

*80<sup>th</sup>  
Annual Report  
2016-2017*



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

*we make your dreams come true*

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**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**80<sup>th</sup> ANNUAL REPORT 2016-17**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

**CHAIRMAN**

Mr. Purusottamdas Patodia

**VICE CHAIRMAN**

Mr. Manoj Kumar Patodia

**MANAGING DIRECTOR**

Mr. Anuj Patodia

**WHOLE TIME DIRECTOR**

Mr. T. Paul Sugumaran

**DIRECTORS**

Mr. N.K. Bafna

Mr. Banwarilal Singhal

Mr. Venkatchalam Ramaswamy

Mrs. Ryna Zaiwalla Karani

**CHIEF FINANCIAL OFFICER**

Mr. S. Udayananda

**SENIOR MANAGER – LEGAL  
AND COMPANY SECRETARY**

Mr. Krunal Shah

**STATUTORY AUDITORS**

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

**INTERNAL AUDITORS**

M/s. K. Sundaramurthy & Co.  
Chartered Accountants, Coimbatore

**LEGAL ADVISORS**

M/s. Ramani & Shankar  
Advocates, Coimbatore

**BANKERS**

Central Bank of India

**REGISTERED OFFICE**

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

Tel No.: +91 421 4307800

Fax No.:+91 421 2471463

**CORPORATE OFFICE**

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

Tel No.: +91 22 6164 5000

Fax No.: +91 22 6164 5070

Email ID: companysecretary@ptlonline.com

**REGISTRAR & SHARE TRANSFER  
AGENTS**

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

Tel No. : +91 422 4958995

Fax No. : +91 422 2539837

**WEBSITE**

www.ptlonline.com

**CORPORATE IDENTIFICATION  
NUMBER**

L70200TZ1936PLC000001

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### LETTER FROM THE CHAIRMAN



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

Dear Shareholders, I am very happy to share with you the performance of your Company for the financial year 2016-17.

FY16-17 was a year of Policy reforms. The Central government's commitment to lead the country on a growth path has led to the materialisation of various policy measures. The Government has taken several steps to revive the Realty sector to fulfil the Government's dream of providing Housing to all in the nation.

During the year, the Government undertook various ground breaking policy reforms such as according of Infrastructure status to Affordable housing, enforcement of the Real Estate Regulation Act (RERA), GST Act and Real Estate Investment Trust (REIT). These measures taken by the Government shows its dedication towards the development of Real Estate in India.

These measures will likely stimulate activity in the Real estate sector, bring in transparency, improve credibility, attract investment and cause a shift of consumers to the organised sector ultimately leading to creation of credible and quality real estate in India. The sector is expected to offer an opportunity of Rs. 1.25 Trillion approximately.

Your Company is mainly engaged in the Real Estate sector. I am pleased to inform you that despite tough business environment and the Demonetisation move of the Government, your Company has comfortably sailed through the tide and has given a satisfactory performance.

In FY18 we shall continue to focus on our Villas Project, the Onyx. I am pleased to share with you that Onyx was recently awarded the '**Best Project in Non-Metro Commercial Award**'. Magpie Estate Award accorded this award to our project. Needless to say, it adds enormously to our Brand Value and market standing.

The main focus of your Company is to develop Affordable Housing in the state of Tamil Nadu. Tamil Nadu is the 2nd most economically competitive states in India, one of the 3 most preferred states for business investments and is the 2nd largest contributor to India's GDP. Your Company enjoys unmatched goodwill in the city of Tirupur in the state of Tamil Nadu.

We are further looking to add projects in the affordable housing segment. This is likely to create a new momentum to our project execution and profitability. Given the Government incentives and regulatory push, this segment is likely to create far new opportunities for Real Estate sector.

Your Company's consolidated revenue for FY17 was Rs. 57 Cr. with EBITDA of Rs. 13 Cr. and the PAT stood at Rs. 10 Cr. The Board of Directors have recommended a dividend of 20% i.e Rs. 0.40 (Forty paise only) per Equity share of FV of Rs. 2/- each, subject to the approval of the shareholders at the ensuing Annual General Meeting. With the improving landscape on the back of the positive reforms the outlook for FY18 looks bright.

In the Textile division, our revenues in FY17 were Rs. 24 Cr with an EBIT of Rs. 0.6 Cr. Our products are well accepted in the export market where we enjoy trust and goodwill with our customers of many decades.

Best regards,

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



## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Corporate Identity Number (CIN): L70200TZ1936PLC000001**

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

**Website: www.ptlonline.com, Email id: companysecretary@ptlonline.com**

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

### **NOTICE**

NOTICE is hereby given that the EIGHTIETH Annual General Meeting of the Members of **PRIME URBAN DEVELOPMENT INDIA LIMITED** will be held at the Registered Office of the Company situated at 110 Avanashi Road, Gandhi Nagar Post, Tirupur-641 603, Tamil Nadu on **Friday, August 11, 2017 at 3.00 p.m.** to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2017 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend on equity shares of the Company for the Financial Year ended 31st March, 2017.
3. To appoint a Director in place of Mr. Purusottamdas Patodia (DIN: 00032088), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider the appointment of M/s. Raghu and Ram, Chartered Accountants (Registration Number-0033405) as Statutory Auditors of the Company, and if thought fit, to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force) and considering the recommendations of the Audit Committee and subject to approval of the Members of the Company, M/s. Raghu and Ram, Chartered Accountants, (Firm Registration No. 003340S) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of 5 years from the conclusion of this 80th Annual General Meeting (“AGM”) till the conclusion of 85th AGM of the Company, subject to ratification of the said appointment at every intervening AGM held after this AGM, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors in consultation with the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to file all necessary forms with the Registrar of Companies and to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed necessary for giving effect to the above Resolution.”

#### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules framed thereunder (including any statutory modification(s) or enactment thereof for the time being in force) and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mrs. Ryna Zaiwalla Karani (DIN: 00116930), who was appointed as an Additional Director of the Company with effect from 13th April, 2017

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

under Section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member, proposing the candidature of Mrs. Ryna Zaiwalla Karani for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years commencing from 13th April, 2017 and the term shall not be subject to retirement by rotation.”

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

**Place : Mumbai**  
**Date : May 24, 2017**

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

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



#### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the AGM, is annexed hereto.
3. Corporate members intending to send their authorized representative(s) to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 5th August, 2017 to Friday, 11th August, 2017 (both days inclusive).
5. Documents in respect of items referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
6. The Final Dividend for the financial year ended 31st March, 2017, as recommended by the Board of Directors and if approved at the AGM, will be paid on or after Wednesday, 16th August, 2017 to those Members whose name appears in the Register of Members of the Company as on the book closure dates.
7. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in electronic form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
8. Members holding shares in physical form are requested to notify/send:
  - Any change in their address/mandate/bank details;
  - Particulars of their bank account, in case the same have not been sent earlier;
  - Quote their Folio numbers in all correspondences; and
  - Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company's Registrar and Share Transfer Agent, SKDC Consultants Limited, Coimbatore at the earliest but not later than 4th August, 2017.
9. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with regards to the Directors seeking appointment and re-appointment at this AGM is given as an Annexure to this Notice.
10. Electronic copy of Annual Report for the financial year 2016-17 and Notice calling the 80th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is also being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2016-17 and Notice of the 80th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

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

Kanapathy Towers, 3rd Floor,  
1391/A-1, Sathy Road, Ganapathy Post,  
Coimbatore-641 006, Tamil Nadu  
Tel No. +91 422 4958995 / 2539835-836  
Fax No. +91 422 2539837  
Email: info@skdc-consultants.com

14. The Securities and Exchange Board of India ("SEBI") has mandated submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
15. a. In accordance to the provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer to its Members facility for voting through electronic means ("E-voting") on the resolutions proposed to be passed at the AGM.  

The Company has engaged Central Depository Services (India) Limited ("CDSL"), an agency authorized by the Ministry of Corporate Affairs for providing e-voting platform.
- b. The Members may cast their votes through E-voting from a place other than the venue of the AGM ("Remote E-voting").
- c. Voting through physical ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote E-voting shall be able to cast their vote by physical ballot paper at the Meeting.
- d. The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.
16. Any person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e. 4th August, 2017, may obtain the User ID and password for Remote E-voting by sending request at companysecretary@ptlonline.com.
17. Mr. S. Ramanathan, Practising Chartered Accountant (Membership No. FCA 019532) has been appointed as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.
18. The Scrutinizer shall, after scrutinising the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman.  

The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company i.e. www.ptlonline.com and on the website of CDSL and shall also be communicated to BSE Limited.
19. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.





20. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.
21. Members desirous of obtaining any information as regards Accounts are requested to write to the Company at least one week before the AGM so that the information required will be made available at the AGM.
22. The Annual Report for the financial year 2016-17, Notice calling the 80th Annual General Meeting and Attendance Slip/Proxy Form will also be available on Company's website - [www.ptlonline.com](http://www.ptlonline.com). Physical copies of the aforesaid documents will also be available for inspection at the Registered Office of the Company between 11.00 a.m and 1.00 p.m upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
23. The Company is concerned about the environment and utilizes natural resources in a sustainable way. To support "Green Initiative", the Members are requested to update their email address, with their concerned Depository Participant to enable us to send you necessary documents /communication via email. Members who hold shares in physical form are requested to register their e-mail address with S.K.D.C Consultants Limited, Registrar and Share Transfer Agents.

### INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, August 8, 2017 at 9.00 a.m. and ends on Thursday, August 10, 2017 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, August 4, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

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

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

The Board of Directors of the Company ("Board") have vide circular resolution dated April 13, 2017, appointed Mrs. Ryna Zaiwalla Karani as an Additional Director, Non-Executive Independent of the Company. Pursuant to the provisions of the Section 161 of the Companies Act, 2013, read with Rules framed thereunder, Mrs. Ryna Zaiwalla Karani shall hold office only upto the date of this Annual General Meeting.

In Compliance with the provisions of Section 149 of the Companies Act, 2013, appointment of Mrs. Ryna Zaiwalla Karani as an Independent Director is now placed before the Shareholders for their approval. In terms of the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice from a Member of the Company, signifying his intention to propose the appointment of Mrs. Ryna Zaiwalla Karani, as an Independent Director of the Company.



Mrs. Ryna Zaiwalla Karani holds a Bachelors degree in Arts (University of Bombay) and Bachelors degree in Legislative Laws (University of Bombay). She is a member of the Bar Council of Maharashtra and Goa and Member of the Bombay Bar Association. She has been practicing as a lawyer since 1994. Prior to joining ALMT Legal in November 2006 Mrs. Ryna Zaiwalla Karani was a partner at another law firm in Mumbai. Her practice includes advising on mergers and acquisitions, joint ventures, private equity and investment funds on a full range of corporate transactions including cross border transactions. She has advised and assisted a number of foreign clients in establishing a presence in India through incorporations of companies and/or establishment of branch/liaison offices.

The Company has received a declaration from Mrs. Ryna Zaiwalla Karani to the effect that she is not disqualified from being appointed as Director in terms of provisions of Section 164 of the Companies Act, 2013. The aforesaid Director has also confirmed that she meet the criteria of Independent as prescribed under Section 149(6) of the Companies Act, 2013.

A copy of draft letter for appointment, setting out broad terms and conditions relating to the appointment of Mrs. Ryna Zaiwalla Karani as an Independent Director shall be open for inspection at the registered office of the Company between 11.00 am and 1.00 pm upto the date of Annual General Meeting on all working days (except Saturday, Sunday and Public Holiday). Details concerning Mrs. Ryna Zaiwalla Karani seeking appointment at this Annual General Meeting, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached separately to this Notice.

In the opinion of the Board, Mrs. Ryna Zaiwalla Karani, proposed to be appointed at this Annual General Meeting, fulfils the conditions for appointment of an Independent Director as specified in the Companies Act, 2013 and Rules framed thereunder and is Independent of the management.

Except Mrs. Ryna Zaiwalla Karani, being appointee under the said Resolution, none of the other Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way concerned or interested in the Resolution set out under Item No. 5 of this Notice.

Your Directors recommend the Resolution proposed at Item No. 5 of this Notice for your approval.

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

**Place : Mumbai**  
**Date : May 24, 2017**

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

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of individuals proposed to be appointed / re-appointed as Directors:

<b>Name of the Director</b>	<b>Purusottamdas Patodia</b>
Director Identification Number	00032088
Date of Birth	01/02/1938
Date of appointment	01/04/2016
Qualifications	B.Com
Expertise in Specific Functional Area	Mr. Purusottamdas Patodia is a mentor of the Prime group with vast experience over five decades in textiles management and exports.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2017)	1. Anjana Syntex Company Limited 2. Pat Credit Limited
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2017)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2017)	20,58,020 equity shares
Relationship between Directors inter-se	Related to Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.

<b>Name of the Director</b>	<b>Ryna Zaiwalla Karani</b>
Director Identification Number	00116930
Date of Birth	09/09/1967
Date of appointment	13/04/2017
Qualifications	B.A, L.L.B
Expertise in Specific Functional Area	She is a member of the Bar Council of Maharashtra and Goa and Member of the Bombay Bar Association. She has been practicing as a lawyer since 1994. Prior to joining ALMT Legal in November 2006 Mrs. Ryna Zaiwalla Karani was a partner at another law firm in Mumbai. Her practice includes advising on mergers and acquisitions, joint ventures, private equity and investment funds on a full range of corporate transactions including cross border transactions. She has advised and assisted a number of foreign clients in establishing a presence in India through incorporations of companies and/or establishment of branch/liaison offices.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2017)	(Details as on 13 <sup>th</sup> April, 2017) 1. INEOS Styrolution India Limited 2. Reliance Defence and Engineering Limited 3. Reliance Infrastructure Limited 4. BSES Yamuna Power Limited 5. BSES Rajdhani Power Limited 6. Addivant India Private Limited 7. Mumbai Metro One Private Limited



<p>Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31<sup>st</sup> March, 2017)</p>	<p>(Details as on 13th April, 2017)</p> <ul style="list-style-type: none"> <li>• INEOS Styrolution India Limited Audit Committee - Member Nomination &amp; Remuneration Committee -Member</li> <li>• Reliance Defence and Engineering Ltd. Audit Committee - Member Risk Management Committee - Member CSR Committee - Member Stakeholders Relationship Committee - Member Nomination &amp; Remuneration Committee -Member</li> <li>• Reliance Infrastructure Limited Audit Committee - Member Environment, Health and Safety Committee-Member Risk Management Committee - Member Employee Stock Option Scheme Compensation Committee - Member CSR Committee - Chairman</li> <li>• Mumbai Metro One Pvt. Ltd. Audit Committee - Member CSR Committee - Member</li> <li>• BSES Yamuna Power Limited Audit Committee - Chairman</li> <li>• BSES Rajdhani Power Ltd. Audit Committee – Member</li> </ul>
<p>Shareholding of Directors (As on 31<sup>st</sup> March, 2017)</p>	<p>Nil</p>
<p>Relationship between Directors inter-se</p>	<p>None</p>

**Route map for venue of the AGM**  
 110 Avanashi Road, Gandhi Nagar Post,  
 Tirupur-641 603, Tamil Nadu



## PRIME URBAN DEVELOPMENT INDIA LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 80th Annual Report and the Audited Accounts of Prime Urban Development India Limited [“**Company**”], for the financial year ended 31st March, 2017.

#### FINANCIAL HIGHLIGHTS

The summarized financial performance (Standalone and Consolidated) of your Company for 2016-17 and 2015-16 is given below:

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	5,266.06	6,973.63	5,688.42	7,218.90
Other Income	122.22	97.77	127.08	99.95
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	1,347.27	2,622.92	1,346.87	2,618.53
Less : Finance Costs	57.76	211.97	57.77	211.98
Less: Depreciation and amortization expense	32.15	27.62	36.11	29.49
Profit/(Loss) before Exceptional Items and Tax	1,257.36	2,382.67	1,252.99	2,377.06
Exceptional Items	-	(555.55)	-	(555.55)
Profit/(Loss) before Tax	1,257.36	1,827.12	1,252.99	1,821.51
Less: Tax Expense	(282.34)	(372.98)	(282.64)	(372.98)
Profit/(Loss) After Tax	975.02	1,454.14	970.35	1,448.53
Surplus from previous year brought forward	29.21	603.34	32.49	612.23
Transfer to General Reserve	700.00	1,900.00	700.00	1,900.00
<b>Amount available for appropriation</b>	<b>304.23</b>	<b>157.98</b>	<b>302.84</b>	<b>160.76</b>

#### OVERVIEW AND THE STATE OF COMPANY AFFAIRS

Your Company has two reportable segments, Realty & Textiles.

##### Realty Segment

In the Realty segment your Company has clocked consolidated revenues of Rs. 2,358.83 Lakhs. Even though the sector was witnessing tough times, your Company managed to do well and stood its ground.

In the year 2016-17 your Company had sales in Prime Enclave Vistas (Apartment Project) & ‘The Onyx’ (Villas Project). Your Company has sold 375 out of 376 apartments in Prime Enclave Vistas & 8 out of 34 Villas in ‘The Onyx’. Your Company is also engaged in the sale of developed land and in the financial years 2015-16 and 2016-17, your Company has sold in aggregate 2,09,700 sq. ft. of developed land.

Your Company is mainly focused in the Tirupur city of the state of Tamil Nadu. But with the opening up of the Affordable Housing segment due to Government push, your Company will also like to explore opportunities in the same. Your Company will aggressively seek out for opportunities in various parts of the country.



### **Textile Segment**

Your Company is engaged in the export of cotton yarn under Merchant Trading. The revenues from this segment in the year 2016-17 were Rs. 3,329.59 Lakhs. There were no major changes in this segment during the year.

### **CONSOLIDATED FINANCIAL STATEMENTS**

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

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

As at 31st March, 2017, your Company had following 5 (Five) Subsidiary Companies:

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

During the year under review, Srivarsha Realtors Private Limited became a wholly owned subsidiary of the Company.

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

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

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

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

### **TRANSFER TO RESERVES**

Your Company proposes to transfer Rs. 700 Lakhs to the general reserve during the financial under review.

### **DIVIDEND**

Your Directors have recommended a final dividend of 20% i.e. Rs. 0.40 (Forty paise only) per equity share of Rs. 2/- each for the year ended 31st March, 2017. The dividend distribution would result in a cash outgo of Rs. 1,28,27,044/- (including tax on dividend of Rs. 21,69,604/-).

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **PUBLIC DEPOSITS**

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

### **BOARD MEETINGS**

The Board of Directors met 5 (Five) times during the financial year 2016-17. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Annual Report.

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

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

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

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

Details of loans granted, guarantees provided and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013, are provided in the Note No.17 under Notes forming part of standalone financial statements.

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

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

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

The details in respect of Foreign Exchange earnings/outgo during the year under review, is provided in Note No. 17 (Point No. 3 & 4) under Notes forming part of standalone financial statements.

### **EXTRACT OF ANNUAL RETURN**

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

### **CORPORATE GOVERNANCE REPORT**

A report on Corporate Governance together with Auditors' Certificate as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.





## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Dr. Vaijayanti Pandit, Independent Director has resigned from the Board of Directors of the Company with effect from 23rd January, 2017. The Board of Directors wish to place on record their appreciation for contribution made by Dr. Vaijayanti Pandit during her tenure as a member of the Board of Directors of the Company.

Mrs. Ryna Zaiwalla Karani, has been appointed as an Additional Director (Non-executive Independent) of the Company with effect from 13th April, 2017 in place of Dr. Vaijayanti Pandit.

