

Others

**Total**

	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	-	-
	3,42,05,659	11,06,45,981
	<b>3,42,05,659</b>	<b>11,06,45,981</b>

**Notes No. - 2.09 - Cash and Bank balances****Cash and cash equivalents:**

Balance with bank -in Current accounts

In fixed deposit

**Total**

	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	7,68,923	11,98,332
	16,40,00,000	14,65,00,000
	<b>16,47,68,923</b>	<b>14,76,98,332</b>

**Notes No. - 2.10 - Short term loans and advances**

(unsecured, considered good)

Inter-corporate deposits

	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000

**Notes No. - 2.11 - Other current assets**

(unsecured, considered good)

Interest accrued on ICD

Interest accrued on Fixed Deposit

Tax refund due

Share of project receipts due from Joint developer

**Total**

	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	3,88,60,686	1,25,31,920
	2,17,770	2,02,290
	28,45,622	1,59,220
	65,30,151	39,83,573
	<b>4,84,54,230</b>	<b>1,68,77,003</b>

**Notes No. - 2.12 - Revenue from operations**

Project income

	<b>Year ended 31<sup>st</sup> March 2016</b>	<b>Year ended 31<sup>st</sup> March 2015</b>
Project income	16,15,75,976	22,69,79,619
	16,15,75,976	22,69,79,619

**Notes No. - 2.13 - Other income**

Mutual fund dividend income

Gain on sale of Mutual Fund units net

Interest Income

Other receipts

**Total**

	<b>Year ended 31<sup>st</sup> March 2016</b>	<b>Year ended 31<sup>st</sup> March 2015</b>
Mutual fund dividend income	56,59,243	2,38,88,455
Gain on sale of Mutual Fund units net	40,88,983	1,97,519
Interest Income	2,96,64,726	1,41,49,123
Other receipts	5,76,262	-
<b>Total</b>	<b>3,99,89,214</b>	<b>3,82,35,097</b>

**Notes No. - 2.14 - Project expense**

Project expense

	<b>Year ended 31<sup>st</sup> March 2016</b>	<b>Year ended 31<sup>st</sup> March 2015</b>
Project expense	6,99,74,274	4,52,95,862
	6,99,74,274	4,52,95,862

**Notes No. - 2.15 - Employee benefit expense**

Salaries

	<b>Year ended 31<sup>st</sup> March 2016</b>	<b>Year ended 31<sup>st</sup> March 2015</b>
Salaries	6,85,484	3,61,404
	6,85,484	3,61,404

**Notes No. - 2.16 - Finance cost**

Finance Charges

	<b>Year ended 31<sup>st</sup> March 2016</b>	<b>Year ended 31<sup>st</sup> March 2015</b>
Finance Charges	-	2,58,170
	-	2,58,170

**Notes No. - 2.17 - Corporate Social Responsibility**

Corporate Social Responsibility - Contribution to Prime Minister Relief Fund

Year ended 31 <sup>st</sup> March 2016	Year ended 31 <sup>st</sup> March 2015
19,50,000	5,35,000
19,50,000	5,35,000

**Notes No. - 2.18 - Other Expenses**

Professional fees

Directors Sitting fees

Rates and taxes

Insurance

Travelling expenses

Miscellaneous expenses

**Total**

Year ended 31 <sup>st</sup> March 2016	Year ended 31 <sup>st</sup> March 2015
41,61,722	87,17,791
1,20,000	75,000
1,89,440	7,41,854
30,337	30,337
3,07,753	1,05,635
75,568	8,98,891
<b>48,84,820</b>	<b>1,05,69,507</b>

**Notes No. - 2.19 - Other additional information - Balance Sheet**

Contingent liabilities and commitments

a. Contingent liabilities

b. Commitments

c. In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the balance sheet.

As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
Nil	Nil
Nil	Nil

**Notes No. - 2.20 Additional information - Statement of Profit and Loss**

a. Net gain/loss on foreign currency transaction and translation (other than considered as finance cost)

b. Payment to the auditors for

- Audit including tax audit

- Other services

- Service tax and reimbursement of expenses

**Total**

As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
-	-
1,15,000	1,40,000
-	55,000
16,675	24,102
<b>1,31,675</b>	<b>2,19,102</b>

**Notes No. - 2.21 - Other disclosures**

- a. Earnings in Foreign Currency  
b. Foreign Exchange outflow

As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
-	-
-	-

**Notes No. - 2.22 Related Party Disclosure****a. Names of related parties and description of relationship**

i. Holding Company	M/s. Sunshine Holdings (Mauritius) Limited
ii. Ultimate Holding Company	M/s. IL & FS India Realty Fund II LLC
iii. Subsidiaries	-
iv. Fellow subsidiaries	GK Industrial Park Private Limited
v. Associates	-
vi. Companies under common control of the promoters	-
vii. Key Management personnel - (KMP)	Mr. Anand Sadashiv Kapre

**b. Transactions with Related Parties:****Transactions during****Income:**

Interest income

**Expenses:**

Remuneration to Managing Director

**Year end balance**

Short term loan to Fellow Subsidiary

Interest on short term loan (net of TDS)

	31-Mar-16	31-Mar-15
Interest income	2,92,54,184	1,39,24,356
Remuneration to Managing Director	4,14,194	1,69,839
Short term loan to Fellow Subsidiary	15,00,00,000	15,00,00,000
Interest on short term loan (net of TDS)	3,88,60,686	1,25,31,920

**Notes No. - 2.23 - Earnings per share**

The Company has evaluated its earnings per share as per the requirements of Accounting Standard-20

	Current Year	Previous Year
a. Net Profit/(loss) attributable to shareholders (₹)	8,37,60,612	14,49,37,773
b. Weighted average number of shares Basic Earnings per share	2,23,706	2,46,001
c. Earnings per share of ₹ 100 each (₹) basic and diluted	374.42	589.18

\*The Company does not have any outstanding dilutive potential equity shares as at March 31, 2016. Consequently, the basic and diluted earnings per share of the Company remain the same.

**Notes No. - 2.24 - Corporate Social Responsibility Activities:**

	Current Year	Previous Year
a. Gross amount required to be spent by the Company during the year	19,50,000	5,35,000

**Nature of CSR Activities**

	In Cash	Yet to be paid in Cash	Total
a. Construction / acquisition of any asset	-	-	-
b. On purpose other than (a) above	19,50,000	-	19,50,000
Contribution made to Prime Minister Relief fund	(5,35,000)	-	(5,35,000)

**Notes No. - 2.25 - Segment reporting**

The Company Operates in only one segment of business, namely, development of housing project.

**Notes No. -2.26 - Derivatives and foreign currency exposure**

The Company has not entered into any derivative contracts during the year and previous year under review and also does not have any foreign currency exposure as at March 31, 2016.



## Notes No. - 2.27 - Other disclosures

- a. The Company has entered in to joint development agreement with M/s. Pacifica Chennai Infrastructure Company Pvt Ltd (Pacifica) on April 18, 2008 for the development of land and construction activities. As per the said Joint Development Agreement, the Company is entitled to receive 13.66% of total sales proceeds of the said project. Further, the Company renegotiated the share of revenue, after providing the additional land to the extent of 6.98 Acres acquired subsequently and also contributing ₹ 630,00,000 towards project cost. As per the renegotiated terms of revenue share with Pacifica / its 100% subsidiary Sylvanus Builders and Developers Private Limited, the Company share of revenue for Flats is 14.58% and for Villas is 12.07% of consideration received.
- b. Integrated Residential complex of flats are built on 84.02 Acre of land, out of which the Company contributed 35 Acres and balance being contributed by M/s. Pacifica (Chennai Project) Infrastructure Private Limited, M/s. Pallanishamy Builders Private Limited and Mr. K C P Shivaraman, other JDA Parties. The JDA partner has gifted land admeasuring 8.14 Acres to vide two deeds dated May 24, 2011 registered as Document Nos. 4783/2011 & 4784/2011 in the office of Sub Registrar Tirupur in favour of Pudupakkam Village Panchayat and Padur Village Panchayat respectively. Balance left 75 Acres 88 Cents comprised under various survey numbers, situated in No. 43 Padur Village, Chengalpattu Taluk, Kancheepuram District are considered as Available Land Extent for sale as part of construction. Accordingly Company's contribution of land 35 Acres were reduced by 3.50 Acres representing 10% of contributed land as part of Gift Deed referred above, and the balance land available for sale as part of Undivided Share of Land (UDS) from time to time as and when the project developed sold. During the year UDS was registered in favour of both residential complex and Villa purchasers.
- c. In financial year 2014-15, the Company pursuant to Extra Ordinary General Meeting held on October 09, 2014, wherein the Members of the Company accorded its consent to Buy Back of Equity Shares pursuant to Section 68, 69, 70 and other applicable provisions of the Companies Act., 2013 and the rules made thereunder and subject to provisions of the Securities and Exchange Board of India (SEBI), Institutional Trading Platform of BSE-SME Limited, (BSE (SME) - ITP).