In terms of provisions of Section 161 of the Companies Act, 2013, Mrs. Ryna Zaiwalla Karani holds office only upto the date of forthcoming Annual General Meeting. Pursuant to the provisions of the Section 160 of the Companies Act, 2013, the Company has received individual notice from a Member proposing the candidature of Mrs. Ryna Zaiwalla Karani for the office of Director at the forthcoming Annual General Meeting.

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

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

The Company has received individual declaration from following Independent Director(s) of the Company stating that they meet the criteria of independence as provided under Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- a) Mr. N. K. Bafna
- b) Mr. Banwarilal Singhal
- c) Mr. Venkatchalam Ramaswamy
- d) Mrs. Ryna Zaiwalla Karani\*

\*Appointed as a Additional Director (Non-executive Independent) with effect from April 13, 2017

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2017 and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

- (d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2017 on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

M/s. M.S. Jagannathan & Visvanathan, Chartered Accountants, the Statutory Auditors of the Company hold office until conclusion of the ensuing Annual General Meeting (AGM) of the Company. The existing Statutory Auditor have completed two terms of five consecutive years.

In terms of the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, an audit firm can hold office as Statutory Auditor for two terms of five consecutive years i.e. for a maximum period of ten years. They can be re-appointed after a cooling period of five years. In computing the period of ten years, the period for which the auditor held office before the commencement of the Act i.e. before 1st April, 2014 is also to be taken into account. The Company is therefore, required to retire the existing Statutory Auditors at the ensuing AGM pursuant to the provisions of the Section 139 of the Companies Act 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014.

M/s. Raghu and Ram, Chartered Accountants, Coimbatore, are proposed to be appointed as Statutory Auditors in place of M/s. M.S. Jagannathan & Visvanathan, Chartered Accountants.

The Company has also received letter from M/s. Raghu and Ram, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Companies Act, 2013 and that they are not disqualified from appointment as Statutory Auditors of the Company.

Your Directors have therefore proposed to appoint M/s. Raghu and Ram, Chartered Accountants, as Statutory Auditors of the Company, subject to the approval of the Members at the ensuing AGM.

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

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

The Company has appointed M/s S. K. Jain & Co, Practicing Company Secretary to conduct Secretarial Audit of the Company for the financial year 2016-17 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as "**Annexure II**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **RELATED PARTY TRANSACTIONS**

All contract/ arrangements/ transactions entered into/ by the Company during the financial year under review with related parties were on an arm's length basis. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company -[www.ptlonline.com](http://www.ptlonline.com).

The details of the related party transactions as per Accounting Standard 18 are set out in Note No.10 to the Standalone Financial Statements forming part of this report. The particulars of contracts or arrangements with aforesaid related parties, in prescribed format are annexed to this Report as "**Annexure III**".



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

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

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

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

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") in accordance with the provisions of Section 135 of the Companies Act, 2013. The Board of Directors of the Company has, based on the recommendations made by the CSR Committee formulated and approved Corporate Social Responsibility Policy for the Company.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as "**Annexure IV**".

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

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

#### **PARTICULARS OF EMPLOYEES**

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

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

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

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

#### **INTERNAL FINANCIAL CONTROLS**

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

#### **ADOPTION OF NEW ARTICLES OF ASSOCIATION OF YOUR COMPANY**

During the financial year 2016-17, new Articles of Association of your Company were adopted in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder.

#### **UNCLAIMED AND UNPAID DIVIDENDS**

As on 31st March, 2017, amounts of Rs.3,92,045/- are lying in the unpaid equity dividend account of the Company in respect of the dividend for the Financial Year 2015-16. Members who have not yet received/claimed their dividend entitlements are requested to contact the Company or the Registrar and Share Transfer Agents of the Company.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company.

### **PERFORMANCE EVALUATION**

The Company has devised a policy for Performance Evaluation of the Individual directors, Board and its Committees, which includes criteria for performance evaluation.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors' individually as well as the evaluation of the working of the committee of the Board. The Board performance was evaluated based on inputs received from all the directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in Meetings, understanding of their roles as directors, etc.

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

### **GENERAL**

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

### **ACKNOWLEDGEMENTS**

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

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

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

**Place : Mumbai**

**Date : May 24, 2017**

**Purusottamdas Patodia  
Chairman and Managing Director**



**Annexure - I**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2017**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L70200TZ1936PLC000001
2	Registration Date	16.11.1936
3	Name of the Company	PRIME URBAN DEVELOPMENT INDIA LIMITED
4	Category/Sub-category of the Company	Public Company Limited by Shares Indian Non-Government Company
5	Address of the Registered Office & contact details	110, Avanashi Road, Gandhinagar Post, Tirupur - 641603, Tamil Nadu, Tel: +91-421-4307800/2470065, Fax: +91-421-2471463 Email ID: companysecretary@ptlonline.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1 Sathy Road, Ganapathy Coimbatore-641006, Tamil Nadu Tel: +91-422-4958995, 2539835 Fax: +91-422-2539837 Email ID:info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate	410	37%
2	Textiles	131	63%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	ATL Textile Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil nadu	U65910TZ1996PLC007068	Subsidiary	100%	2(87)(iii)
2	Manoj Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil nadu	U01712TZ1996PLC006934	Subsidiary	100%	2(87)(iii)
3	Pee Dee Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil nadu	U17111TZ1995PLC006750	Subsidiary	100%	2(87)(iii)
4	Patodia Developers Pvt. Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil nadu	U70101TZ2008PTC014230	Subsidiary	100%	2(87)(iii)
5	Srivarsha Realtors Pvt. Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603, Tamil nadu	U45400TZ2008PTC014205	Subsidiary	100%	2(87)(iii)

## PRIME URBAN DEVELOPMENT INDIA LIMITED

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% 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	68,93,006	-	68,93,006	25.87%	69,06,914	-	69,06,914	25.92%	0.05%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	1,20,19,350	-	1,20,19,350	45.11%	1,20,19,350	-	1,20,19,350	45.11%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>1,89,12,356</b>	<b>-</b>	<b>1,89,12,356</b>	<b>70.98%</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0.05%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>1,89,12,356</b>	<b>-</b>	<b>1,89,12,356</b>	<b>70.98%</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0.05%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	3,750	-	3,750	0.01%	3,750	-	3,750	0.01%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>0.00%</b>



<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	10,25,658	18,900	10,44,558	3.92%	11,46,450	18,900	11,65,350	4.37%	0.45%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	21,16,728	12,06,095	33,22,823	12.47%	23,61,460	11,89,540	35,51,000	13.33%	0.86%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	22,73,430	1,95,860	24,69,290	9.27%	20,59,129	1,95,860	22,54,989	8.46%	-0.80%
<b>c) Others (specify)</b>									
Non Resident Indians	66,675	-	66,675	0.25%	74,071	-	74,071	0.28%	0.03%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	25,254	-	25,254	0.09%	72,344	-	72,344	0.27%	0.18%
Trusts	1,000	-	1,000	0.00%	-	-	-	0.00%	0.00%
Directors and Relatives	50,413	-	50,413	0.19%	50,413	-	50,413	0.19%	0.00%
Hindu Undivided Families	7,47,481	-	7,47,481	2.81%	5,45,419	-	5,45,419	2.05%	-0.76%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>63,06,639</b>	<b>14,20,855</b>	<b>77,27,494</b>	<b>29.00%</b>	<b>63,09,286</b>	<b>14,04,300</b>	<b>77,13,586</b>	<b>28.95%</b>	<b>-0.05%</b>
<b>Total Public (B)</b>	<b>63,10,389</b>	<b>14,20,855</b>	<b>77,31,244</b>	<b>29.02%</b>	<b>63,13,036</b>	<b>14,04,300</b>	<b>77,17,336</b>	<b>28.97%</b>	<b>-0.05%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>2,52,22,745</b>	<b>14,20,855</b>	<b>2,66,43,600</b>	<b>100.00%</b>	<b>2,52,39,300</b>	<b>14,04,300</b>	<b>2,66,43,600</b>	<b>100.00%</b>	<b>0.00%</b>

**(ii) Shareholding of Promoter**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2016)			Shareholding at the end of the year (As on 31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anjana Syntex Company Limited	56,60,655	21.25%	0	56,60,655	21.25%	0	0.00%
2	Pat Credit Limited	60,09,675	22.56%	0	60,09,675	22.56%	0	0.00%
3	Purusottamdas Patodia	20,68,929	7.77%	0	20,58,020	7.72%	0	-0.04%
4	Manoj Kumar Patodia	10,55,087	3.96%	0	10,46,918	3.93%	0	-0.03%
5	Anuj Patodia	5,53,675	2.08%	0	5,72,753	2.15%	0	0.07%
6	Indira Devi Patodia	2,39,650	0.90%	0	2,39,650	0.90%	0	0.00%
7	Nandita Patodia	12,50,750	4.69%	0	12,50,750	4.69%	0	0.00%
8	Meenal Patodia	17,24,915	6.47%	0	17,24,915	6.47%	0	0.00%
9	Classic Yarn Processors Limited	3,49,020	1.31%	0	3,49,020	1.31%	0	0.00%
10	P D Patodia	-	0.00%	0	13,908	0.05%	0	0.05%
	<b>Total</b>	<b>1,89,12,356</b>	<b>70.98%</b>	<b>0</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0</b>	<b>0.05%</b>

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

Sl. No.	Particulars	Shareholding at the beginning of the year (As on 31.03.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Purusottamdas Patodia				
	At the beginning of the year	20,68,929	7.77%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	10,909 (Sale of Shares on 22.07.2016)	0.04%	20,58,020	7.72%
	At the end of the year	20,58,020	7.72%	-	-
2	Manoj Kumar Patodia				
	At the beginning of the year	10,55,087	3.96%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	8,169 (Sale of Shares on 22.07.2016)	0.03%	10,46,918	3.93%
	At the end of the year	10,46,918	3.93%	-	-
3	Anuj Patodia				
	At the beginning of the year	5,53,675	2.08%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	19,078 (Acquisition of Shares on 22.07.2016)	0.07%	5,72,753	2.15%
	At the end of the year	5,72,753	2.15%	-	-
4	P D Patodia				
	At the beginning of the year	-	0.00%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	1,220 (Acquisition of Shares on 23.09.2016)	0.00%	1,220	0.00%
		12,688 (Acquisition of Shares on 07.10.2016)	0.05%	13,908	0.05%
	At the end of the year	13,908	0.05%	-	-





**(iv) Shareholding Pattern of top ten Shareholders**

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

Sl. No.	Shareholder's Names	Shareholding at the beginning of the year (As on 31.03.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Polisetty Gnana Dev				
	At the beginning of the year	11,44,497	4.30%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	25,000 (Sale of Shares on 08.04.2016)	0.09%	11,19,497	4.20%
		5,537 (Sale of Shares on 03.06.2016)	0.02%	11,13,960	4.18%
		10,000 (Sale of Shares on 10.06.2016)	0.04%	11,03,960	4.14%
		10,000 (Sale of Shares on 17.06.2016)	0.04%	10,93,960	4.11%
		5,000 (Sale of Shares on 24.06.2016)	0.02%	10,88,960	4.09%
		2,000 (Sale of Shares on 08.07.2016)	0.01%	10,86,960	4.08%
		2,074 (Sale of Shares on 15.07.2016)	0.01%	10,84,886	4.07%
		6,447 (Sale of Shares on 22.07.2016)	0.02%	10,78,439	4.05%
		9,226 (Sale of Shares on 22.07.2016)	0.03%	10,69,213	4.01%
		584 (Sale of Shares on 29.07.2016)	0.00%	10,68,629	4.01%
		5,271 (Sale of Shares on 19.08.2016)	0.02%	10,63,358	3.99%
		2,233 (Sale of Shares on 26.08.2016)	0.01%	10,61,125	3.98%
		16,000 (Sale of Shares on 02.09.2016)	0.06%	10,45,125	3.92%
		12,500 (Sale of Shares on 09.09.2016)	0.05%	10,32,625	3.88%
		8,350 (Sale of Shares on 23.09.2016)	0.03%	10,24,275	3.84%
		13,644 (Sale of Shares on 30.09.2016)	0.05%	10,10,631	3.79%
		100 (Sale of Shares on 14.10.2016)	0.00%	10,10,531	3.79%
		5,100 (Sale of Shares on 28.10.2016)	0.02%	10,05,431	3.77%
		955 (Sale of Shares on 04.11.2016)	0.00%	10,04,476	3.77%
		15 (Sale of Shares on 25.11.2016)	0.00%	10,04,461	3.77%
		7,295 (Sale of Shares on 02.12.2016)	0.03%	9,97,166	3.74%
		3,228 (Sale of Shares on 09.12.2016)	0.01%	9,93,938	3.73%
		2,555 (Sale of Shares on 16.12.2016)	0.01%	9,91,383	3.72%
		2,545 (Sale of Shares on 23.12.2016)	0.01%	9,88,838	3.71%
		4,200 (Sale of Shares on 31.12.2016)	0.02%	9,84,638	3.70%
		23,189 (Sale of Shares on 13.01.2017)	0.09%	9,61,449	3.61%
		1,313 (Sale of Shares on 20.01.2017)	0.00%	9,60,136	3.60%
		11,385 (Sale of Shares on 24.02.2017)	0.04%	9,48,751	3.56%
		6,500 (Sale of Shares on 03.03.2017)	0.02%	9,42,251	3.54%
		13,520 (Sale of Shares on 10.03.2017)	0.05%	9,28,731	3.49%
	At the end of the year	9,28,731	3.49%	-	-

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2	Renaissance Asset Management Company Pvt. Ltd				
	At the beginning of the year	6,60,000	2.48%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	6,60,000	2.48%	-	-
3	Manek Bhanshali				
	At the beginning of the year	5,64,000	2.12%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	1,88,000 (Sale of Shares on 17.06.2016)	0.71%	3,76,000	1.41%
	At the end of the year	3,76,000	1.41%	-	-
4	Subodh Begani				
	At the beginning of the year	3,13,134	1.18%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	3,13,134	1.18%	-	-
5	Suresh Sanwamal Todi				
	At the beginning of the year	1,56,840	0.59%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	1,56,840	0.59%	-	-
6	Jain Broking Pvt. Ltd.				
	At the beginning of the year	1,04,049	0.39%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	3,100 (Sale of Shares on 15.04.2016)	0.01%	1,00,949	0.38%
		8,100 (Sale of Shares on 22.04.2016)	0.03%	92,849	0.35%
		3,072 (Sale of Shares on 20.05.2016)	0.01%	89,777	0.34%
		3,864 (Sale of Shares on 27.05.2016)	0.01%	85,913	0.32%
		15,564 (Sale of Shares on 10.06.2016)	0.06%	70,349	0.26%
		5,000 (Sale of Shares on 17.06.2016)	0.02%	65,349	0.25%
		17,000 (Sale of Shares on 24.06.2016)	0.06%	48,349	0.18%
		349 (Sale of Shares on 10.03.2017)	0.00%	48,000	0.18%
	At the end of the year	48,000	0.18%	-	-



7	Jehangir Kaikhoshru S.Nicholson				
	At the beginning of the year	1,20,210	0.45%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	1,20,210	0.45%	-	-
8	Satish Chandra Katyal				
	At the beginning of the year	79,115	0.30%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	79,115	0.30%	-	-
9	Bhadravati Chandulal Thakker				
	At the beginning of the year	78,240	0.29%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	78,240	0.29%	-	-
10	Everfresh Enterprises LLP				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	1,88,000 (Acquisition of Shares on 17.06.2016)	0.71%	1,88,000	0.71%
	At the end of the year	1,88,000	0.71%	-	-

Note: Date of acquisition / sale of shares has been considered the date on which the beneficiary position was provided by the Depositories.

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 31.03.2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Purusottamdas Patodia				
	At the beginning of the year	20,68,929	7.77%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	10,909 (Sale of Shares on 22.07.2016)	0.04%	20,58,020	7.72%
	At the end of the year	20,58,020	7.72%	-	-
2	Manoj Kumar Patodia				
	At the beginning of the year	10,55,087	3.96%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	8,169 (Sale of Shares on 22.07.2016)	0.03%	10,46,918	3.93%
	At the end of the year	10,46,918	3.93%	-	-

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3	Anuj Patodia				
	At the beginning of the year	5,53,675	2.08%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	19,078 (Acquisition of Shares on 22.07.2016)	0.07%	5,72,753	2.15%
	At the end of the year	5,72,753	2.15%	-	-
4	T. Paul Sugumaran				
	At the beginning of the year	2,500	0.01%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	2,500	0.01%	-	-
5	Banwarilal Singhal				
	At the beginning of the year	36,213	0.14%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	36,213	0.14%	-	-

### V. INDEBTEDNESS

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

Rs. in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	217.62	516.32	-	733.94
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>217.62</b>	<b>516.32</b>	<b>-</b>	<b>733.94</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	325.97	-	-	325.97
* Reduction	(25.45)	(0.35)	-	(25.80)
<b>Net Change</b>	<b>300.52</b>	<b>(0.35)</b>	<b>-</b>	<b>300.17</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	518.14	515.97	-	1,034.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>518.14</b>	<b>515.97</b>	<b>-</b>	<b>1,034.11</b>



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:					Rs. in Lakhs	
SN.	Particulars of Remuneration				Total Amount	
Name	Mr. Purusottamdas Patodia	Mr. Manoj Kumar Patodia	Mr. Anuj Patodia	Mr. T. Paul Sugumaran		
Designation	Chairman and Managing Director	Vice-Chairman and Managing Director	Managing Director	Whole-time Director		
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.00	31.20	30.00	19.96	123.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8.32	6.15	8.50	10.84	33.81
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Employer PF Contribution	5.04	3.59	3.45	-	12.08
	Pension Contribution	-	0.15	0.15	-	0.30
	<b>Total (A)</b>	<b>55.36</b>	<b>41.09</b>	<b>42.10</b>	<b>30.80</b>	<b>169.35</b>
	<b>Ceiling as per the Companies Act, 2013</b>	The remuneration paid to Managing Directors are within the ceiling prescribed under Companies Act, 2013				

B. Remuneration to other Directors					Rs. in Lakhs	
SN.	Particulars of Remuneration	Name of Directors			Total Amount	
		Mr. N.K. Bafna	Mr. Banwarilal Singhal	Mr. Venkatchalam Ramaswamy	Dr. Vaijayanti Pandit*	
1	Independent Directors					
	Fee for attending board committee meetings	1.05	1.00	0.45	0.40	2.90
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>1.05</b>	<b>1.00</b>	<b>0.45</b>	<b>0.40</b>	<b>2.90</b>
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>1.05</b>	<b>1.00</b>	<b>0.45</b>	<b>0.40</b>	<b>2.90</b>
	<b>Total Managerial Remuneration</b>					<b>172.25</b>

\* Ceased to be Director with effect from 23rd January, 2017

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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD				Rs. in Lakhs
SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Name		
	Designation	Mr. S. Udayananda	Mr. Krunal Shah	
		CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.06	7.70	16.76
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.58	2.02	4.60
	(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</b>	<b>11.64</b>	<b>9.72</b>	<b>21.36</b>

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



## Annexure II

### Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

To  
The Members,  
**PRIME URBAN DEVELOPMENT INDIA LIMITED.**  
110, Avanashi Road Gandhi Nagar Post  
Tirupur TN 641 603

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

Based on my verification of 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, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure 'I'** for the Financial Year ended on 31st March, 2017 according to the provisions of:
  - i. The Companies Act, 2013 and the Rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment (**Not Applicable to the Company during the period under Audit**)
  - v. The following Regulations and Guidelines prescribed under the SEBI Act, 1992 are as follows:-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;  
Promoters of the Company have made Disclosures under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 to BSE Limited and the Company on 25th July, 2016 and 23rd January, 2017 for their Direct acquisition of equity shares of the Company and Indirect acquisition of voting rights in the Company.
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

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- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable as the Company has not made any further issue of Shares)**
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, now known as SEBI (Share based employees Benefits) Regulations, 2014 **(The Company has not introduced any such scheme during the financial year under review)**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The Company has not issued any Debt Securities during the financial year under review)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted or propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back or propose to buy-back any of its securities during the Financial Year under review)**

Other law specifically applicable to the Company are:

- a) Tamil Nadu Public Building Licensing Act, 1965;
- b) Tamil Nadu Lift Act, 1997;
- c) Tamil Nadu District Municipalities Building Rules, 1972;
- d) Town Planning Act, 1971;
- e) Multi-storeyed Public Building Rules, 1973;
- f) District Municipalities Building Rules, 1972;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

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

### **I further report that**

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

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

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

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

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





**I further report that** during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

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

1. During the year under report the Company has obtained consent of the members of the Company through Postal Ballot by way of following Special Resolutions :
  - i) U/s 186 of the Companies Act, 2013 authorising the boards of directors of the Company to make loan(s) to any person or Body Corporate(s), to give any guarantee(s) and/or providing any Security in connection with a loan to any other Body Corporate or person and make any Investment(s) from time to time by way of subscription, purchases or otherwise in the securities of any other body corporate up to the amount of Rs.100 Crores (Rupees One Hundred Crores) over and above the highest of the limit of 60% of paid Share capital, Free Reserves and Security Premium account of the Company or 100% of the Free Reserves and Security premium account of the Company.
  - ii) U/s 180(1)(a) of the Companies Act, 2013 authorising board of directors of the Company for Creation/Modification of Charge(s)/Mortgage(s) /Hypothecation(s) and Encumbrances(s) on the movable and immovable properties of the Company both present and future.
  - iii) U/s 180 (1)(c) of the Companies Act, 2013 authorising boards of directors of the Company to borrow from time to time in one or more tranches notwithstanding that the Monies to be borrowed together with money already borrowed by the Company (apart from temporary loan obtained or to be obtained from the Companies' bankers in the ordinary course of business) provided that total amount borrowed by the Board shall not exceed Rs.100 Crores (Rupees One Hundred Crores).
2. The Company has acquired 10,000 equity shares of Rs.10 each (100 % of the paid up equity share capital) of Srivarsha Realtors Private Limited. By virtue of such acquisition Srivarsha Realtors Private Limited. became wholly owned Subsidiary of the Company with effect from 20th September, 2016.
3. Dr. Vaijayanti Pandit, Independent and Women Director of the Company has resigned from the Board w.e.f. 23rd January, 2017. Her resignation was taken on record by the Board of Directors of the Company in its Meeting held on 6th February, 2017.