### Details of Buyback are hereunder:

	Year ended 31st March, 2016	Year ended 31st March, 2015
Date of public announcement	-	13-10-2014
Number of shares purchased	-	25,834
Face value of Shares purchased	-	10
Consideration paid towards buyback	-	31,00,08,000
Share capital reduction	-	(2,58,340)
Securities premium utilised	-	30,97,49,660
General Reserve utilised	-	-
Amount transferred to Capital Redemption Account on Extinguishment of share capital	-	2,58,340

- d. The Company listed its Equity Shares with BSE (SME) Institutional Trading Platform on June 20, 2014.

e. **Dues to Micro Small and Medium Enterprises –**

**The Principle** amount and the interest due thereon remaining unpaid to any supplier as at March 31, 2016: Nil (Pr. Yr. Nil)

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. The above information has been relied upon by the auditors.

- f. The Company, extended Inter Company Deposit of ₹ 15,00,00,000 to fellow subsidiary for a period of one year bearing interest @ 18% per annum payable along with principle on due date in previous year. The said deposit along with accrued interest amount has been renewed for one year. The said Inter Corporate Deposit was extended by the Company to meet operating expenses of recipient fellow subsidiary.
- g. There are no claims against the Company during the year which is not acknowledged as debt.
- h. Previous year figures have been reclassified and regrouped as necessary to meet the current year classifications

**As per our report of even date attached**

**for Vishnu Daya & Co.,**  
Chartered Accountants  
FRN No.: 008456S

Sd/-  
**Guruprasad**  
Partner  
M No: 219250

Mumbai  
25<sup>th</sup> May, 2016

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

Sd/-  
**Anand Sadashiv Kapre**  
Managing Director &  
Chief Financial Officer  
DIN: 00019530

Sd/-  
**Vinode Thomas**  
Director  
DIN: 01893613

## **NOTICE**

**Notice** is hereby given that the Ninth Annual General Meeting of the Members of PREMIER CHENNAI PROPERTIES LIMITED will be held on Friday, September 23, 2016 at 2.00 p.m. at the registered office of the Company at 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600035, Tamil Nadu to transact the following business:

### **ORDINARY BUSINESS**

- (1) To receive, consider and adopt the Audited Financial statements of the Company for the financial year ended March 31, 2016, including Audited Balance Sheet as at March 31, 2016 and the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon
- (2) To appoint a Director in place of Mr. Vinode Thomas (DIN 01893613) who retires by rotation and being eligible, has offered himself for re-appointment
- (3) To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Vishnu Daya & Co., Chartered Accountants, Bangalore, having Firm Registration No.008456S, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a remuneration to be fixed by the Board of Directors of the Company”

### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** Mr. Kootala Ananthanarayanan Suresh (DIN 03033581), who was appointed as an Additional Director of the Company with effect from August 3, 2016 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and who is not

disqualified to become Director under the Act and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing Mr. Kootala Ananthanarayanan Suresh (DIN 03033581) as a candidate for the office of Director, be and is hereby appointed as a Director of the Company”