For S.K.JAIN & Co.

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

Place: Mumbai  
Date : 22/05/2017

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **ANNEXURE - I**

#### **List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2016.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of Annual General Meetings and Extra-Ordinary General Meetings held during the Financial Year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Intimations received from directors under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report.
11. Closure of Register of Members.

For S.K.JAIN & Co.

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

Place: Mumbai  
Date : 22/05/2017



## ANNEXURE – II

### List of applicable laws to the Company

1. Transfer of property Act, 1882
2. The payment of Bonus Act, 1965
3. The payment of Gratuity Act, 1972
4. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal ) Act, 2013
5. The Maternity Benefits Act, 1961
6. The Employees Provident Fund and Miscellaneous Provision Act, 1952
7. The Environment (Protection) Act, 1986
8. The Professional tax Act, 1975

For S.K.JAIN & Co.

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

Place: Mumbai  
Date : 22/05/2017

## ANNEXURE - III

### Registered Office:

110, Avanashi Road,  
Gandhi Nagar Post  
Tirupur 641 603

### Corporate Office:

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

For S.K.JAIN & Co.

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

Place: Mumbai  
Date : 22/05/2017

**PRIME URBAN DEVELOPMENT INDIA LIMITED****Annexure III  
FORM NO. AOC -2**

(Pursuant to Section Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

The Company has not entered into any contracts or arrangements or transactions with its related parties which are not on arm's length basis during the financial year 2016-17.

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

		(1)	(2)
a	Name(s) of the Related Party and Nature of Relationship	<b>Mrs. Indira Devi Patodia.</b> (a) Spouse of Mr. Purusottamdas Patodia, Chairman & Managing Director of the Company. (b) Mother of Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director of the Company and Mr. Anuj Patodia, Managing Director of the Company.	<b>M/s. Prime Hitech Textiles LLP (LLP)</b> Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director of the Company and Mr. Anuj Patodia, Managing Director of the Company are designated partners of LLP.
b	Nature of contracts / arrangements/ transactions	Employed as Sales Executive in the Company.	Room given on rental basis by the Company to Prime Hitech Textiles LLP.
c	Duration of the contracts / arrangements / transactions	Ongoing	Ongoing
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Salary paid by the Company to Mrs. Indira Devi Patodia, Sales Executive at the rate of Rs. 13,916/- p.m. Total payment for year ended 31st March, 2017 is Rs. 1.67 Lakhs.	Rent received from M/s. Prime Hitech Textiles LLP, at a rent of Rs. 1,000 p.m. Total rent received for the year ended 31st March, 2017 is Rs. 9,500/-.
e	Date(s) of approval by the Board, if any	Refer Note below	
f	Amount paid as advance, if any	-	-

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

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

Date : May 24, 2017

Place : Mumbai

**Purusottamdas Patodia**  
Chairman and Managing Director



**Annexure - IV**  
**Annual Report on Corporate Social Responsibility ("CSR") Activities**

{Pursuant to clause (o) of sub-section 134 of the Act and Rule 9 of the  
(Corporate Social Responsibility) Rules, 2014}

**1. Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Prime Urban Development India Limited ("Company"), through its CSR initiatives will actively contribute to the Social, Economic and Environmental Development of our country and thereby create value for the nation. To generate through its CSR initiatives, a community goodwill for the Company which will help and reinforce a positive and socially responsible image of the Company as a responsible corporate entity. The Corporate Social Responsibility Policy ("CSR Policy") has been recommended by CSR Committee and approved by the Board of Directors of the Company. The CSR Policy is available on the website of the Company i.e. [www.ptlonline.com](http://www.ptlonline.com).

**2. The Composition of the CSR Committee is as under:**

- a) Mr. Banwarilal Singhal - Chairman (Non- Executive Director/Independent)
- b) Mr. Purusottamdas Patodia - Member ( Chairman and Managing Director)
- c) Mr. Manoj Kumar Patodia - Member (Vice Chairman and Managing Director)
- d) Mr. Anuj Patodia - Member (Managing Director)

**3. Average net profit of the Company for last three financial years:** For the last three financial years, the Company has incurred Average Net Loss of Rs. 836.52 Lakhs.

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Not Applicable

**5. Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year: Nil
- (b) Amount unspent, if any: Not Applicable
- (c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub -heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent Direct / through implementing agency*
NOT APPLICABLE							

\*Give details of implementing agency

**6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company, to the extent applicable.**

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company, to the extent applicable.

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

**Banwarilal Singhal**  
**Chairman - CSR Committee**

Place : Mumbai  
Date : May 24, 2017

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Annexure - V**

#### **PRIME URBAN DEVELOPMENT INDIA LIMITED**

#### **Remuneration Policy for Directors, Key Managerial Personnel and Other Employees**

##### **1. PREFACE:**

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

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

##### **2. AIMS AND OBJECTIVES:**

This policy is intended to ensure that:

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

##### **3. APPLICATION OF THIS POLICY:**

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

##### **4. DEFINITIONS:**

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

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

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

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

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

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

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



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

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

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

The Nomination and Remuneration Committee shall ensure that –

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

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

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

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

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

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

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

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

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

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

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

### **6.3 Evaluation:**

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

### **6.4 Removal:**

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

### **6.5 Retirement:**

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

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

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

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





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

### **Remuneration**

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

### **Minimum Remuneration**

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

### **Provisions for Excess Remuneration**

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

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

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

### **Profit Linked Commission**

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

### **Stock Options**

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

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

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

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Annexure-VI

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

- a) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary and Managing Director during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

Sr. No.	Name of Director/KMP and designation	Remuneration of Director/KMP for Financial Year 2016-17 (Rs. in Lakhs)	%increase/ (decrease) in Remuneration for Financial year 2016-17	Ratio of remuneration of each Director to median remuneration of employees
1	Purusottamdas Patodia Chairman and Managing Director	55.36	(5.83%)	5.18
2	Manoj Kumar Patodia Vice-Chairman and Managing Director	41.09	(3.81%)	3.85
3	Anuj Patodia Managing Director	42.10	(1.68%)	3.94
4	T. Paul Sugumaran Whole-time Director	30.80	28%	2.88
5	S. Udayananda Chief Financial Officer	11.64	11.49%	1.09
6	Krunal Shah Company Secretary	9.72	10%	0.91

- b) **Percentage increase in the median remuneration of employees in the financial year**

In the financial year 2016-17, there was an increase of 17% in the median remuneration of employees.

- c) **Number of permanent employees on the rolls of Company**

There were 9 Permanent employees on the rolls of Company as on 31st March, 2017.

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

The average percentage increase made in the salaries of employees other than the managerial personnel for the financial year i.e. 2016-17 was 8% whereas the increase in the managerial remuneration for the same financial year was 0.61%

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

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



## Annexure-VII MANAGEMENT DISCUSSION AND ANALYSIS

### Indian Economy

The year 2016-17 was marked by couple of important developments in the Indian economy. The passage of constitutional amendment, paving way for implementation of Goods and Services Tax (GST) and cancellation of the legal tender of high denomination notes of Rs 500 and Rs 1000 i.e. Demonetization. Demonetization had a short-term impact on the economy but it is expected to benefit in the long run by the way of reduction in corruption, boost for digital payments etc. On the other hand, GST would play a bigger role in shifting large part of unorganized market to organized market, which is also expected to improve tax compliance and is expected to boost investment and growth.

The improvement in India's economic fundamentals were continued to improve in the year gone by with the combined impact of strong government reforms, RBI's inflation focus supported by stable global commodity prices.

Indian economy is expected to grow at 7.1 per cent during FY 2017-18. The growth is expected to return to normal after demonetization shock. The factors which would be responsible for the growth are normal monsoon, increase in exports because of recovery in the global markets and the key policy reforms by the Government. The crude prices have started inching up which would have some dampening effect on the economy.

Total private equity (PE) investments in India for 2016 were at US\$ 17 billion across 682 deals, compared 19.8 US\$ billion in 2015, according to the PwC Money Tree India report. According to First Advance Estimates of National Income, 2016-17 released by Central Statistics Office, India's per capita income is estimated at Rs 103,007 in FY 2017 from Rs 93,293 in FY 2016.

### Indian Real Estate

The real estate sector had a bumpy ride in the year, where the sector has witnessed a gradual recovery in the first half of the year while there was a shock in terms of demonetization, in the later part of the year.

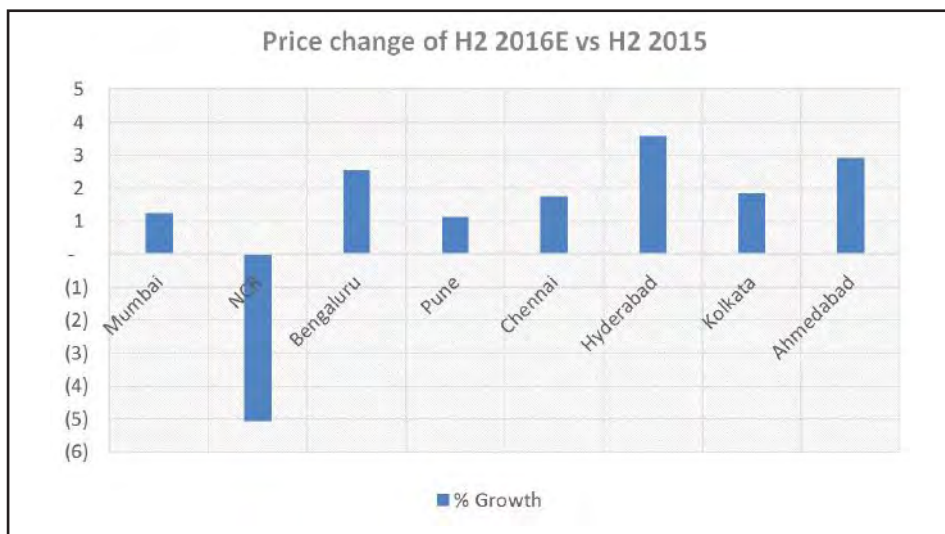
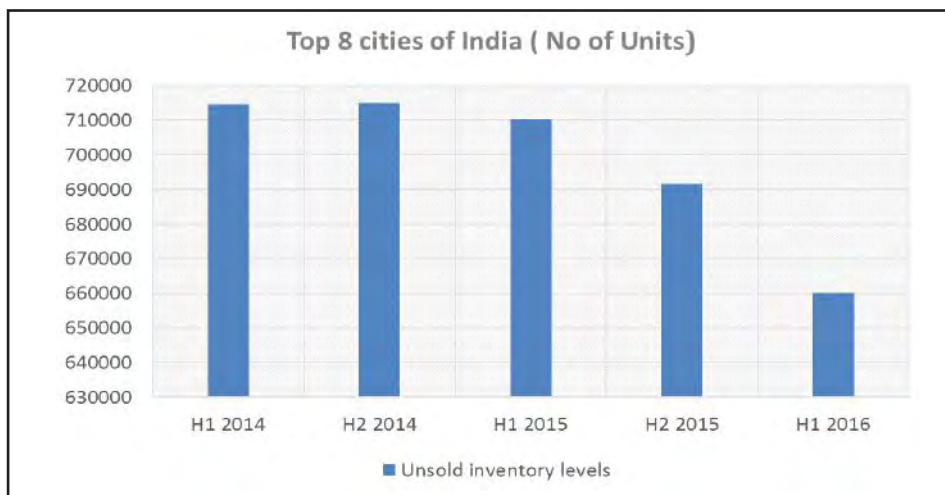
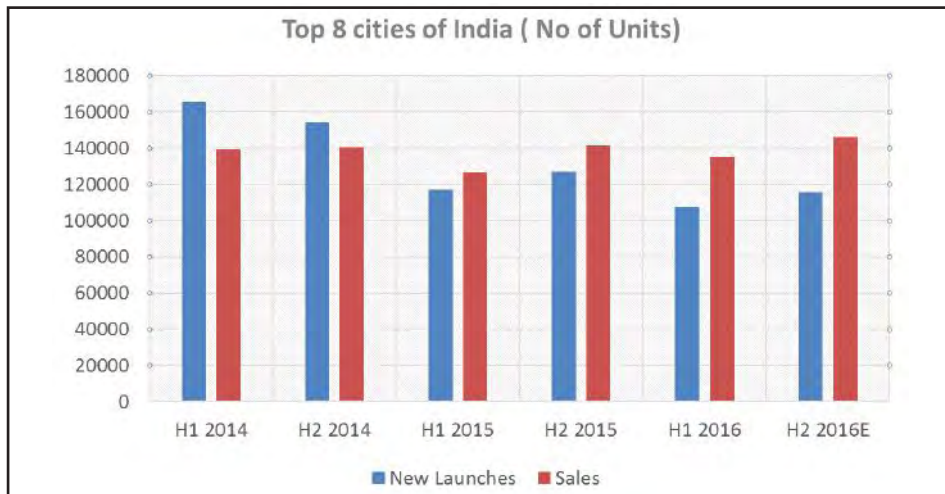
The real estate sector comprises five sub sectors – Residential space, Commercial space, Retail space, Hospitality space and SEZs. The growth of this sector is well complemented by the notable pickup in overall economy as well as government initiatives to boost investments and growth.

The Indian real estate market is expected to touch US 853 bn by 2028 from USD 126 bn in 2015. The real estate contribution to India's GDP is expected to be 13% in 2028. The real estate market is expected to grow at CAGR of 15.2% during FY08 to FY28E. The growth drivers are Urbanization, Policy support, Easier financing options, Lower interest rate, increasing household income etc. Retail, hospitality and commercial real estate are also growing, providing the much-needed infrastructure for India's growing needs.

Private Equity investment in Indian real estate sector has been on increasing trend in the last 5 years. The highest PE investment in the sector was in 2015, with an investment of USD 2 bn. According Prop tiger data labs research, PE investors has invested 717 mn USD till Sep'16 in real estate.

2016 has been an eventful year for Indian real estate sector from a perspective of policy initiatives. The various regulations such as benami property transaction prohibition act, Real estate regulatory authority (RERA), GST, which are expected to boost confidence among buyers, which over the years remained saddled with unethical practices. It is also expected to provide much needed legal cushion to the buyers since real estate developers will be accountable for provide timely delivery to buyers.

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(Source: Knight Frank report Jun-Dec 16)



### **Investment Destination**

Real estate sector has a significant contribution to India's GDP. The Indian real estate market offers a diverse range of property segments - residential being the largest (due to large housing needs & increasing urbanization), followed by office which is emerging as the preferred investment option by institutional investors besides retail and logistics sectors.

The real estate activity is spread across multiple cities having independent demand drivers. Key investment destinations include Bengaluru, Delhi NCR, and Mumbai, that together account for 60% of the total office space demand. Emerging metro cities of Pune, Chennai and Hyderabad, primarily driven by a strong IT/ ITeS industry have also seen significant interest in the recent past.

The operating model also has been changing from sales to lease & maintenance in metros. Retail space is also likely see strong growth because of booming consumption in India. Organized retail sector in India is growing at 25-30% annually. The hospitality sector has also started picking up on improvement of no of tourists visiting India.

**REIT:** Till now the real estate assets were out of financial markets and investors didn't have an opportunity to earn returns from this asset class. REIT (Real Estate Investment Trust) framework is a platform which will allow investors to make investments into the Indian real estate market.

REIT has a huge opportunity in India. As per KPMG-Knight Frank March 2017 report, presently India has a rent yielding office inventory to the tune of 537 million sq ft, valued more than USD 70 bn. Apart from this, there are other properties like Shopping Malls, warehouses, school buildings etc. which are potential assets to be considered under REITs.

### **Government Initiatives**

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the real estate sector. Housing for all, infrastructure status to affordable housing are the prime opportunities for real estate companies.

Below are some of the major Government Initiatives:

**Centre to build 1 crore houses under PMAY-G by 2019** – The Government of India has approved the construction of 1 cr houses with the financial implications of Rs 81,975 cr for the period 2016-17 to 2018-19 in March 2017. It has also has been estimated that 2.95 Cr more houses would need to be constructed to achieve the objective of '**Housing for all**' by the year 2022. To achieve the objective of '**Housing for All**', some of the features which has been incorporated are as follows:

- Availability of sufficient financial resources both in the form of budgetary support and borrowing from NABARD to meet the expenditure for construction of houses.
- Electronic transfer of assistance under Direct Benefit Transfer (DBT) to resolve problems of delayed payments and expedite completion.
- Comprehensive online monitoring through the scheme MIS-AwaasSoft.
- Inspection and Geo tagging of houses, through the mobile app-AwaasApp by beneficiaries to reduce delays.
- Increasing number of trained rural masons through Training, Assessment and Certification.
- Setting up of Programme Management Unit (PMUs) at state and sub state level to review progress on a daily basis, provide requisite technical support and facilitation and plug gaps in implementation using administrative funds available under the scheme.

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### **Infrastructure status to affordable housing**

The Government of India has now provided infrastructure status to affordable housing, which is encouraging for developers since it ensures access to institutional credit which would reduce cost of borrowing for developers.