- (5) To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**

“**RESOLVED THAT** pursuant to the Articles of Association of the Company, provisions of Section 196, Section 197 and Section 203 of the Companies Act, 2013 read with Schedule V and The Companies (Appointment and Remuneration) Rules, 2014, Mr. Kootala Ananthanarayanan Suresh (DIN 03033581), be and is hereby appointed as the Managing Director and Chief Financial Officer (CFO) of the Company for a period of three years with effect from August 3, 2016 on the following remuneration:

- a) **Consolidated Salary:** Remuneration not exceeding ₹1,00,000/- per month and ₹12,00,000 per annum, to be determined by the Board of Directors from time to time
- b) **Perquisites:** NIL
- c) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding five years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V to the Companies Act, 2013, whichever is lower, unless otherwise determined by the Board of Directors, subject to approval of the Central Government, if required
- d) **General Conditions:**

The total remuneration payable to the Managing Director as per (a) & (b) above in aggregate shall not exceed such limits as may be prescribed in the Companies Act, 2013 and by the Central Government

The Managing Director & Chief Financial Officer shall be entitled to such other privileges, facilities and amenities in accordance with the Company's Rules as may be applicable to other employees of the Company within the overall limits prescribed under the Companies Act, 2013

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

By Order of the Board of Directors  
For **Premier Chennai Properties Limited**

Sd/-  
Essakiammal  
Company Secretary

Place: Mumbai  
Date: August 3, 2016

**Registered Office:**  
498, Karumuttu Centre, 3rd Floor,  
South Wing, Nandanam, Anna Salai,  
Chennai-600035, Tamil Nadu

#### **NOTES**

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 4 and 5 of the accompanying Notice are annexed hereto
2. A statement giving the relevant details of the Director seeking re-appointment / appointment under Item No. 2, Item No. 4 and Item No. 5 respectively of the accompanying Notice, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed hereto.
3. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 19, 2016 to Friday, September 23, 2016 (both days inclusive)

4. 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY

The instrument appointing the proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting i.e. by 3.00 p.m. on Wednesday, September 21, 2016

5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No
7. Members/ proxies are requested to bring their copies of Annual Report at the Annual General Meeting
8. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting

By Order of the Board of Directors,  
For **Premier Chennai Properties Limited**

Sd/-  
Essakiammal  
Company Secretary

Place: Mumbai  
Date: August 3, 2016

**Registered Office:**  
498, Karumuttu Centre, 3rd Floor,  
South Wing, Nandanam, Anna Salai,  
Chennai-600035, Tamil Nadu

## **EXPLANATORY STATEMENTS**

The following Explanatory Statements, as required under Section 102 of The Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4 and 5 of the accompanying Notice dated August 3, 2016

### **Item No. 4 & 5**

Mr. Kootala Ananthanarayanan Suresh was appointed as an Additional Director of the Company by the Board of Directors at their Board Meeting held on August 3, 2016 of the Company. Pursuant to provisions of Section 161 of the Companies Act, 2013, he holds office upto the date of the ensuing Annual General Meeting

The Company has received a notice in writing from a member signifying his intention to propose appointment of Mr. Suresh as a Director of the Company. It is proposed to appoint Mr. Suresh as a Director of the Company

Accordingly, the Board recommends the resolution set forth in Item No. 4 for the approval of members as an **Ordinary Resolution**

At the aforesaid Board Meeting, the Board also approved the appointment and remuneration of Mr. Suresh as the Managing Director & Chief Financial Officer (CFO) of the Company pursuant to Section 196, Section 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, for a period of three years, subject to approval of the shareholders

Copies of the Letter of Appointment regarding his appointment are available for inspection at the Registered Office of the Company during business hours on all working days till the date of the ensuing Annual General Meeting