Also, government has tweaked the definition of affordable housing projects under the scheme of 100% deduction of profits from tax. Earlier flats in four metro cities with built up area of 30 sq meters and built up area upto 60 sq meters in other cities was being considered in the scheme. Now 'Built up area' has been changed to 'Carpet area' and 30 sq meters limit applies to only within municipal corporation limits of the four metros.

The affordable housing scheme is expected to benefit the sector in terms of easier capital for developers and lowering interest rate. Also, there is a provision of interest subvention of 4% and 3% on loans up to Rs 0.9 mn and Rs 1.2 mn respectively which is expected to boost for affordable housing.

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

### **Budget 2017-18 proposals for Real estate**

- Infrastructure status to Affordable Housing – boost for affordable residential sector
- National Housing Bank (NHB) will refinance individual housing loans of about INR200 billion (USD3 billion) in 2017-18
- Increase in investment in infrastructure and development projects
- Holding period for immovable assets reduced from 3 years to 2 years and indexation to be shifted from 1.4.1981 to 1.4.2001
- Capital gains tax liability changed for Joint Development Agreement (JDA) signed for development of property
- No cash transaction above INR 0.3 million permitted
- The government has made changes on the facility of subsidizing home loan interest payment to the buyers. Earlier it was applicable for the buyers earning up to Rs 6 lakh per annum, now it has been extended to the buyer earning up to Rs 18 lakh per annum.
- Abolition of Foreign Investment Promotion Board (FIPB)
- Introduction of innovative land-pooling mechanism for development of the new state capital of Andhra Pradesh

### **Real Estate Regulatory Bill has been effective from May 1, 2017**

The real estate regulation and development act, 2016 became effective in the country on May 01, 2017. Under the bill, real estate sector would be governed by its own regulatory authority. The purpose of the bill is for more stricter compliance and transparency in the system. With stricter compliance in place, the frequency of future projects may go in the slow lane; but at the same time investment appetite is expected to go up which would eventually alter the ongoing demand and supply situation and which would eventually affect the pricing structure across the industry.

Existing supply of under construction properties including unsold inventory, which expects 12 or more months for the completion of the project, required to register under RERA. Also, RERA changes the way builder used to sell their inventory. Industry was selling properties earlier on the basis of 'Super built up area' need to sell the properties on the basis of 'Carpet Area'. Potential home buyers now can make decisions on better information. This will benefit branded and organized Real estate developers such as Prime Urban.

### **RERA- key features**

**Quick grievances resolution:** Real estate industry has been unregulated before the existence of the RERA. The industry was affected by lack of consumer protection, inadequate consumer addressable system which also had an impact on the industry. The consumer can now refer to the regulator for any grievances. At the same time, builders can approach the regulator in case of payment default by the allottees.

**Registration:** Registration of the real estate projects would provide better transparency in project marketing and execution which is expected to benefit both developers and consumers.

**Timely construction:** Developer is required to put 70% of the money collected from customers into separate escrow account to attain and meet construction cost. This would ensure timely construction of the properties.



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

South India market in leading southern cities will continue driven by IT/ITes growth. The need for housing as well commercial growth remained concentrated to these sectors. In terms of segmentation, it is expected to be concentrated on high end as well mid end segments. Cities in South India have shown relatively stable growth in the residential market segments and it remains as a value creation for future growth.

The growth potential in southern India is humongous. Tamil Nadu contributes approximately 10.93% to India's overall GDP and ranks 2nd among the 36 Indian States & Union Territories in terms of GDP contribution. Contribution of the southern states of India is nearly 31% of the GDP of India. The Real Estate sector in the South is also picking up on account of growth in sectors like Auto, Consumer goods, Power consumption & Cement in the recent past as there was 70% jump in the Housing sales in first quarter of FY17 as compared to the last quarter, out of which major part of the demand increase came from the major cities in Southern parts of the country.

### **About Tirupur:**

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

**Coimbatore** is the second largest city in Tamil Nadu and is advantageously located between tourist's attractions like Ooty, Kodaikanal and Coorg. Along with Textile, it also houses Engineering, Automobile parts manufacturing & IT/ITeS as the major industries.

It was one of the 20 cities who were named in the Smart cities mission initiative of the Government of India. Central Coimbatore, adjoining an 8-lake network, is selected as the area for development under the Smart City initiative. In India owing to the huge demand, focus has now shifted to Tier II cities. Coimbatore is already witnessing an increased real estate demand.

The Residential sector is also witnessing positive traction with the increased commercial activity, coupled with the Smart City initiative and industrial demand. Demand for second home and retirement communities continues unabated. Areas of the city such as R.S. Puram, Avinashi Road, and Race Course, are considered as posh areas. Areas of Avinashi Road and Saravanampatti, Mettupalayam Road and Trichy Road are dominated by low-budget projects. Bus Rapid Transit System, Expansion of Airport are few factors that will provide growth opportunities. Around 3 special IT Economic Zones have been set up here, with the Government offering special schemes to promote real estate activity.

Demand for Commercial properties have been on an uptrend in Coimbatore, it was among the few Indian markets where office space uptake was positive in recent years. This demand was coming in from the SME's in the city.

The developers are trying to cater to the consumers according to their spending capacity by avoiding high end or super luxury launches in the market. With the positive sentiments on the city and its business-friendly environment real estate market will grow tremendously in Coimbatore.

At Prime Urban, we are optimistic about the growth opportunities at offer in Coimbatore and will be seeking to exploit the same.

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

Chennai the fourth most populous metropolitan area in the country is expected to become a \$100 Billion economy by 2025 which is 2.5 times its current size as per Confederation of Indian Industry (CII). Along with being a major Automobile & Automobile component manufacturing hub it also hosts IT, Hardware manufacturing, Hospitality & Healthcare sectors. It is one of the top 5 hospitality markets in India.

North Chennai is predominantly industrial, while central Chennai is the most developed part of the city with established commercial and residential markets. South and West Chennai, previously predominantly residential areas, are fast turning into commercial zones, hosting a large number of IT and financial services companies.

Government's focus on providing excellent road connectivity along the Nodes such as Perungudi, Sholinganallur, Siruseri node has helped in the development of this region. Outer Ring Road has emerged as the best upcoming investment market with large townships. Outer Ring Road Phase II and Metro Rail Phase II will become operational late this year. The Guindy-Alandur cluster is expected to emerge stronger in the medium term with infrastructure push. The infrastructure projects like Outer Ring Road II, Chennai Metro, Mass Rapid Transit system & Chennai Monorail are expected to prove beneficial for the real estate demand.

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Residential market was affected due to Demonetization, extreme weather & political uncertainties leading to a 31% fall in demand on a year on year basis in Q4 FY17. However, there was good development interest in locations such as Kelambakkam, Otiambakkam, Mahindra World City & Seruseri. Over half of the units launched during H2 2016 was in South Chennai Micro market. Chennai market currently carries close to 2 years of unsold inventory.

Commercial Real estate saw huge leasing activity off late despite space crunch. IT/ITeS sector is the largest consumer, manufacturing & other sectors are increasing their share gradually. Chennai office market is expected to continue its sustained trends in year 2017. SBD locations such as Perungudi, Guindy & Taramani continue to witness above average rental growth as the vacancies drop to 4% in SBD & 12% in SBD OMR. Due to low available inventory, the rentals may see appreciation. Chennai - Bengaluru Industrial Corridor is also likely to lead to an increase in demand.

### **Mumbai – Affordable Housing market opportunities**

Mumbai, one of the major urban centers of the country and the capital of Maharashtra state, has been facing severe housing problem due to rapidly growing city population (both due to natural growth and migration) and the consequent higher house prices. Affordability is a relative concept since what may be affordable to one section of the society may not be affordable for others and city like Mumbai is no exception. Greater Mumbai has an acute adequate housing problem and lack of space, with 7.7 per cent having no exclusive room and a further 57.3 per cent living in just one room. This provides an opportunity for developers engaging in affordable housing. The areas which are vital for affordable housing opportunity in Mumbai are Boisar, Palghar, Shahapur, Vasind, Badlapur, Neral, Karjat, Khalapur. Also some of the key developments like Metro railway connectivity in Navi Mumbai expected to drive the demand for affordable housing in that area.

Factors affecting affordability in Mumbai:

- Cost of Land
- Demand for upfront payment
- Incremental construction issues

### **Project Wise Details**

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

- **Prime Enclave Vistas** – Prime Enclave Vistas is our Apartment project set amidst serene landscaped surroundings of greenery & blooms. It is the first of its kind township started next to Chennai in South Tamil Nadu in Tirupur. The Project was conceived with a single-minded objective to create a new level of residential luxury in Tirupur. A residential luxury designed to match the tastes and mind-set of a select few, who aspire to live ahead of the times. We have a total of 376 units in this project of which we have sold 375 units i.e. 99.73% of the total project. Construction of this Project is completed.
- **The Onyx (Villas)** – The Onyx is our Villa Project in Tirupur. The project consists of 34 luxurious Villas amidst breathtaking, lush landscaping and an array of recreation which is available at a stone's throw away distance from the above Apartment Project. We have currently sold 8 units i.e. 23.52% of the total project.
- **Developed Lands** – The Company has taken up Developed Land Projects and successfully completed sale of Lands measuring over 140,000 sq. ft. of Land in FY16 and 67,700 sq. ft in FY 17. We have 9,000 sq. ft. land available to sell.

At Prime, our projects are signature style and path breaking. We are confident of an excellent quality product for our customers which will improve the living standards and add a whole new dimension of Real estate development. We are confident of better cash flows and profitability going forward which shall be utilized to make deeper inroads in Tirupur real estate market and enter other cities of Tamil Nadu such as Chennai and Coimbatore.





## Opportunities for Growth

Real Estate sector in India has been on the verge of major transformation because various regulatory related as well as development related announcements and initiatives by Government of India. These direct initiatives coupled with indirect factors such as downward trend in inflation, govt focus on improvement of rural income would provide humongous opportunities in the real estate sector.

Various opportunities lie to deepen the Real estate sector -

- **Housing for All** – Housing in India varies significantly and reflects socio-economic mix of its large population. The central government aims to provide housing for all by 2022. The housing need is almost equally distributed in urban and rural areas and primarily consists of affordable houses. The scheme envisages 10mn homes to be built across India by 2019 and further 25 mn to be built to make sure accomplishment of the housing for all scheme. This move will create large and scalable opportunities for home builders.
- **Easing of FDI in Construction Industry** – Foreign direct investment (FDI) is a major source of non-debt financial resource for the economic development of India. Foreign companies invest in India to take advantage of relatively lower wages, special investment privileges such as tax exemptions, etc. The Government of India has amended the FDI policy regarding Construction Development Sector. The amended policy includes easing of area restriction norms, reduction of minimum capitalization and easy exit from project. Further, to provide boost to low cost affordable housing, it has indicated that conditions of area restriction and minimum capitalization will not apply to cases committing 30 per cent of the project cost towards affordable housing. FDI will help Real Estate players to lower their cost of capital, reduce timelines from acquisition of land to launch of project, increase exposure to large townships thereby leading to higher development and industrial activity in the country.
- **Government Allocation** – The Government has allocated large sums for Rural Housing through NHB. This will increase flow of capital for affordable housing for the rural poor besides improving infrastructure in rural areas.
- **Commercial activities pick up** – Lower borrowing rates, rising in income will lead to higher investments in commercial space as well as residential houses leading to overall uptick in Real Estate industry. Also, the regulation like RERA would provide better transparency in the project execution of real estate assets which will prompt higher investments.
- **Urbanization and new cities a twin opportunity**- Relocating to urban areas for search of better opportunities is a common phenomenon. According to 2016 World Cities Report issued by the UN's department of economic and social affairs, India will have 7 cities with population of over 10 million by 2030 and here lies a twin opportunity in terms development of existing major cities as well development of new cities. Urbanization has led to a surge in development activities causing for an eruption of opportunities for the real estate developers.
- **Accelerating Economy in India and Tamil Nadu** – Indian economy has outshined the World economy growth by a wide margin. India's demographic and need to improve infrastructure coupled with availability of skilled labour makes it a one-stop-shop for investors. Tamil Nadu has played an important part in economic growth for its citizens. Availability of large educated work force is leading to many Global companies to set up shop in Tamil Nadu across various sectors such as Auto, Textiles, IT-ITES, KPO, Renewables and many others. This provides for a continuous need for housing stock especially organized housing which is a big boon for real estate developers.
- **Nuclear Families** – This is a one of the important factors driving India's growth. The growth in nuclear families has been rising which is driving consumption in the country. The real estate is very optimistic for this opportunity. Increased affinity towards branded and organized housing will further boost the real estate developers.

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### **RISKS & CONCERNS**

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

- **Liquidity risk:** Liquidity of real estate property is one of the major risk for the sector. The time required for liquidity of real estate property can vary depending on the quality and location of the property.
- **Property market transparency risk:** The Indian property market has low transparency when compared to developed real estate markets. The market transparency is expected to improve because of RERA implementation, however reliable and consistent information on the Indian property market is still not easily available.
- **Macroeconomic risks:** The real estate market is inherently a cyclical market and is affected by macroeconomic conditions. The factors like Interest rate, inflation and exchange rate risks are amongst the important macroeconomic indicators to assess risks related to the sector. These risk factors can have a long-lasting impact on the development of the real estate sector.
- **Regulatory risks:** The real estate sector in India is regulated by the central state and local governments. Real estate developers are required to comply with several laws and regulations including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land etc.
- **Manpower and material cost risk:** The delay in projects is a major source of this risk since it leads to cost overruns of the project.
- **Performance of IT/ITES sector:** IT & ITES are large consumers of commercial estate. India's prowess in this sector has led to the emergence of many large-scale developments and IT zones in many parts of the country. Any slowdown in this sector could impact the performance of real estate sector especially Commercial real estate.

### **Human Resources**

Human resource is the most vital factor to achieve the goals of the Company. Being a progressive organization, your Company firmly believes in its vital assets – People.

Your Company is engaged in a constructive relationship with employees with an emphasis on productivity and efficiency and underling safe working practices.

As on 31st March, 2017, there were 9 permanent employees in the Company.



## **Prime Urban Development India Limited**

### **REPORT ON CORPORATE GOVERNANCE**

### **YEAR ENDED ON 31ST MARCH 2017**

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

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

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

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

#### **BOARD OF DIRECTORS**

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

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

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

During the financial year 2016-17, five meetings of the Board of Directors were held on the following dates: 6th May, 2016, 28th June, 2016, 10th August, 2016, 2nd November, 2016 and 6th February, 2017.

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

The details of Directorship and Membership/Chairmanship of the committees of the Board held by the Directors as on 31st March, 2017 and their attendance at the meeting during the year are as follows:

## PRIME URBAN DEVELOPMENT INDIA LIMITED

Name of the Director	Category	No. of Board Meetings held during the financial year 2016-17	No. of Board Meetings attended by the Director during the financial year 2016-17	Attendance at the last AGM	No. of Directorship in other public limited companies#	No. of Committee position held including the company*		Relationship with other Directors interse
						Chairman of the Committee	Member	
Mr. Purusottamdas Patodia	Executive Chairman/ Promoter	5	5	Yes	2	0	1	Related to Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.
Mr. Manoj Kumar Patodia	Executive Vice-Chairman/ Promoter	5	5	Yes	5	0	2	Related to Mr. Purusottamdas Patodia and Mr. Anuj Patodia
Mr. Anuj Patodia	Managing Director/ Promoter	5	4	Yes	9	0	0	Related to Mr. Purusottamdas Patodia and Mr. Manoj Kumar Patodia
Mr. T. Paul Sugumaran	Whole Time Director	5	3	Yes	0	0	0	Not related to any other Director of the Company
Mr. N. K. Bafna	Non Executive Director/ Independent	5	5	Yes	1	1	3	
Mr. Banwarilal Singhal	Non Executive Director/ Independent	5	4	Yes	4	4	3	
Mr. Venkatchalam Ramaswamy	Non Executive Director/ Independent	5	3	No	5	0	1	
Dr. Vaijayanti Pandit**	Non Executive Director/ Independent	5	4	Yes	N.A	N.A	N.A	

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

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

\*\* Ceased to be Director with effect from 23rd January, 2017

As on 31st March, 2017, the number of directorship/committee membership/ chairmanship of all the Directors is within the respective limits prescribed under Companies Act, 2013 and that of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



The shareholding of the Non-Executive Directors of the Company as on 31st March, 2017 is as follows:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of equity shares held as on 31<sup>st</sup> March, 2017</b>
1	Mr. Banwarilal Singhal	36,213
2	Mr. N.K. Bafna	NIL
3	Mr. Venkatchalam Ramaswamy	NIL

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company has familiarized its Independent Directors with the business model of the Company, nature of the industry in which it operates, processes and policies, their roles, rights, responsibilities in the Company to provide them with better understanding of the business and operations so as to enable them to contribute effectively to the Company. Presentations are regularly made to the Board of Directors and Audit Committee inter-alia, covering the Company's strategy, business model, operations, markets, products, finance, risk management framework, financial performance, budget and control process and for such other areas as may be considered necessary.

The details of the familiarisation program for Independent Directors is placed on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com).

#### **MEETING OF INDEPENDENT DIRECTORS**

As stipulated under the Code for Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 6th February, 2017.

The meeting was attended by all the Independent Directors of the Company.

#### **AUDIT COMMITTEE**

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

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

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

The Statutory Auditors and executives from accounts, finance and corporate secretarial function also attend Audit Committee Meetings.

### Composition and Attendance at Meetings:

As on 31st March, 2017, the composition of the Audit Committee has been as under:

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

During the financial year 2016-17, four meetings of Audit Committee were held on the following dates: 6th May, 2016, 10th August, 2016, 2nd November, 2016 and 6th February, 2017.

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

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

Mr. Banwarilal Singhal, Chairman of the Audit Committee was present at the last Annual General Meeting held on 10th August, 2016.



## NOMINATION AND REMUNERATION COMMITTEE

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

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

### Composition and Attendance at Meetings:

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

During the financial year 2016-17, two meetings of Nomination and Remuneration Committee were held on 6th May, 2016 and 6th February, 2017.

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

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

## PERFORMANCE EVALUATION

The Company has devised a policy for Performance Evaluation of the Individual directors, Board and its Committees, which includes criteria for performance evaluation.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors' individually as well as the evaluation of the working of the committee of the Board. The Board performance was evaluated based on inputs received from all the directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in Meetings, understanding of their roles as directors, etc.

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

### Details of remuneration paid to the Directors during the Financial Year 2016-17:

Name of the Director	Sitting Fees* (Rs.)	Remuneration (Rs.)	Total (Rs.)	No. of Stock Options
Mr. Purusottamdas Patodia	Nil	55,35,930	55,35,930	Nil
Mr. Manoj Kumar Patodia	Nil	41,09,057	41,09,057	Nil
Mr. Anuj Patodia	Nil	42,10,000	42,10,000	Nil
Mr. T. Paul Sugumaran	Nil	30,80,000	30,80,000	Nil
Mr. N.K. Bafna	1,05,000	Nil	1,05,000	Nil
Mr. Banwarilal Singhal	1,00,000	Nil	1,00,000	Nil
Mr. Venkatchalam Ramaswamy	45,000	Nil	45,000	Nil
Dr. Vaijayanti Pandit**	40,000	Nil	40,000	Nil

\* includes fees paid for board and committee meetings

\*\* Ceased to be Director with effect from 23rd January, 2017

### Non- Executive Directors

The Non-Executive Directors of the Company are not paid any remuneration except by way of sitting fees for attending meetings of Board of Directors and its Committee(s). The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2016-17.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

### Composition and Attendance at Meeting

As on 31st March, 2017, the composition of Stakeholders' Relationship Committee has been as under:

- Mr. N. K. Bafna
- Mr. Banwarilal Singhal
- Mr. Purusottamdas Patodia
- Mr. Manoj Kumar Patodia

During the financial year 2016-17, four meetings of Stakeholders' Relationship Committee were held on the following dates: 6th May, 2016, 10th August, 2016, 2nd November, 2016 and 6th February, 2017.





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

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

Details pertaining to the number of complaints/correspondences received and responded by the Company and S.K.D.C. Consultants Limited, Registrar and Share Transfer Agents of the Company and the status thereof during the financial year 2016-17 are given below:

No. of complaints/ correspondences received during the year	6
No. of complaints/ correspondences resolved during the year	5
No. of complaints/ correspondences pending at the end of the year	1*

\* Complaint resolved on 12th April, 2017.

**Name, Designation and address of Compliance Officer**

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

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The terms of reference of Corporate Social Responsibility Committee includes the following:

- a. Formulating and recommending to the Board, the CSR policy and indicating activities to be undertaken.
- b. Decide the CSR Projects or Programs to be taken up by the Company either directly or through registered trust or registered society or a Company established by the Company or its holding or subsidiary or associate Company under Section 8 of the Act or otherwise.
- c. Place before the Board the CSR projects or programs proposed to be taken up by the Company for approval, each year.
- d. Define and monitor the Budgets for the carrying out the Projects or Programs.
- e. Recommending the amount of expenditure for the CSR activities.
- f. Oversee the progress of the CSR Projects or Programs rolled out under this Policy as may be required.
- g. Submit a Report to the Board on all CSR Activities undertaken during the Financial Year.
- h. Monitor and Review the implementation of the CSR Policy.

**Composition and Attendance at Meeting**

As on 31st March, 2017, the composition of Corporate Social Responsibility Committee has been as under:

- a) Mr. Banwarilal Singhal
- b) Mr. Purusottamdas Patodia
- c) Mr. Manoj Kumar Patodia
- d) Mr. Anuj Patodia

## PRIME URBAN DEVELOPMENT INDIA LIMITED

During the financial year 2016-17, one meeting of Corporate Social Responsibility Committee was held on 2nd November, 2016.

Attendance of the Directors at the Corporate Social Responsibility Committee held during the financial year is as under:

Name of Directors	Designation	Category	No. of Meeting(s) Attended
Mr. Banwarilal Singhal	Chairman	Non-Executive Director/Independent	1
Mr. Purusottamdas Patodia	Member	Executive Chairman/Promoter	1
Mr. Manoj Kumar Patodia	Member	Executive Vice-Chairman/Promoter	1
Mr. Anuj Patodia	Member	Executive Director/Promoter	1

The Corporate Social Responsibility Policy as approved by the Board of Directors of the Company is made available on the website of the Company- [www.ptlonline.com](http://www.ptlonline.com).

### GENERAL BODY MEETINGS

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

Year	Day, Date and Time	Venue
2013-14	Thursday, August 14, 2014 at 11.00 a.m.	110, Avanashi Road, Gandhinagar Post, Tirupur - 641 603, Tamil Nadu
2014-15	Thursday, August 13, 2015 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur - 641 603, Tamil Nadu
2015-16	Wednesday, August 10, 2016 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur - 641 603, Tamil Nadu

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

AGM	AGM Date	Special Resolutions passed
77 <sup>th</sup>	14 <sup>th</sup> August, 2014	None
78 <sup>th</sup>	13 <sup>th</sup> August, 2015	<ul style="list-style-type: none"> <li>i. Re-appointment of Mr. Purusottamdas Patodia, as Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>ii. Re-appointment of Mr. Manoj Kumar Patodia, as Vice-Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>iii. Re-appointment of Mr. Anuj Patodia, as Managing Director of the Company for a period of three years w.e.f. April 1, 2016.</li> <li>iv. Appointment of Mr. T. Paul Sugumaran as Whole Time Director of the Company for a period of 3 years w.e.f. June 1, 2015.</li> <li>v. Appointment of Dr. Vaijayanti Pandit as Independent Director of the Company for a period of 5 (five) years.</li> <li>vi. Approval of Related Party Transactions.</li> </ul>
79 <sup>th</sup>	10 <sup>th</sup> August, 2016	<ul style="list-style-type: none"> <li>i. Adoption of new set of Articles of Association of the Company.</li> <li>ii. Approval for keeping the Statutory Registers and other secretarial records at a place other than Registered Office of the Company.</li> </ul>



## POSTAL BALLOTS

### Special Resolution passed through Postal Ballot:

During the year, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made thereunder), your Company passed the following resolution through postal ballot as per the details below:

- Special Resolution: Giving Loan(s) / Guarantee(s) and/or providing security (ies) in connection with a Loan and/or making investment(s) by the Company under Section 186 of the Companies Act, 2013:

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	1,89,12,356	1,89,12,356	100.00	1,89,12,356	0	100.00	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>1,89,12,356</b>	<b>1,89,12,356</b>	<b>100.00</b>	<b>1,89,12,356</b>	<b>0</b>	<b>100.00</b>	<b>0</b>
Public – Institutions	E-Voting	3,750	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>3,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
Public - Non Institutions	E-Voting	77,27,494	1,43,516	1.86	1,43,266	250	99.83	0.17
	Postal Ballot		17,996	0.23	15,319	2,677	85.12	14.88
	<b>Total</b>	<b>77,27,494</b>	<b>1,61,512</b>	<b>2.09</b>	<b>1,58,585</b>	<b>2,927</b>	<b>98.19</b>	<b>1.81</b>
<b>Total</b>		<b>2,66,43,600</b>	<b>1,90,73,868</b>	<b>71.59</b>	<b>1,90,70,941</b>	<b>2,927</b>	<b>99.98</b>	<b>0.02</b>

- Special Resolution: Creation/Modification of Charge(s) / Mortgage(s) / Hypothecation(s) and Encumbrances(s) on the Movable and Immovable properties of the Company both present and future under Section 180(1)(a) of the Companies Act, 2013:

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	1,89,12,356	1,89,12,356	100.00	1,89,12,356	0	100.00	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>1,89,12,356</b>	<b>1,89,12,356</b>	<b>100.00</b>	<b>1,89,12,356</b>	<b>0</b>	<b>100.00</b>	<b>0</b>
Public – Institutions	E-Voting	3,750	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>3,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
Public - Non Institutions	E-Voting	77,27,494	1,43,516	1.86	1,43,266	250	99.83	0.17
	Postal Ballot		17,246	0.22	14,569	2,677	84.48	15.52
	<b>Total</b>	<b>77,27,494</b>	<b>1,60,762</b>	<b>2.08</b>	<b>1,57,835</b>	<b>2,927</b>	<b>98.18</b>	<b>1.82</b>
<b>Total</b>		<b>2,66,43,600</b>	<b>1,90,73,118</b>	<b>71.59</b>	<b>1,90,70,191</b>	<b>2,927</b>	<b>99.98</b>	<b>0.02</b>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 3. Special Resolution: Borrowing Limits of the Company under Section 180(1)(c) of the Companies Act, 2013

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	1,89,12,356	1,89,12,356	100.00	1,89,12,356	0	100.00	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>1,89,12,356</b>	<b>1,89,12,356</b>	<b>100.00</b>	<b>1,89,12,356</b>	<b>0</b>	<b>100.00</b>	<b>0</b>
Public – Institutions	E-Voting	3,750	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
	<b>Total</b>	<b>3,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
Public - Non Institutions	E-Voting	77,27,494	1,43,516	1.86	1,43,266	250	99.83	0.17
	Postal Ballot		17,246	0.22	15,069	2,177	87.34	12.62
	<b>Total</b>	<b>77,27,494</b>	<b>1,60,762</b>	<b>2.08</b>	<b>158,335</b>	<b>2,427</b>	<b>98.49</b>	<b>1.51</b>
<b>Total</b>		<b>2,66,43,600</b>	<b>1,90,73,118</b>	<b>71.59</b>	<b>1,90,70,691</b>	<b>2,427</b>	<b>99.99</b>	<b>0.01</b>

Note: The above results include voting done through physical postal ballot forms and e-voting system provided by CDSL.

Dr. S. K. Jain, Proprietor of M/s. S. K. Jain & Co., Practising Company Secretary, was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

#### Procedure for Postal Ballot:

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, your Company provided electronic voting (e-voting) facility to all its members. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or through e-voting.

Your Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the Register of Members /list of beneficiaries as on cut - off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with the depository participants/ Company's Registrar & Share Transfer Agents. Your Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Companies Act, 2013 and the Rules issued thereunder.

Voting rights are reckoned on the paid up value of shares of your Company in the names of the shareholders as on the cut - off date. Members desiring to vote through physical ballot are requested to return the forms, duly completed and signed to as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before the close of business hours on the last date of e-voting.

The Scrutinizer submits his report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorized officials of your Company. The results are displayed on the website of your Company - [www.ptlonline.com](http://www.ptlonline.com), besides being communicated to the Stock Exchanges and Registrar & Share Transfer Agents.

The date of declaration of results of Postal Ballot shall be date on which the resolution would be deemed to have been passed, if approved by requisite majority.



## **DISCLOSURES**

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

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

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

The Policy comprises of matters such as malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence, causing danger to public health and safety, misappropriation of monies and other activities on account of which the interest of the Company is likely to be affected and can be formally reported by whistle blowers.

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

### **Related Party Transactions**

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

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

### **Policy on Material Subsidiaries**

The Company has adopted a Policy for determining material subsidiary in line with the requirements prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for determining material subsidiary is available on the website of the Company - [www.ptonline.com](http://www.ptonline.com).

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

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

### **Code of Conduct**

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

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2016-17. A declaration to this effect in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Management Discussion and Analysis Report

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

### Means of Communication and Shareholder Information

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

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

### General Shareholder Information

#### Annual General Meeting

Date and Time	11 <sup>th</sup> August, 2017 at 3.00 p.m.
Venue	Registered Office situated at 110 Avanashi Road, Gandhi Nagar Post, Tirupur-641 603, Tamil Nadu.
Financial year	The financial year of the Company is from April 1 to March 31 of the following year
First Quarter Results	By second week of August, 2017
Second Quarter Results	By second week of November, 2017
Third Quarter Results	By second week of February, 2018
Fourth Quarter/Annual Results	By end of May, 2018
Date of Book Closure	5 <sup>th</sup> August, 2017 to 11 <sup>th</sup> August, 2017 (both days inclusive)
Dividend Payment Date	On or after Wednesday, 16 <sup>th</sup> August, 2017 (subject to approval of the shareholders)

**Corporate Identity Number (CIN):** L70200TZ1936PLC000001

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

#### Stock Code

BSE Limited : 521149

International Securities Identification Number ("ISIN") : INE419E01024

#### Listing Fees:

Listing fees for the Stock exchange for the year 2016-17 has been paid.



**Market Price Data during Financial Year 2016-17:**

Month	BSE	
	High (Rs.)	Low (Rs.)
April 2016	24.45	16.00
May 2016	25.75	17.65
June 2016	32.20	22.85
July 2016	43.75	33.80
August 2016	42.30	28.30
September 2016	44.50	39.00
October 2016	44.00	33.15
November 2016	43.00	24.30
December 2016	34.00	26.00
January 2017	34.80	24.45
February 2017	42.20	27.00
March 2017	47.40	33.35

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

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended 31st March, 2017 (based on month end closing):



**Registrar and Share Transfer Agents**

**S.K.D.C. CONSULTANTS LIMITED**

Kanapathy Towers, 3rd Floor,

1391/A-1, Sathy Road,

Ganapathy Post, Coimbatore,

Tamil Nadu – 641 006

Tel: +91 422 4958995

Fax: +91 422 2539837

E-mail: info@skdc-consultants.com

**Share Transfer System**

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Distribution of Shareholdings as on 31st March, 2017

Value (Rs.)	Number of Shareholders	%	Amount	%
UPTO 5,000	4,654	94.82	44,02,728	8.26
5,001 – 10,000	120	2.44	9,12,766	1.71
10,001 – 20,000	45	0.92	6,53,850	1.23
20,001 – 30,000	33	0.67	8,17,880	1.53
30,001 – 40,000	10	0.20	3,47,052	0.65
40,001 – 50,000	5	0.10	2,30,216	0.43
50,001 – 1,00,000	13	0.26	9,91,314	1.86
1,00,001 and above	28	0.57	4,49,31,394	84.32
<b>Total</b>	<b>4,908</b>	<b>100.00</b>	<b>5,32,87,200</b>	<b>100.00</b>

### Categories of Shareholding as on 31st March, 2017

Category	No. of Shares	Shareholding %
<b>Promoters and their relatives/Promoter Group Companies</b>		
Individuals	69,06,914	25.92
Bodies Corporate	1,20,19,350	45.11
<b>Public Shareholders</b>		
Mutual Funds	3,750	0.01
Non Resident Indians – Repatriable	70,169	0.26
Non Resident Indians - Non Repatriable	3,902	0.02
Indian Companies	11,65,350	4.37
Indian Public	58,05,989	21.80
Clearing Members	72,344	0.27
Directors and Relative	50,413	0.19
Hindu Undivided Families	5,45,419	2.05
<b>Total</b>	<b>2,66,43,600</b>	<b>100.00</b>

### Dematerialization of Shares and Liquidity

As on 31st March, 2017, a total of 2,52,39,300 equity shares aggregating to 94.73% of the issued, subscribed and paid-up equity share capital of the Company are in dematerialised form.

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

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

**Plant Location** : Not Applicable

**Address for Correspondence** :

#### Registrar and Share Transfer Agents

S.K.D.C. Consultants Limited  
 Kanapathy Towers, 3rd Floor,  
 1391/A-1, Sathy Road,  
 Ganapathy Post, Coimbatore,  
 Tamil Nadu – 641 006  
 Tel: +91 422 4958995/2539835/836  
 Fax: +91 422 2539837  
 E-mail: info@skdc-consultants.com

#### Company

Prime Urban Development India Limited

#### Registered Office:

110, Avanashi Road, Gandhinagar Post,  
 Tirupur 641 603, Tamil Nadu.  
 Tel: +91 421 4307800  
 Fax: +91 421 2471463



**Corporate Office:**

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

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

**Unclaimed and Unpaid Dividends**

As on 31st March, 2017, amounts of Rs.3,92,045/- are lying in the unpaid equity dividend account of the Company in respect of the dividend for the Financial Year 2015-16. Members who have not yet received/claimed their dividend entitlements are requested to contact the Company or the Registrar and Share Transfer Agents of the Company.

**Non Mandatory Requirements**

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

**1. The Board**

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

**2. Shareholders' Rights**

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

**3. Modified Opinion(s) in Audit Report**

There are no modified opinion(s) on the financial statements for the year 2016-17. Standard practices and procedures are followed to ensure unmodified financial statements.

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

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

**5. Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

**DECLARATION**

I, Purusottamdas Patodia, Chairman and Managing Director of Prime Urban Development India Limited, hereby declare that all the members of the Board of Directors of the Company and the Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2017.

For **Prime Urban Development India Limited**

Place : Mumbai  
Date : May 24, 2017

**Purusottamdas Patodia**  
**Chairman & Managing Director**

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **CEO/CFO CERTIFICATION**

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

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

- A. We have reviewed the financial statements and the cash flow statement of Prime Urban Development India Limited for the year ended March 31, 2017 and based on our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
- (1) that there are no significant changes in internal control over financial reporting during the year;
  - (2) that there are no significant changes in accounting policies during the year; and
  - (3) that there are no instances of significant fraud of which we have become aware.

**Purusottamdas Patodia**  
Chairman & Managing Director

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

Place : Mumbai  
Date : May 24, 2017



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

**To,  
The Members of  
Prime Urban Development India Limited.**

1. We have examined the compliance of conditions of Corporate Governance by Prime Urban Development India Limited ("the Company") for the year ended 31st March, 2017 as stipulated in regulation 17 to 27, clauses (b) to (i) of Sub- regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company, for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Mumbai  
Date : May 24, 2017

N.Rajesh  
Partner  
M.No.212417

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Independent Auditor's Report**

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

We have audited the accompanying standalone financial statements of Prime Urban Development India Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its Profit and its cash flows for the year ended on that date.

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

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



- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 17.01 to the standalone financial statements;
  - (ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) The company has provided requisite disclosure in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company - Refer Note 17.15 to the standalone financial statements.

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

Place : Mumbai  
Date : 24/05/2017

N.Rajesh  
Partner  
Membership No.212417

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 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 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets and no material discrepancies were noted on such verification.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) During the year, Inventories has been physically verified by the Management and there were no material discrepancies were noticed during such verification.
- (iii) As informed to us, during the year the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to sub-section (1) of Section 148 of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
As explained to us, the Company did not have any dues on account of duty of excise.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are following dues of which have not been deposited on account of dispute and the same being contested by the Company:

Name of the statute	Nature of dues	Amount Rupees in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	535.61	A.Y 2009-10	Hon'ble High Court of Madras
CST Act, 1956	Central Sales Tax	4.67	F.Y. 1993-94	Sales Tax Appellate Tribunal

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

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

N.Rajesh  
Partner  
M.No.212417

Place: Mumbai  
Date : 24/05/2017



## Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Prime Urban Development India Limited ("the Company") as on 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

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

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

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

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

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai  
Date : 24/05/2017

N.Rajesh  
Partner  
M.No.212417

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**BALANCE SHEET**

₹ in Lacs

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	532.87	532.87
(b) Reserves and Surplus	3	2,529.68	4,300.89
		<u>3,062.55</u>	<u>4,833.76</u>
<b>(2) Non-current liabilities</b>	4		
(a) Long-term borrowings		554.60	581.36
(b) Other Long term liabilities		1,270.11	1,270.11
		<u>1,824.71</u>	<u>1,851.47</u>
<b>(3) Current liabilities</b>	5		
(a) Short-term borrowings		479.51	152.58
(b) Trade payables		285.02	216.35
(c) Other Current liabilities		67.05	81.40
(d) Short-term provisions		242.62	305.93
		<u>1,074.20</u>	<u>756.26</u>
Total		<u>5,961.46</u>	<u>7,441.49</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>	6		
(a) Fixed assets			
(i) Tangible assets		889.17	3,170.43
(ii) Capital Work in progress		45.63	-
Sub-total -(a)		<u>934.80</u>	<u>3,170.43</u>
(b) Non-current investments		731.43	730.83
(c) Long-term loans and advances		204.40	161.47
Sub-total -(b)		<u>935.83</u>	<u>892.30</u>
Total (a) + (b)		<u>1,870.63</u>	<u>4,062.73</u>
<b>(2) Current assets</b>	7		
(a) Current investments		201.76	-
(b) Inventories		1,207.74	1,164.49
(c) Trade receivables		516.71	10.41
(d) Cash and Bank balance		59.80	58.30
(e) Short-term loans and advances		2,085.98	2,123.95
(f) Other current assets		18.84	21.61
		<u>4,090.83</u>	<u>3,378.76</u>
Total		<u>5,961.46</u>	<u>7,441.49</u>
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	17		