Schedule V to the Companies Act, 2013 provides for the conditions for payment of remuneration in case of inadequacy of profits. It is expected that the Company would make sufficient profits. However, as a matter of abundant caution the following information as prescribed in Schedule V to the Companies Act, 2013 is being provided. However, in the event the remuneration exceeds the limits under Schedule V, the Company will apply to the Central Government for necessary approval

#### **I. General Information:**

##### **Nature of Industry**

The Company is in the business of Property Development

##### **Date of Commencement of commercial production**

The Company was incorporated on November 28, 2007 as a Private Limited Company

**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**

The Company is not a new company so the date of commencement of activities as per prospectus does not apply

**Financial Performance based on given indicators**

The Financial Performance of the Company for the year ended March 31, 2016 is as follows:

Particulars	In ₹
Total Income	20,15,65,190
Net Profit Before Tax	12,40,70,612
Tax Expenses	4,03,10,000
Net Profit After Tax	8,37,60,612

**Foreign Investments or collaborations**

The Company does not export any product of the Company. The Company has no foreign exchange earnings. There are no foreign investments made by the Company.

**II. Information about the appointee:**

Mr. Kootala Ananthanarayanan Suresh, aged 56 years, has more than 30 years of experience in the banking and financial sector. His initial career started with Indian Bank from the Year 1981, where he has served as a Banker for around 28 years. He worked with the Indian Bank from August 1981 to December 2009. After leaving from there, he, then started working as an Assistant General Manager in Finance with M/s City Corporation Limited from December 2009. He continued at M/s City Corporation Limited for about 5 years and resigned in August 2014. Mr. Suresh, then joined Neelkamal Realtors Towers Private Limited (DB Group) as Vice President in Finance from September 2014 till May 2016

Mr. Suresh has pursued Bachelor of Science (BSc)/CAIIB/DCM from Jamnalal Bajaj Institute of Management Studies, Mumbai

Mr. Suresh does not have any other pecuniary relationship directly or indirectly with the Company

**III. Other Information:**

The Company is a development company, focused on residential and other projects in and around Chennai. The Company has a diversified portfolio of projects covering real estate market, which target the upper end of the respective income or market segment. The Company aims to acquire and develop land that has locational advantages and reasonably priced. The Company is mainly engaged in property development which includes location



identification, site selection, land acquisition, planning outsourcing construction activity and marketing

The 'Abstract' containing details of remuneration of Mr. Suresh is contained in the Resolution No. 5 above

The Board considers that Mr. Suresh's association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Kootala Ananthanarayanan Suresh as Managing Director and Chief Financial Officer (CFO) of the Company

Accordingly, the Board recommends the resolution set forth in Item No. 5 for the approval of the Members as a **Special Resolution**

None of the Directors or the Key Managerial Personnel of the Company or their relatives except Mr. Kootala Ananthanarayanan Suresh to the extent of his appointment are concerned or interested in the resolutions at Item No. 4 & Item No. 5.

By Order of the Board of Directors,  
For **Premier Chennai Properties Limited**

Sd/-  
Essakiammal  
Company Secretary

Place: Mumbai  
Date: August 3, 2016

**Registered Office:**  
498, Karumuttu Centre, 3rd Floor,  
South Wing, Nandanam, Anna Salai,  
Chennai-600035, Tamil Nadu

**ANNEXURE TO ITEM NO. 2 4 AND 5 OF THE NOTICE**  
**Details of Director seeking re-appointment/appointment at the forthcoming Annual**  
**General Meeting as per Reg. 36(3) of SEBI (LODR) Regulations, 2015**

**Brief Resume of the Directors:**

**Mr. Vinode Thomas (Non-Executive Director)**

Forty-five years of age, Mr. Vinode Thomas has obtained Bachelor's Degree in Civil Engineering from the Indian Institute of Technology (IIT), Madras and has further pursued Master of Business Administration (MBA) in Finance and General Management from Tulane University (United States)

Mr. Thomas is the Non-Executive and Non-Independent Director of the Company. He has been associated with the Company since May 2008 and has played a key role in bringing enormous revolution in the construction and real estate industry