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

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

Place : Mumbai  
Date : 24.05.2017

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

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

For and on behalf of the Board

**Purusottam Das Patodia**  
Chairman & Managing Director

**Krunal Shah**  
Sr.Manager(Legal) & Company Secretary





## STATEMENT OF PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Income</b>			
1 Revenue from operations	8	5,266.06	6,973.63
2 Other income	9	122.22	97.77
3 <b>Total Revenue (1 + 2)</b>		<u>5,388.28</u>	<u>7,071.40</u>
<b>Expenses</b>			
(a) Cost of Land sold	10	38.26	-
(a) Purchases of Stock-in-Trade	11	3,166.19	3,331.16
(b) Changes in inventories of finished goods and Stock-in-trade	12	(81.51)	156.51
(c) Employee benefit expenses	13	262.82	255.97
(d) Finance cost	14	57.76	211.97
(e) Depreciation and amortisation expenses		32.15	27.62
(f) Other expenses	15	655.25	705.50
Total expenses (a to g)		<u>4,130.92</u>	<u>4,688.73</u>
5 <b>Profit before exceptional and extraordinary items and tax</b>		<u>1,257.36</u>	<u>2,382.67</u>
6 Exceptional expenses	16	-	(555.55)
7 <b>Profit before extraordinary items and tax</b>		<u>1,257.36</u>	<u>1,827.12</u>
8 Extraordinary items		-	-
9 <b>Profit Before Tax</b>		<u>1,257.36</u>	<u>1,827.12</u>
10 Tax expense :			
(a) Current Tax		(282.50)	(369.52)
(b) Mat Credit entitlement for the year net of reversal for earlier year		0.16	(3.46)
11 <b>Profit for the year from continuing operations</b>		<u>975.02</u>	<u>1,454.14</u>
12 <b>Earnings Per Equity Share :</b>			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		3.66	7.54
Basic/Diluted Earnings Per Share after exceptional/extraordinary items		3.66	5.46
(Face value of Rs. 2 each)			
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	17		

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

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

Place : Mumbai  
Date : 24.05.2017

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

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

For and on behalf of the Board

**Purusottam Das Patodia**  
Chairman & Managing Director

**Krunal Shah**  
Sr.Manager(Legal) & Company Secretary

**PRIME URBAN DEVELOPMENT INDIA LIMITED**
**CASH FLOW STATEMENT**

₹ in Lacs

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit before tax and extra ordinary items</b>	<b>1,257.36</b>	<b>2,382.67</b>
Adjustments for:		
Depreciation	32.15	27.62
(Profit) / Loss on sale of tangible assets (net)	-	(4.78)
Interest income	(110.66)	(18.38)
Provision for Dividend and tax thereto	(128.27)	(128.27)
Finance Cost	57.76	211.97
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,108.34</b>	<b>2,470.83</b>
Changes in Working Capital:		
Increase / (Decrease) in trade payables	68.66	(88.93)
Increase / (Decrease) in provisions	(0.00)	(65.59)
Increase / (Decrease) in other current liabilities	(77.67)	41.62
Increase / (Decrease) in Short Term Borrowings	326.94	(1,816.73)
(Increase) / Decrease in trade receivables	(506.30)	584.58
(Increase) / Decrease in inventories	(43.25)	197.17
(Increase) / Decrease in margin money and unpaid dividend	(3.91)	1.92
(Increase) / Decrease in Short Term loans and advances	37.97	(636.69)
(Increase) / Decrease in other current assets	2.77	584.92
(Increase) / Decrease in Long Term loans and advances	0.00	(0.65)
<b>Cash Generated from Operations</b>	<b>913.55</b>	<b>1,272.45</b>
Taxes paid (net of refunds)	(325.27)	(391.94)
<b>Net cash generated from operations before exceptional items</b>	<b>588.28</b>	<b>880.51</b>
Exceptional items	-	(555.55)
<b>Net cash generated from operating activities</b>	<b>588.28</b>	<b>324.96</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of tangible/intangible assets	(414.96)	(176.87)
Sale of tangible/intangible assets	0.49	6.23
Interest received	110.66	18.38
Sale/ (Purchase) of non-current investments	(202.36)	5.79
<b>Net cash from investing activities</b>	<b>(506.17)</b>	<b>(146.47)</b>
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	(57.76)	(211.98)
Proceeds from Long Term borrowings	(26.76)	41.49
<b>Net cash used in Financing Activities</b>	<b>(84.52)</b>	<b>(170.49)</b>
<b>Net increase in cash and Cash equivalents</b>	<b>(2.41)</b>	<b>8.00</b>
<b>Cash and Bank balances at the beginning of the year</b>	<b>48.69</b>	<b>40.69</b>
<b>Cash and Bank balances at the end of the year</b>	<b>46.28</b>	<b>48.69</b>
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Bank balance as per Balance Sheet	59.80	58.30
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	9.60	9.61
Unpaid dividend	3.92	-
<b>Net Cash and Cash equivalents at the year end</b>	<b>46.28</b>	<b>48.69</b>

Note : The above cash flow statement prepared in indirect method as per accounting standard "AS-3 Cash Flow Statements" As per our report of even date attached For and on behalf of the Board

 For **M.S.Jagannathan & Visvanathan**

Chartered Accountants

FRN 001209S

**N.Rajesh**

Partner M.No.212417

Place : Mumbai

Date : 24.05.2017

**Manoj Kumar Patodia**

Vice Chairman &amp; Managing Director

**S.Udayananda**

DGM(Finance) and CFO

**Purusottam Das Patodia**

Chairman &amp; Managing Director

**Krunal Shah**

Sr.Manager(Legal) &amp; Company Secretary



## Note 1

### Significant Accounting Policies

**1. General:**

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

**2. Fixed Asset:**

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

Land value is stated at Reinstated Value

**3. Impairment of Assets :**

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

**4. Investments:**

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

**5. Valuation of Inventories:**

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

**6. Revenue Recognition:**

- a) **Real Estate projects:** Revenue from real estate projects is recognized when significant risks and rewards of ownership have been transferred and it is probable that the economic benefits will flow to the company. Losses expected in bringing a contract to completion are recognized in the income statement as soon as they are forecast.
  - i) Sale of undivided share of land under group housing is recognized upon transfer of all significant risks and rewards of ownership as per terms of the contracts executed with the buyers and is net of all costs.
  - ii) Revenue from executor firms/AOP in which the company is a partner member is recognized upon the said entity recognizing their respective revenues.
  - iii) Revenue from contractual projects is recognized on the basis of completion of a physical proportion of the contract work based on executed agreements entered into by the company or by firms in which the company is a partner.
  - iv) Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards of ownership, no continuing management involvement and effective control are retained and the amount of revenue can be reliably measured. The transfer of risks and rewards vary depending on the individual terms of the contracts of sale.
- b) **Textile:** Product sales are exclusive of the excise duty, VAT, insurance and trade discounts.

**7. Borrowing Cost:**

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

**8. Depreciation:**

- a. Depreciation on fixed assets is provided on straight line method at the rates prescribed in Schedule II to the Companies Act 2013.
- b. Assets sold/discarded/demolished during the year, no depreciation is provided for.

**9. Employee benefits:**

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

**Defined Contribution Plans:**

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Defined Benefit Plans:

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

### 10. Foreign Currency Transactions:

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

### 11. Taxation:

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

### 12. Lease Rentals:

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

### 13. Contingent Liabilities:

Contingent Liabilities are disclosed in the additional information to the financial statement and are determined based on the perception of the Management on the eventuality of the liability materiality, contingent thereto.

### 14. Use of estimates:

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

As per our report of even date annexed

For and on behalf of the Board

### For M.S. Jagannathan & Visvanathan

Chartered Accountants  
FRN 001209S

**Manoj Kumar Patodia**  
Vice Chairman and  
Managing Director

**Purusottam Das Patodia**  
Chairman and Managing Director

### N. Rajesh

Partner: M.No.212417

Place: Mumbai  
Date : 24.05.2017

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

**Krunal Shah**  
Sr.Manager(Legal) & Company Secretary



## Notes to the Financial Statements

### Note 2 : Share Capital

	As at 31st March, 2017		As at 31st March, 2016	
	Number	₹ in lacs	Number	₹ in lacs
Authorised				
Equity Shares of ₹.2 each	6,25,00,000	1,250.00	6,25,00,000	1,250.00
Preference Shares of ₹.100 each	7,50,000	750.00	7,50,000	750.00
Issued				
Equity Shares of ₹.2 each	2,66,44,300	532.89	2,66,44,300	532.89
Subscribed and paid up:				
Equity Shares of ₹.2 each	2,66,43,600	532.87	2,66,43,600	532.87
	2,66,43,600	532.87	2,66,43,600	532.87

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

Particulars	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	2,66,43,600	532.87	2,66,43,600	532.87
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,66,43,600	532.87	2,66,43,600	532.87

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

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	56,60,655	21.25%	56,60,655	21.25%
Pat Credit Limited	60,09,675	22.56%	60,09,675	22.56%

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

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**
**Notes to the Financial Statements**

₹ in Lacs

Particulars	As at	
	31st March, 2017	31st March, 2016
<b>Note 3</b>		
<b>Reserve and Surplus</b>		
(a) General Reserve:		
Beginning of the Year	1,250.71	2,252.14
Add : Transfer from Statement of Profit and Loss	700.00	1,900.00
Less: Transfer to Business Reconstruction Reserve	-	(2,901.43)
End of the Year	<u>1,950.71</u>	<u>1,250.71</u>
(b) Securities Premium Reserve		
Beginning of the Year	117.00	117.00
End of the Year	<u>117.00</u>	<u>117.00</u>
(c) Business Reconstruction Reserve :		
Beginning of the year	2,903.97	11,628.67
Add: Transfer from General Reserve	-	2,901.43
Less: Reduction due to a portion of land sold/Transfer	(2,617.96)	(11,626.13)
End of the Year	<u>286.01</u>	<u>2,903.97</u>
(d) Surplus/(Deficit) in Statement of Profit and Loss		
Beginning of the year	29.21	603.34
Add : Profit after Tax	<u>975.02</u>	<u>1,454.14</u>
	1,004.23	2,057.48
Less: Dividend and dividend tax for the Year	(128.27)	(128.27)
	<u>875.96</u>	<u>1,929.21</u>
Less: Transfer to General Reserve	(700.00)	(1,900.00)
End of the year	<u>175.96</u>	<u>29.21</u>
Total	<u>2,529.68</u>	<u>4,300.89</u>

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Secured	Unsecured	Secured	Unsecured
<b>Note 4</b>				
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings				
(i) Deferred payment liabilities				
Hire-purchase loan	38.63	-	65.04	
(ii) Loans and Advances from related parties (repayable after two years)	-	515.97		516.32
Sub-total (a)	<u>38.63</u>	<u>515.97</u>	<u>65.04</u>	<u>516.32</u>
Sub-total (a)		<u>554.60</u>		<u>581.36</u>
Nature of Security :				
Hire purchase liabilities are secured against the vehicles acquired				
Terms of Repayment :				
Hire purchase loan liabilities and terms to pay last instalment due is on 01.06.2021 and rate of interest is 9.50 % per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
Sub-total (b)		<u>1,270.11</u>		<u>1,270.11</u>
Total		<u>1,824.71</u>		<u>1,851.47</u>



## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
<b>Note 5</b>				
<b>Current Liabilities</b>				
(a) Short Term Borrowings				
(i) Loan repayable on demand				
From Bank for working capital facilities	479.51		152.58	--
	479.51	-	152.58	--
Sub-total (a)		479.51		152.58
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
Due to suppliers and service providers		285.02		216.35
Also refer Note No. 17.02 regarding MSM Enterprises				-
Sub-total (b)		285.02		216.35
(c) Other Current Liabilities				
(i) Current maturities of finance lease obligations (hire purchase)		34.95		33.95
(ii) Unpaid dividends		3.92		-
(iii) Other payables				
Statutory dues payable		6.74		12.85
Advance from customers		7.74		19.90
Security Deposit		13.70		13.60
(iv) Others		-		1.10
Sub-total (c)		67.05		81.40
(d) Short Term Provisions				
Provision for Employee benefits: Gratuity		5.23		3.14
Provision for Dividend and tax thereto		128.27		128.27
Others		109.12		174.52
Sub-total (d)		242.62		305.93
Total		1,074.20		756.26

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements

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

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As on 31.3.2016	Additions	Deductions	As at 31.3.2017	Upto 31.3.2016	For the Year	Withdrawn	Upto 31.3.2017	As on 31.3.2017
<b>Tangible Assets :</b>									
Land - free hold	2,996.74	169.29	2,618.44	547.59	-	-	-	-	547.59
Buildings	33.28	185.62	-	218.90	13.82	0.58	-	14.40	204.50
Furniture & Office Equipment	140.87	3.36	-	144.23	129.66	5.13	-	134.79	9.44
Motor Vehicles	211.27	11.06	-	222.33	68.25	26.44	-	94.69	127.64
Total	3,382.16	369.33	2,618.44	1,133.05	211.73	32.15	-	244.88	889.17

(b) Capital work in progress : Rs. 45.63 lacs spent on villa no. 6 Purchased by the Company.

Notes :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs. 203.78 lacs and Net Block amounts to Rs.127.64 lacs
2. Reduction in Land includes reduction of proportionate Business Reconstruction Reserve of Rs.2,617.96 lacs due to Sale/Transfer of Land during the year

**Fixed Assets (Corresponding Figures For The Previous Year Ended 31.3.2016)**

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As on 31.3.2015	Additions	Deductions	As at 31.3.2016	Upto 31.3.2015	For the Year	Withdrawn	Upto 31.3.2016	As on 31.3.2016
<b>Tangible Assets :</b>									
Land - free hold	14,541.06	81.86	11,626.18	2,996.74	-	-	-	-	2,996.74
Buildings	32.84	0.44	-	33.28	13.26	0.56	-	13.82	19.46
Furniture & Office Equipment	136.80	4.06	-	140.86	123.55	6.11	-	129.66	11.20
Motor Vehicles	149.67	90.51	28.90	211.28	74.76	20.95	27.46	68.25	143.03
Total	14,860.37	176.87	11,655.08	3,382.16	211.57	27.62	27.46	211.73	3,170.43

Notes :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs.192.72 lacs and Net Block amounts to Rs.143.03 lacs
2. Reduction in Land includes reduction of proportionate Business Reconstruction Reserve of Rs.11,626.18 lacs due to Sale/Transfer of Land during the year





## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
<b>Note 6</b>				
<b>(b) Non-current Investments (Long term, Unquoted - At cost)</b>				
(i) Investment in Equity Instruments				
(a) Subsidiaries - Trade				
ATL Textile Processors Limited - (10,37,450 shares of Rs.10 each)		514.45		514.45
Manoj Yarn Processors Limited - (50,900 shares of Rs.10 each)		5.09		5.09
PeeDee Yarn Processors Limited - (10,900 shares of Rs.10 each)		1.09		1.09
Patodia Developers Pvt Ltd (10,000 shares of Rs.10 each)		1.00		1.00
Srivarsha Realtors Pvt Ltd ( 10,000 shares at Rs. 10 each)		0.60		-
(b) Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of ₹.1000 each)		5.00		5.00
(ii) Investment in Partnership firms/AOP				
Prime Developers		1.00		1.00
Prime Mall Developers		1.00		1.00
Prime Newline AOP		202.20		202.20
Aggregate amount of Unquoted investments		731.43		730.83
Sub-total (b) (i) + (ii)		731.43		730.83

## Notes to the Financial Statements

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2017 / 31.03.2016		
	Total Capital ₹ in Lacs	Share of Profit or Loss	
<b>Prime Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	
2 Prime Hitech Admin Services LLP	1.00	50.00%	
	2.00	100.00%	
<b>Prime Mall Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	66.66%
2 Pudumjee Plant Laboratories Limited	1.00	25.00%	33.34%
3 Aristo Realty Developers Limited	-	25.00%	-
	2.00	100.00%	100.00%
<b>Prime Newline - AOP :</b>			
1 Prime Urban Development India Limited	202.20	75.00%	75.00%
2 Newline Buildtech Private Limited	67.40	25.00%	25.00%
	269.60	100.00%	100.00%

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements

₹. in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Note 6 (Contd.)</b>		
<b>(c) Long-term Loans and Advances</b> (Unsecured and considered good)		
(i) Security Deposits	4.95	4.95
(ii) Other loans and advances		
a) Advance income tax (Net of provision)	193.73	150.64
b) MAT Credit Entitlement	5.72	5.88
Sub-total (c)	<u>204.40</u>	<u>161.47</u>

₹. in Lacs

	As at 31st March, 2017	As at 31st March, 2016
<b>Note 7</b>		
<b>(a) Current Investments (Unquoted)</b>		
Investments in Birla Mutual funds - Cash Plus fund (Number of units - 201,160)	201.76	-
Sub-total (a)	<u>201.76</u>	<u>-</u>
<b>(b) Inventories</b>		
Valued at Cost or Net realisable value whichever is lower		
(i) Finished goods	3.00	15.88
(ii) Stock-in-trade	243.00	148.61
(iii) Land	961.74	1,000.00
Sub-total (b)	<u>1,207.74</u>	<u>1,164.49</u>
<b>(c) Trade Receivables (current)</b>		
(Unsecured and considered good unless otherwise stated)		
Doubtful - outstanding exceeding six months from the due date	10.16	10.16
Less : Provision for doubtful debts	(10.16)	(10.16)
Outstanding exceeding six months from the due date	-	-
Others	516.71	10.41
Sub-total (c)	<u>516.71</u>	<u>10.41</u>
<b>(d) Cash and Bank Balance</b>		
Cash and Cash equivalents		
(i) Cash on hand	3.40	2.48
(ii) Balances with bank In current account	42.88	46.21
	<u>46.28</u>	<u>48.69</u>
Other Earmarked Accounts		
Unpaid dividend account *	3.92	
In Deposits under lien	9.60	9.61
	<u>13.52</u>	<u>9.61</u>
Sub-total (d)	<u>59.80</u>	<u>58.30</u>



## Notes to the Financial Statements

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016
<b>Note 7 (Contd.)</b>		
(e) Short-term loans and advances (Unsecured and considered good) (Ref. : Note No.17.10)		
(i) Balance in Partners' Current account	991.59	1,175.06
(ii) Loans and advances to :		
- Subsidiaries	18.93	8.57
- Associates	-	0.10
- Corporates	923.38	749.61
- Others	144.87	188.49
(iii) Balance with Statutory Authorities	7.21	2.12
Sub-total (e)	2,085.98	2,123.95
(f) Other current assets		
(i) Interest and other receivables	18.84	21.61
Sub-total (f)	18.84	21.61
	<b>Year Ended</b> <b>31st March, 2017</b>	<b>Year Ended</b> <b>31st March, 2016</b>
<b>Note 8</b>		
<b>Revenue from operations :</b>		
<b>Textile Segment</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	3,245.09	3,696.17
Export Incentives	84.51	103.22
Sub-total - Textile	3,329.60	3,799.39
<b>Realty Segment</b>		
Gain on Sale of Land (net of cost)	1,770.51	3,167.50
Share of Profit from a firm	165.11	-
Incidental income	0.84	6.74
Sub-total - Realty	1,936.46	3,174.24
Total	5,266.06	6,973.63
<b>Note 9</b>		
<b>Other Income</b>		
Interest	110.66	18.38
Commission receipts	4.10	22.40
Dividend	4.80	3.71
Liabilities no longer payable written back	2.44	47.98
Profit on Sale of Assets	-	4.78
Miscellaneous Income	0.22	0.52
Total	122.22	97.77
<b>Note 10</b>		
<b>Cost of Land Sold</b>		
Cost of Land held as Stock in Trade	38.26	-
Total	38.26	-
<b>Note 11</b>		
<b>Purchase of Stock-in-Trade :</b>		
Purchase of Traded Goods - Cotton yarn	3,166.19	3,331.16
	3,166.19	3,331.16