Mr. Thomas has over sixteen (16) years of varied experience ranging from construction, management and government positions with IL&FS Investment Managers Limited (IIML). Formerly, he was also associated with the Indian Police Services for eleven (11) years, holding positions of increasing responsibilities

Name of Director	Mr. Vinode Thomas
Director Identification Number	01893613
Date of Birth	30/05/1970
Nationality	Indian
Date of Appointment	May 09, 2008
Qualification	Bachelor's degree of Civil Engineering from the IIT, Madras and MBA in Finance and General Management from Tulane University (United States)
Disclosure of relationships between Directors inter-se;	Mr. Thomas is not related to any of the Directors or Key Managerial Personnel (inter-se)
Shareholding in Premier Chennai Properties Limited	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Company)	S. E. Builders and Realtors Limited

Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Member- Stakeholders' Relationship Committee
Number of meetings attended	Four (4) Board meetings were held during the financial year under review and Mr. Thomas attended all the meetings

**Mr. Kootala Ananthanarayanan Suresh (Managing Director & CFO)**

Mr. Kootala Ananthanarayanan Suresh, aged 56 years, has more than 30 years of experience in the banking and financial sector. His initial career started with Indian Bank from the Year 1981, where he has served as a Banker for around 28 years. He worked with the Indian Bank from August 1981 to December 2009. After leaving from there, he, then started working as an Assistant General Manager in Finance with M/s City Corporation Limited from December 2009. He continued at M/s City Corporation Limited for about 5 years and resigned in August 2014. Mr. Suresh, then joined Neelkamal Realtors Towers Private Limited (DB Group) as Vice President in Finance from September 2014 till May 2016

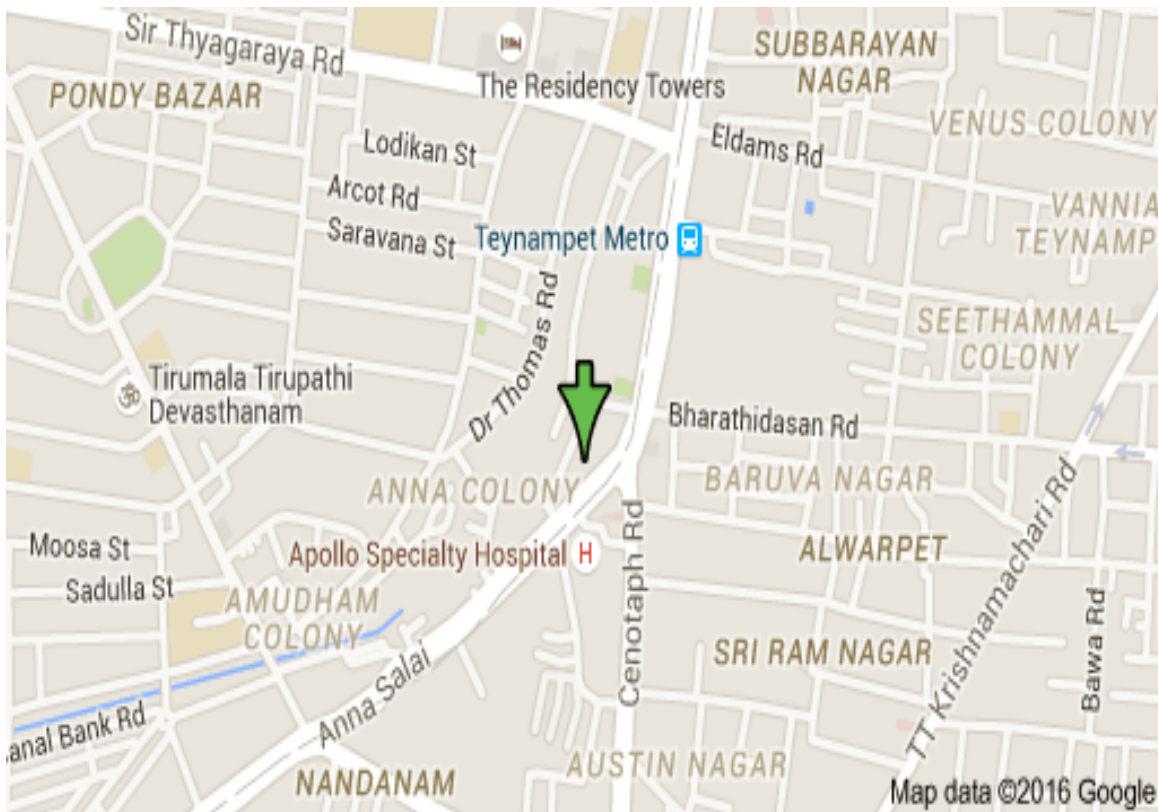
Mr. Suresh has pursued Bachelor of Science (BSc)/CAIIB/DCM from Jamnalal Bajaj Institute of Management Studies, Mumbai