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements

₹ in Lacs

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Note 12</b>		
<b>Changes in Stock of Finished Goods and Stock - in- trade</b>		
<b>Stock at Commencement:</b>		
Finished Goods	15.88	28.45
Stock in Trade	148.61	292.55
	<u>164.49</u>	<u>321.00</u>
Less :		
<b>Stock at Closing:</b>		
Finished Goods	3.00	15.88
Stock in Trade	243.00	148.61
	<u>246.00</u>	<u>164.49</u>
	(A)	
	<u>(81.51)</u>	<u>156.51</u>
<b>Note 13</b>		
<b>Employee Benefits</b>		
Salaries, Wages, Bonus and others	234.34	224.08
Contribution to Provident and other Funds	18.65	24.37
Welfare Expenses	9.83	7.52
	<u>262.82</u>	<u>255.97</u>
<b>Note 14</b>		
<b>Finance cost</b>		
Interest on Borrowings	47.05	198.25
Other finance cost	10.71	13.72
	<u>57.76</u>	<u>211.97</u>
<b>Note 15</b>		
<b>Other Expenses</b>		
Insurance	7.24	5.42
Rates and taxes	13.15	22.44
Sitting Fees	2.90	2.50
Electricity	4.32	5.02
Rent	37.06	38.22
Repairs - Building	1.98	15.38
Repairs - others	17.45	9.89
Communication Expenses	17.71	14.45
Travelling and Conveyance	160.31	114.87
Sales Commission	24.95	56.94
Freight and Forwarding	65.57	71.76
Donation	0.05	0.29
Legal and Professional fees	30.68	62.96
Auditors Remuneration	1.59	1.88
Bad and doubtful advances written off	-	8.66
Share of Loss in Partnership Firm	25.45	111.83
Share of Loss in Association of Persons (AOP)	45.80	57.92
Bank Charges	16.23	12.69
Miscellaneous expenses	182.81	92.38
	<u>655.25</u>	<u>705.50</u>
<b>Note 16</b>		
<b>Exceptional Items</b>		
Insurance Claim receivable written off	-	468.00
Export Incentive receivable written off	-	87.55
	<u>-</u>	<u>555.55</u>



## Notes to the Financial Statements

₹ in Lacs

### Note 17

#### Additional information to the financial statements

#### 01. Contingent liabilities and commitments :

₹ in Lacs

		As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>a. Contingent liabilities (to the extent not provided for)</b>			
	Disputed Tax Demands (Including Interest up to the date of demand)		
	(i) Sales Tax The Sales tax liabilities of Rs.7.22 lacs is related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	7.22	7.22
	(ii) Income Tax (Tax deposits Rs.207.48 lacs ; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
<b>b. Commitments</b>			
	Export Documentary bills discounted with Bank (Since Realized- Rs. 193.01 lacs Previous year – Nil)	479.51	118.01

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

Particulars		As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(i)	Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii)	Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii)	The amount of interest due and payable for the year	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL

#### 03. Expenditure in foreign currency :

₹ in Lacs

Particulars		2016-2017	2015-2016
a.	Sales commission	22.76	52.81
b.	Travelling expenses	63.00	39.95

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 04. Earnings in foreign exchange :

₹ in Lacs

Particulars	2016-2017	2015-2016
Export of goods calculated on FOB basis	3,182.23	3,609.39

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

₹ in Lacs

Particulars	2016-2017		2015-2016	
Traded goods :		%		%
Indigenous	3,166.19	100%	3,331.16	100%
Imported	-		-	

06. a. In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- b. b.The accounts of certain Trade Receivables, Trade Payables, Loans & Advances are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current period's financial statements on such reconciliation/adjustments.

### 07. Auditors Remuneration :

₹ in Lacs

Particulars	2016-2017	2015-2016
Audit fees	1.05	1.05
Tax Audit fees	0.15	0.15
Other fees	0.39	0.68
Total (including service tax)	1.59	1.88

### 08. Employee Benefit Plans :

Defined contribution plans :

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

₹ in Lacs

Particulars	2016-2017	2015-2016
a. Provident Fund Contribution	14.55	14.52
b. Superannuation/Gratuity	4.10	9.85



**Defined Benefit plan :**

**The Company offers Gratuity scheme to its employees :**

₹ in Lacs

	31.03.2017	31.03.2016
01. Assumptions		
Discount Rate	8%	8%
Salary Escalation	7%	7%
02. Changes in the present value of obligation		
Present value of obligation as at beginning of year	35.56	31.57
Interest Cost	2.84	2.53
Current Service Cost	2.51	1.58
Benefits paid	(1.77)	0
Actuarial Loss/(Gain) on obligations	(2.20)	(0.11)
Present value of obligations as at the end of year	36.95	35.56
03. Changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	31.25	6.21
Expected return on plan assets	2.61	0.85
Contributions	1.64	24.18
Benefits paid	(1.77)	0
Actuarial Gain/(Loss) on Plan assets	Nil	Nil
Fair value of plan assets at the end of year	33.72	31.25
04. Fair value of plan assets		
Fair value of plan assets at beginning of the year	31.25	6.21
Actual return on plan assets	2.60	0.85
Contributions	1.63	24.18
Benefits paid	(1.77)	0
Fair value of plan assets at the end of year	33.72	31.25
Funded status	(3.23)	(4.31)
05. Actuarial Gain/Loss recognized		
Actuarial (gain) /Loss for the year – obligation	2.20	0.11
Actuarial (gain)/Loss for the year – plan assets	Nil	Nil
Total Loss/ (gain) for the year	(2.20)	(0.11)
Actuarial Loss/(Gain) recognized in the year	(2.20)	(0.11)
06. Amounts recognized in the balance sheet and Profit & Loss		
Present value of obligations as at the end of the year	36.95	35.56
Fair value of plan assets as at the end of the year	33.72	31.25
Funded status	(3.23)	(4.31)
Net Asset/(Liability) recognized in balance sheet	(3.23)	(4.31)
07. Expenses charged in statement of Profit and Loss account		
Current Service cost	2.52	1.58
Interest Cost	2.84	2.52
Expected return on plan assets	(2.61)	(0.85)
Net Actuarial loss/(gain) recognized in the year	(2.20)	(0.11)
Expenses recognized in statement of Profit and Loss account	0.56	3.14

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 09. Segment Information

₹ in Lacs

1	Segment Revenue:	2016-2017	2015-2016
a.	Realty	1,936.46	3,174.24
b.	Textiles	3,329.60	3,799.39
2	Segment Results :		
a.	Realty	1,267.95	2,528.07
b.	Textiles	61.03	94.62
	Total	1,328.98	2,622.69
	Less : Interest	57.76	211.97
	Less : Exceptional items	--	555.55
	Less : Un-allocable expenditure	13.86	28.05
	Profit/(Loss) before extraordinary items	1,257.36	1,827.12
	Less : Extraordinary items	--	--
	Profit/(Loss) before tax	1,257.36	1,827.12
3	Carrying amount of Segment Assets		
a.	Realty	4,621.63	6,507.05
b.	Textiles	608.00	203.61
4	Carrying amount of Segment Liabilities		
a.	Realty	2,170.68	2,351.31
b.	Textiles	600.00	256.42
5	Cost incurred to acquire Segment Fixed Assets during the year		
a.	Realty	369.33	176.87
b.	Textiles	--	--
6	Depreciation and amortization expenses		
a.	Realty	32.15	27.62
b.	Textiles	--	--

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

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

₹ in Lacs

	Wholly owned subsidiaries :	ATL Textile Processors Limited Manoj Yarn Processors Limited Pee Dee Yarn Processors Limited Patodia Developers Pvt Ltd Srivarsha Realtors Pvt Ltd (w.e.f 20.9.2016)
With whom transactions have been entered in to :		
(i)	Associates	Prime Developers Prime New line AOP Prime Mall Developers Prime Hitech Textiles LLP (Formerly Prime Hitech Admin Services LLP) Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs.Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs. Meenal Patodia Wife of Mr.Anuj Patodia




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

₹ in Lacs

Nature of Transaction	Subsidiary Companies	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
Rent received	-	0.22 (0.04)	- (Nil)	Nil (Nil)	0.22 (0.04)
Share of Profit/(Loss) from firms:-	-				
a. Prime Developers		(25.45)			(25.45)
b. Prime Newline AOP		(111.83) (45.80) (57.92)			(111.83) (45.80) (57.92)
Contract amount paid – Rehoboth Engineering and Contractors				Nil (0.21)	Nil (0.21)
Directors' Remuneration Paid	-	Nil (Nil)		1.67 (1.67)	1.67 (1.67)
a. Mr. Purusottamdas Patodia			55.36 (58.79)		55.36 (58.79)
b. Mr. Manoj Kumar Patodia			41.09 (42.72)		41.09 (42.72)
c. Mr. Anuj Patodia			42.10 (42.82)		42.10 (42.82)
Total			138.55 (144.33)		138.55 (144.33)

Balance as on 31.3.2017

<b>Amount Payable:</b>					
ATL Textile Processors Ltd.	512.98 (513.16)				512.98 (513.16)
Pee Dee Yarn Processors Ltd	2.99 (3.16)				2.99 (3.16)
Prime Mall Developers		1,270.11 (1,270.11)			1,270.11 (1,270.11)
<b>Amount Receivable:</b>					
Manoj Yarn Processors Ltd.	8.73 (8.57)				8.73 (8.57)
Srivarsha Realtors Pvt Ltd	10.20 (Nil)				10.20 (Nil)
Prime Developers		301.31 (341.39)			301.31 (341.39)
Prime Newline AOP		690.29 (833.68)			690.29 (833.68)

Advances in the nature of loans to subsidiaries /associates:  
(disclosure pursuant to clause 34(3) of the listing agreement)

Name	Amount outstanding (Rs. in lacs)	
	As on 31.03.2017	Maximum Amount outstanding during the year
<b>1. Subsidiary Companies</b>		
a. Manoj Yarn Processors Ltd	8.73	8.73
b. Patodia Developers Ltd	Nil	0.15
c. Srivarsha Realtors Pvt Ltd	10.20	10.20
<b>2. Entities in which the Company is a Partner/Member</b>		
a. Prime Developers	301.31	549.59
b. Prime Newline AOP	690.29	832.95
<b>3. Associates:</b>		
a. Aadarsh Jann Aawaash Ltd.	Nil	0.74

Notes:

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 11. Details of Lease arrangements :

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

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	<b>27.28</b> (42.38)	<b>6.19</b> (8.43)	<b>21.09</b> (33.95)
2. Between one year to five years	58.73 (76.44)	<b>6.93</b> (11.40)	<b>51.80</b> (65.04)
Total	<b>86.01</b> (118.82)	<b>13.12</b> (19.83)	<b>72.89</b> (98.99)

Figures in bracket are of previous year

### 12. Earnings Per Share :

₹ in Lacs

Particulars		2016-2017	2015-2016
a.	Profit after tax excluding exceptional items	975.02	2,009.69
b.	Less : Exceptional items	--	555.55
c.	Profit after tax including exceptional items	975.02	1454.14
d.	Number of Equity shares outstanding	266,43,600	266,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	3.66	7.54
	- EPS including exceptional items (c/d)	3.66	5.46
f.	Face value per share – in Rs.	2 per share	2 per share

### 13. Consolidated Financial Statements :

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

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

Timing difference comprises of :

₹ in Lacs

Deferred Tax Asset	31.03.2017	31.03.2016
1. Carry forward Unabsorbed Depreciation	821.80	770.39
2. Others	5.33	1.02
Total	827.13	771.41
Deferred Tax Liability		
1. Depreciation	67.37	5.35
Total	67.37	5.35
Net Deferred Tax Asset/(Liability)	759.76	766.06

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

### 15. Cash Transaction during 8th Nov 2016 to 30th Dec 2016

₹ in Lacs

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08-11-16	1.59	0.27	1.86
(+) Permitted Receipts	--	7.80	7.80
(+) Other Permitted Receipts	--	0.01	0.01
(-) Permitted Payments	--	4.82	4.82
(-) Amount Deposited in Bank	1.59	0.17	1.76
Closing Cash Balance on 30-12-16	--	3.09	3.09

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



## Independent Auditors' Report on Consolidated Financial Statements

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

We have audited the accompanying consolidated financial statements of Prime Urban Development India Limited ("the Holding Company") and its subsidiaries and associate (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

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

#### Auditors' Responsibility

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31 March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 17.02 to the consolidated financial statements.
- (ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.
- (iv) The Group has provided requisite disclosure in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Group - Refer Note 17.15 to the Consolidated financial statements.

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

Place : Mumbai  
Date : 24/05/2017

N.Rajesh  
Partner  
Membership No.212417



## Annexure - A to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Prime Urban Development India Limited ("the Holding Company") and its subsidiary companies and its associates which are companies incorporated in India and firms, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

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

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

### Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

N.Rajesh  
Partner  
M.No.212417

Place: Mumbai  
Date : 24/05/2017

**PRIME URBAN DEVELOPMENT INDIA LIMITED**
**CONSOLIDATED BALANCE SHEET**

₹ in Lacs

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	532.87	532.87
(b) Reserves and Surplus	3	2,528.29	4,304.17
		<u>3,061.16</u>	<u>4,837.04</u>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	38.63	65.04
(b) Deferred Tax Liability		0.42	-
(c) Other Long term liabilities		1,270.11	1,270.11
		<u>1,309.16</u>	<u>1,335.15</u>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	5	1,878.33	1,640.63
(b) Trade payables		366.56	239.71
(c) Other Current liabilities		131.78	120.40
(d) Short-term provisions		242.62	306.03
		<u>2,619.29</u>	<u>2,306.77</u>
Total		<u>6,989.61</u>	<u>8,478.96</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	6		
Tangible assets		942.44	3,196.15
Capital work in progress		45.63	-
Sub-total -(a)		<u>988.07</u>	<u>3,196.15</u>
(b) Non-current investments		6.00	6.00
(c) Long-term loans and advances		451.12	435.21
Sub-total -(b)		<u>457.12</u>	<u>441.21</u>
Total (a) + (b)		<u>1,445.19</u>	<u>3,637.36</u>
<b>(2) Current assets</b>			
(a) Current investments	7	201.76	-
(b) Inventories		3,242.55	3,118.62
(c) Trade receivables		715.93	304.60
(d) Cash and Bank balance		99.72	258.76
(e) Short-term loans and advances		1,077.62	940.32
(f) Other current assets		206.84	219.30
		<u>5,544.42</u>	<u>4,841.60</u>
Total		<u>6,989.61</u>	<u>8,478.96</u>
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	17		

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

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director

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

Place : Mumbai  
Date : 24.05.2017

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

**Krunal Shah**  
Sr.Manager(Legal) & Company Secretary



## STATEMENT OF CONSOLIDATED PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Income</b>			
1 Revenue from operations	8	5,688.42	7,218.90
2 Other income	9	127.08	99.95
3 <b>Total Revenue (1 + 2)</b>		5,815.50	7,318.85
<b>Expenses</b>			
4 (a) Cost of Land sold	10	38.26	-
(b) Cost of Revenue	11	3,524.27	3,925.77
(c) Changes in inventories of finished goods and Stock-in-trade	12	31.35	(43.30)
(d) Employee benefit expenses	13	273.43	263.95
(e) Finance cost	14	57.77	211.98
(f) Depreciation and amortisation expenses		36.11	29.49
(g) Other expenses	15	601.32	553.90
Total expenses (a to g)		4,562.51	4,941.79
5 <b>Profit before exceptional and extraordinary items and tax</b>		1,252.99	2,377.06
6 Exceptional expenses	16	-	(555.55)
7 <b>Profit before extraordinary items and tax</b>		1,252.99	1,821.51
8 Extraordinary items		-	-
9 <b>Profit Before Tax</b>		1,252.99	1,821.51
10 Tax expense :			
(a) Current Tax		(282.68)	(369.52)
(b) Mat Credit entitlement for the year net of reversal for earlier year		0.33	(3.46)
(c) Deferred Tax		(0.29)	-
11 <b>Profit for the year from continuing operations</b>		970.35	1,448.53
12 <b>Earnings Per Equity Share :</b>			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		3.64	7.53
Basic/Diluted Earnings Per Share after exceptional/extraordinary items (Face value of Rs. 2 each)		3.64	5.44
<b>Significant Accounting Policies</b>	1		
<b>Additional information to financial statements</b>	17		

As per our report of even date attached

For **M.S.Jagannathan & Visvanathan**

Chartered Accountants

FRN 001209S

**N.Rajesh**

Partner M.No.212417

Place : Mumbai

Date : 24.05.2017

**Manoj Kumar Patodia**

Vice Chairman & Managing Director

**S.Udayananda**

DGM(Finance) and CFO

For and on behalf of the Board

**Purusottam Das Patodia**

Chairman & Managing Director

**Krunal Shah**

Sr.Manager(Legal) & Company Secretary

**PRIME URBAN DEVELOPMENT INDIA LIMITED**
**CONSOLIDATED CASH FLOW STATEMENT**

₹ in Lacs

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit before exceptional and extra ordinary items and tax</b>	<b>1,252.99</b>	<b>2,377.06</b>
Adjustments for:		
Depreciation	36.11	29.49
(Profit) / Loss on sale of tangible assets (net)	4.81	0.34
Interest income	(115.01)	(20.56)
Provision for Dividend and tax thereto	(128.27)	(128.27)
Finance Cost	57.77	211.98
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,108.40</b>	<b>2,470.04</b>
Changes in Working Capital:		
Increase / (Decrease) in trade payables	126.85	(14.74)
Increase / (Decrease) in provisions	-	(65.59)
Increase / (Decrease) in other current liabilities	(52.05)	(39.54)
Increase / (Decrease) in Short Term Borrowings	237.70	(1,378.31)
(Increase) / Decrease in trade receivables	(411.33)	500.59
(Increase) / Decrease in inventories	(123.92)	3.94
(Increase) / Decrease in margin money and unpaid dividend	(3.91)	1.92
(Increase) / Decrease in Short Term loans and advances	(137.30)	(785.52)
(Increase) / Decrease in other current assets	12.46	429.75
(Increase) / Decrease in Long Term loans and advances	182.32	250.18
<b>Cash Generated from Operations</b>	<b>939.22</b>	<b>1,372.72</b>
Taxes paid (net of refunds)	(480.45)	(381.99)
<b>Net cash generated from operations before exceptional items</b>	<b>458.77</b>	<b>990.73</b>
Exceptional items	-	(555.55)
<b>Net cash generated from operating activities</b>	<b>458.77</b>	<b>435.18</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of tangible/intangible assets	(455.15)	(177.31)
Sale of tangible/intangible assets	4.35	18.76
Interest received	115.01	20.56
Sale/ (Purchase) of non-current investments	(201.76)	5.79
<b>Net cash from investing activities</b>	<b>(537.55)</b>	<b>(132.20)</b>
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	(57.77)	(211.98)
Proceeds from Long Term borrowings	(26.40)	41.73
<b>Net cash used in Financing Activities</b>	<b>(84.17)</b>	<b>(170.25)</b>
Net increase in cash and Cash equivalents	(162.95)	132.73
Cash and Cash Equivalents at the beginning of the year	249.15	116.42
<b>Cash and Bank Balance at the end of the year</b>	<b>86.20</b>	<b>249.15</b>
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet	99.72	258.76
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	9.60	9.61
Unpaid dividend	3.92	-
<b>Net Cash and Cash equivalents at the year end</b>	<b>86.20</b>	<b>249.15</b>

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

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

**Manoj Kumar Patodia**  
 Vice Chairman & Managing Director

 For and on behalf of the Board  
**Purusottam Das Patodia**  
 Chairman & Managing Director

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

 Place : Mumbai  
 Date : 24.05.2017

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

**Krunal Shah**  
 Sr.Manager(Legal) & Company Secretary





## Note 1

### Significant Accounting Policies

#### 1. General:

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

#### 2. Principles of Consolidation:

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

The financial statements of the Company, its subsidiary companies and Firms in which the Company is having significant influence to the ratio of the share of interest of the Company in the said firms have been combined on a line-by-line basis by adding together the book value of like items of assets and liabilities and income and expenditure after fully eliminating intra-group balances and intra-group transaction resulting in unrealized profit or losses.