Having immense experience in finance for over 30 years, it is proposed to appoint him as the Managing Director and Chief Financial Officer of the Company to bring revolutionary changes in the Company

Name of Director	Mr. K. Suresh
Director Identification Number	03033581
Date of Birth	October 16, 1959
Nationality	Indian
Date of Appointment	August 3, 2016
Qualification	Bachelor of Science (BSc)/CAIIB/DCM from Jamnalal Bajaj Institute of Management Studies, Mumbai
Disclosure of relationships between Directors inter-se;	Mr. Suresh is not related to any of the Directors or Key Managerial Personnel (inter-se)

Shareholding in Premier Chennai Properties Limited	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Company)	Nil
Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Nil
Number of meetings attended	NA

**Route Map to the venue of the Annual General Meeting**



**FORM NO. MGT-11  
PROXY FORM**

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

**CIN** L70101TN2007PLC065552  
**Name of the Company** Premier Chennai Properties Limited  
**Registered Office** 498, Karumuttu Centre, 3rd Floor, South Wing,  
Nandanam, Anna Salai, Chennai-600 035, Tamil  
Nadu.

Name of the member(s) :
Registered address :
E-mail Id :
Folio No/Client Id :
DP ID :

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

(1)Name:\_\_\_\_\_Address\_\_\_\_\_E-maid ID : \_\_\_\_\_Signature\_\_\_\_\_, or failing him;

(2)Name:\_\_\_\_\_Address\_\_\_\_\_E-maid ID : \_\_\_\_\_Signature\_\_\_\_\_, or failing him;

(3)Name:\_\_\_\_\_Address\_\_\_\_\_E-maid ID : \_\_\_\_\_Signature\_\_\_\_\_, or failing him;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 9th Annual General Meeting of the Company, to be held on Friday, September 23, 2016 at 2.00 p.m. at 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai – 600 035, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

- i. Adoption of the Audited Financial statements for the financial year ended March 31, 2016
- ii. Re-appointment of Mr. Vinode Thomas (DIN: 01893613), who retires by rotation
- iii. Ratification of appointment of M/s. Vishnu Daya & Co., as the Statutory Auditors of the Company

**Special Business:**

- i. Appointment of Mr. Kootala Ananthanarayanan Suresh (DIN: 03033581) as the Director of the Company
- ii. Appointment of Mr. Kootala Ananthanarayanan Suresh (DIN: 03033581) as the Managing Director and Chief Financial Officer (CFO) of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Member

Signature of Proxy Holder (s)

Re. 1/- Revenue Stamp <hr/> Signature
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

**ATTENDANCE SLIP**

Annual General Meeting of Premier Chennai Properties Limited on Friday, September 23, 2016 at 2.00 p.m. at 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600 035, Tamil Nadu

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

**DP Id\***

**Registered Folio No.**

**Client Id\***

**NAME AND ADDRESS OF THE MEMBER:**

**No. of Share(s) held:**

I hereby record my presence at the Ninth Annual General Meeting of the Company on Friday, September 23, 2016 at 2.00 p.m. at 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600 035, Tamil Nadu

Signature of the Member/Proxy \_\_\_\_\_