Financial statements of both parent company, its subsidiaries and the firm in which the parent company has substantial interest, have been drawn up to 31st March 2017, the reporting date.

#### 1. Contingent Liabilities:

Contingent liabilities are disclosed in the additional information to the Financial Statement and are determined based on the perception of the Management on the eventuality of the liability materiality, contingent thereto.

#### 2. Other Significant Accounting Policies:

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

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

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**For and on behalf of the Board**  
**Purusottam Das Patodia**  
Chairman & Managing Director

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

Place : Mumbai  
Date : 24.05.2017

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

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements (Consolidated)

**Note 2 : Share Capital**

	As at 31st March, 2017		As at 31st March, 2016	
	Number	₹ in lacs	Number	₹ in lacs
Authorised				
Equity Shares of ₹.2 each	6,25,00,000	1,250.00	6,25,00,000	1,250.00
Preference Shares of ₹.100 each	7,50,000	750.00	75,0,000	750.00
Issued				
Equity Shares of ₹.2 each	2,66,44,300	532.89	2,66,44,300	532.89
Subscribed and paid up:				
Equity Shares of ₹.2 each	2,66,43,600	532.87	2,66,43,600	532.87
	2,66,43,600	532.87	2,66,43,600	532.87

Note 2(a) - Share capital movement

Particulars	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	2,66,43,600	532.87	2,66,43,600	532.87
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,66,43,600	532.87	2,66,43,600	532.87

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

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	56,60,655	21.25%	56,60,655	21.25%
Pat Credit Limited	60,09,675	22.56%	60,09,675	22.56%

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

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



Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	As at	
	31st March, 2017	31st March, 2016
<b>Note 3</b>		
<b>Reserve and Surplus</b>		
(a) General Reserve:		
Beginning of the Year	1,250.71	2,252.14
Add : Transfer from Statement of Profit and Loss	700.00	1,900.00
Less: Transfer to Business Reconstruction Reserve	-	(2,901.43)
End of the Year	<u>1,950.71</u>	<u>1,250.71</u>
(b) Securities Premium Reserve		
Beginning of the Year	117.00	117.00
End of the Year	<u>117.00</u>	<u>117.00</u>
(c) Business Reconstruction Reserve :		
Beginning of the Year	2,903.97	11,628.67
Add: Transfer from General Reserve	-	2,901.43
Less: Reduction due to a portion of land Sold	(2,617.96)	(11,626.13)
End of the Year	<u>286.01</u>	<u>2,903.97</u>
(d) Surplus/(Deficit) in Statement of Profit and Loss		
Beginning of the Year	32.49	612.23
Add : Profit after Tax	970.35	1,448.53
	1,002.84	2,060.76
Less: Provision for Dividend and Dividend Tax thereto	(128.27)	(128.27)
	874.57	1,932.49
Less: Transfer to General Reserve	(700.00)	(1,900.00)
End of the Year	<u>174.57</u>	<u>32.49</u>
Total	<u>2,528.29</u>	<u>4,304.17</u>

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Secured	Unsecured	Secured	Unsecured
<b>Note 4</b>				
<b>Non-Current Liabilities</b>				
(a) Long Term Borrowings				
Deferred payment liabilities				
Hire - purchase	38.63		65.04	
	<u>38.63</u>		<u>65.04</u>	
Sub-total (a)		38.63		65.04
Nature of Security :				
1. Hire purchase liabilities are secured against the vehicles acquired				
Terms of Repayment :				
1. Hire purchase loan liabilities and terms to pay last instalment due is on 01.06.2021 and rate of interest is 9.50 % per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
Sub-total (b)		<u>1,270.11</u>		<u>1,270.11</u>

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
<b>Note 5</b>				
<b>Current Liabilities</b>				
(a) Short Term Borrowings				
(i) Loan repayable on demand				
From Bank for working capital facilities	479.51	-	152.58	-
(ii) Deposit				
From Corporates	-	-	-	25.00
(iii) Other loans and advances		1,398.82	-	1,463.05
	<u>479.51</u>	<u>1,398.82</u>	<u>152.58</u>	<u>1,488.05</u>
(I) + (II) = Sub-total (a)		<u>1,878.33</u>		<u>1,640.63</u>
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate Company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
Due to suppliers and service providers		366.56		239.71
Note as 17.03 regarding MSME Enterprises				
Sub-total (b)		<u>366.56</u>		<u>239.71</u>
(C) Other Current Liabilities				
(i) Current maturities of finance lease obligations		34.95		33.95
(ii) Unpaid dividends		3.92		-
(iii) Non recognised customer credit		18.20		7.43
(iv) Due to Directors		2.00		-
(v) Other payables				
Statutory dues payable		14.64		15.61
Advance from customers		44.05		49.70
Security Deposit and Retention money		13.70		13.60
Others		0.32		0.11
Sub-total (c)		<u>131.78</u>		<u>120.40</u>
(d) Short Term Provisions				
Provision for Employee benefits: Gratuity		5.23		3.14
Provision for Dividend and Dividend Tax thereto		128.27		128.27
Others		109.12		174.62
Sub-total (d)		<u>242.62</u>		<u>306.03</u>
Total		<u>2,619.29</u>		<u>2,306.77</u>



## Notes to the Financial Statements (Consolidated)

### Note 6 (a) : Fixed Assets

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As on 31.3.2016	Additions	Deductions	As at 31.3.2017	Upto 31.3.2016	For the Year	Withdrawn	Upto 31.3.2017	As on 31.3.2017
<b>Tangible Assets :</b>									
Land - free hold	3,007.12	169.29	2,627.12	549.29	-	-	-	-	549.29
Buildings	33.24	185.62	-	218.86	13.79	0.58	-	14.37	204.49
Machinery (note 3)	-	40.19	-	40.19	-	2.63	-	2.63	37.56
Furniture & Office Equipment	178.50	3.36	-	181.86	151.93	6.44	-	158.37	23.49
Motor Vehicles	211.28	11.06	-	222.34	68.27	26.46	-	94.73	127.61
<b>Total</b>	<b>3,430.14</b>	<b>409.52</b>	<b>2,627.12</b>	<b>1,212.54</b>	<b>233.99</b>	<b>36.11</b>	<b>-</b>	<b>270.10</b>	<b>942.44</b>

(b) Capital work in progress : Rs. 45.63 lacs spent on villa no. 6 Purchased by the Company.

Note :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs. 203.78 lacs and Net Block amounts to Rs.127.61 lacs
2. Reduction in Land includes reduction of proportionate Business Reconstruction Reserve of Rs.2,617.96 lacs due to Sale/Transfer of Land during the year
3. Machinery is the cost of Machineries of Srivarsha Realtors Pvt Ltd, now incorporated since the Company has become Subsidiary Company during the previous year

### Fixed Assets ( CORRESPONDING FIGURES FOR THE PREVIOUS YEAR ENDED 31.3.2016)

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As on 31.3.2015	Additions	Deductions	As at 31.3.2016	Upto 31.3.2015	For the Year	Withdrawn	Upto 31.3.2016	As on 31.3.2016
<b>Tangible Assets :</b>									
Land - free hold	14,569.05	81.86	11,643.79	3,007.12	-	-	-	-	3,007.12
Buildings	32.80	0.44	-	33.24	13.23	0.56	-	13.79	19.45
Furniture & Office Equipment	173.99	4.51	-	178.50	143.95	7.98	-	151.93	26.57
Motor Vehicles	149.67	90.51	28.90	211.28	74.77	20.95	27.45	68.27	143.01
<b>Total</b>	<b>14,925.51</b>	<b>177.32</b>	<b>11,672.69</b>	<b>3,430.14</b>	<b>231.95</b>	<b>29.49</b>	<b>27.45</b>	<b>233.99</b>	<b>3,196.15</b>

Note :

1. Vehicle acquired on Hire-Purchase basis amounting to Rs. 192.72 lacs and Net Block amounts to Rs.143.01 lacs
2. Reduction in Land includes reduction of proportionate Business Reconstruction Reserve of Rs.11,623.13 lacs due to Sale/Transfer of Land during the period

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
<b>Note 6</b>				
(b) Non-current Investments (Long term, Unquoted - At cost)				
(i) Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of Rs.1000 each)		5.00		5.00
(ii) Investment in Partnership firm				
Prime Mall Developers		1.00		1.00
Aggregate amount of Unquoted investments		6.00		6.00
(I) + (II) = Sub-Total (b)		6.00		6.00

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements (Consolidated)

₹ in Lacs

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

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
(c) Long-term Loans and Advances (unsecured and considered good)				
(i) Security Deposits	8.56		8.08	
(ii) Loans and advances to related parties	-		218.23	
(iii) Other loans and advances	238.45		203.02	
(iv) Advance income tax (Net of provision)	198.21		5.88	
(v) MAT Credit Entitlement	5.90		-	
Sub-total (c)	<u>451.12</u>		<u>435.21</u>	

₹ in Lacs

Particulars	As at 31st March, 2017		As at 31st March, 2016	
<b>Note 7</b>				
<b>(a) Current Investments (Unquoted)</b>				
(i) Investments in Birla Mutual funds - Cash Plus fund (Number of units - 201,160)	201.76		-	
Sub-total (a)	<u>201.76</u>		<u>-</u>	
<b>(b) Inventories</b>				
Valued at Cost or Net realisable value whichever is lower				
(i) Finished goods	3.00		15.88	
(ii) Stock in Trade	243.00		148.61	
(iii) Land	961.74		1,000.00	
(iv) Project work in progress	2,034.81		1,954.13	
Sub-total (b)	<u>3,242.55</u>		<u>3,118.62</u>	
<b>(c) Trade Receivables (current)</b>				
(Unsecured and considered good unless otherwise stated)				
Doubtful - outstanding exceeding six months from the due date	10.16		13.81	
Less : Provision for doubtful debts	<u>(10.16)</u>		<u>(13.81)</u>	
(i) Outstanding exceeding six months from the due date	-		-	
(ii) Others	715.93		304.60	
Sub-total (c)	<u>715.93</u>		<u>304.60</u>	
<b>(d) Cash and Bank balance</b>				
(i) Cash on hand	5.83		3.86	
(ii) Balances with bank in current accounts	80.37		245.29	
Other Earmarked Accounts				
In Deposits under lien	9.60		9.61	
In current account	-		-	
(iii) Unpaid Dividend accounts	3.92		-	
Sub-total (d)	<u>99.72</u>		<u>258.76</u>	
<b>(e) Short-term loans and advances</b>				
(Unsecured and considered good) (Ref. Note No. 17.11)				
(i) Loans and advances to				
- Associates	-		0.10	
- Corporates	923.38		749.61	
- Others	145.95		188.49	
(ii) Balance with Statutory Authorities	8.29		2.12	
Sub-total (e)	<u>1,077.62</u>		<u>940.32</u>	
<b>(f) Other current assets</b>				
(i) Interest and other receivables	19.59		22.29	
(ii) Un amortized	187.25		197.01	
Sub-total (f)	<u>206.84</u>		<u>219.30</u>	



## Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Note 8</b>		
<b>Revenue from operations :</b>		
<b>Textile Segment</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	3,245.08	3,696.17
Export Incentives	84.51	103.22
Sub-total - Textile	3,329.59	3,799.39
<b>Realty Segment</b>		
Gain on Sale of Land (net of cost)	1,770.51	3,167.50
Sale of Land - converted in to stock in trade	165.11	-
Interest on Income Tax Refund	11.17	-
Incidental income	4.72	29.10
Other Revenue from operations	407.32	222.91
Sub-total - Realty	2,358.83	3,419.51
Total	5,688.42	7,218.90
<b>Note 9</b>		
<b>Other Income</b>		
Interest	115.01	20.56
Commission receipts	4.10	22.40
Profit on sale of Assets	-	4.78
Dividend	4.80	3.71
Liabilities no longer payable written back	2.44	47.98
Miscellaneous Income	0.73	0.52
Total	127.08	99.95
<b>Note 10</b>		
<b>Cost of Land</b>		
Cost of Land held as Stock in Trade	38.26	-
	38.26	-
<b>Note 11</b>		
<b>Cost of Revenue</b>		
Purchase of Traded goods - Cotton Yarn	3,166.18	3,331.15
Cost of revenue	358.09	594.62
	3,524.27	3,925.77
<b>Note 12</b>		
<b>Changes in Stock of Finished Goods and Stock - in- trade</b>		
<b>Stock at Commencement:</b>		
Finished Goods	15.88	28.45
Stock in trade	148.61	292.55
Finished Apartments	199.81	-
(A)	364.30	321.00
Less :		
<b>Stock at Closing:</b>		
Finished Goods	3.00	15.88
Stock in trade	243.00	148.61
Finished Apartments	86.95	199.81
(B)	332.95	364.30
Net Value (A) - (B)	31.35	(43.30)

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

Notes to the Financial Statements (Consolidated)

₹ in Lacs

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Note 13</b>		
<b>Employee Benefits</b>		
Salaries, Wages, Bonus and others	244.95	232.06
Contribution to Provident and other Funds	18.65	24.37
Welfare Expenses	9.83	7.52
Total	<u>273.43</u>	<u>263.95</u>
<b>Note 14</b>		
<b>Finance cost</b>		
Interest on Borrowings	47.06	198.25
Other finance cost	10.71	13.73
Total	<u>57.77</u>	<u>211.98</u>
<b>Note 15</b>		
<b>Other Expenses</b>		
Insurance	7.24	5.42
Rates and taxes	15.50	22.73
Sitting Fees	2.90	2.50
Power and Fuel Consumed	4.32	5.02
Rent	37.18	38.22
Repairs - Building	1.98	15.38
Repairs - Others	17.97	9.89
Communication Expenses	18.89	15.47
Travelling and Conveyance	160.69	115.41
Sales Commission	24.95	56.94
Freight and Forwarding	65.57	71.76
Selling expenses	5.72	4.77
Donation	0.05	0.29
Legal and Professional fees	31.15	63.17
Auditors Remuneration	2.61	2.73
Bad and doubtful debts written off	-	8.66
Loss on Sale of Assets	4.81	5.12
Bank Charges	16.26	17.17
Miscellaneous expenses	183.53	93.25
Total	<u>601.32</u>	<u>553.90</u>
<b>Note 16</b>		
<b>Exceptional Expenses</b>		
Insurance Claim receivable written off	-	468.00
Export Incentive receivable written off	-	87.55
Total	<u>-</u>	<u>555.55</u>





**Note 17**

**Consolidated financial statements:**

**01. Members of the Group:**

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

Sl.No	Particulars	Nature	Proportion of ownership interest	Date of Incorporation /Acquisition
1	ATL Textile Processors Limited	Subsidiary	100%	22.03.1996
2	Manoj Yarn Processors Limited	Subsidiary	100%	08.02.1996
3	Pee Dee Yarn Processors Limited	Subsidiary	100%	06.12.1995
4	Patodia Developers Pvt Ltd	Subsidiary	100%	15.02.2008
5	Srivarsha Realtors Pvt Ltd	Subsidiary	100%	20.09.2016
6	Prime Newline AOP	AOP	75%	23.07.2008
7	Prime Developers	Partnership Firm	50%	15.07.2004

**02. Contingent liabilities and commitments :**

₹ in Lacs

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>a. Contingent liabilities (to the extent not provided for)</b>		
Disputed Tax Demands (Including Interest up to the date of demand)		
(i) Sales Tax The Sales tax liabilities of Rs.7.22 lacs is related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	11.58	11.58
(ii) Income Tax (Tax deposits Rs.207.48 lacs; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
<b>b. Commitments</b>		
Export Documentary bills discounted with Bank (Since Realized- Rs.193.01 lacs Previous year – Rs.Nil)	499.17	118.01

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

	Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(i)	Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii)	Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii)	The amount of interest due and payable for the year	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL

## PRIME URBAN DEVELOPMENT INDIA LIMITED

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

Particulars		2016-2017	2015-2016
a.	Sales commission	22.76	52.81
b.	Travelling expenses	63.00	39.95

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

Particulars		2016-2017	2015-2016
	Export of goods calculated on FOB basis	3,182.23	3,609.39

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

Particulars		2016-2017		2015-2016	
			%		%
Traded goods :					
Indigenous		3,524.37	100%	3,925.77	100%
Imported		--		--	

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

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

### 08. Auditors Remuneration : ₹ in Lacs

Particulars		31.3.2017	31.3.2016
Audit fees		1.85	1.85
Tax Audit fees		0.32	0.32
Other fees		0.44	0.56
<b>Total</b>		<b>2.61</b>	<b>2.73</b>

### 09. Employee Benefit Plans :

Defined contribution plans :

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

Particulars		2016-2017	2015-2016
a.	Provident Fund Contribution	14.55	14.52
b.	Superannuation/Gratuity	4.10	9.85

### 10. Segment Information : ₹ in Lacs

1 Segment Revenue:		2016-2017	2015-2016
a.	Realty	2,358.83	3,419.51
b.	Textiles	3,329.59	3,799.39
2 Segment Results :			
a.	Realty	1,263.59	2,528.07
b.	Textiles	61.03	89.02
Total		1,324.62	2,617.09
Less : Interest		(57.77)	(211.99)
Less : Exceptional items – Reversal / (Provision)		--	(555.55)
Less : Un-allocable expenditure		(13.86)	(28.05)
Profit/(Loss) before expenditure		1,252.99	1,821.50
Less : Extraordinary items			
Profit/(Loss) before tax		1,252.99	1,821.50
3 Carrying amount of Segment Assets			
a.	Realty	6,375.20	8,269.35
b.	Textiles	608.00	203.61
4 Carrying amount of Segment Liabilities			
a.	Realty	3,200.22	3,385.51
b.	Textiles	600.00	259.42
5 Cost incurred to acquire Segment Fixed Assets during the year			
a.	Realty	409.52	176.87
b.	Textiles	--	--
6 Depreciation and amortization expenses			
a.	Realty	36.11	27.62
b.	Textiles	--	--



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

List of Related Parties and nature of relationships:

With whom transactions have been entered into :		
(i)	Associates	Prime Mall Developers Prime Hitech Textiles LLP (Formerly Prime Hitech Admin Services LLP) Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs.Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs.Meenal Patodia Wife of Mr.Anuj Patodia
(v)	Entity in which relative of Director is Proprietor	Rehoboth Engineering and Contractors

Transactions with related parties in the ordinary course of business :

₹ in Lacs

Nature of Transaction		Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
Rent received	-	0.22 (0.04)	- (Nil)	Nil (Nil)	0.22 (0.04)
Interest paid	-	Nil (Nil)	13.51 (34.33)	16.07 (21.57)	29.58 (55.90)
Salary Paid				2.70 (2.70)	2.70 (2.70)
Directors' Remuneration Paid	-	Nil (Nil)		1.67 (1.67)	1.67 (1.67)
a. Mr. Purusottamdas Patodia			55.36 (58.79)		55.36 (58.79)
b. Mr. Manoj Kumar Patodia			41.09 (42.72)		41.09 (42.72)
c. Mr. Anuj Patodia			42.10 (42.82)		42.10 (42.82)
Total			138.55 (144.33)		138.55 (144.33)
Contract amount paid – Rehoboth Engineering and Contractors				Nil (228.20)	Nil (228.20)
Balance as on 31.3.2017					
<b>Amount Payable:</b>					
Prime Mall Developers		1,270.11 (1,270.11)			1,270.11 (1,270.11)

## PRIME URBAN DEVELOPMENT INDIA LIMITED

Advances in the nature of loans to associates:  
(disclosure pursuant to clause 34(3) of the listing agreement)

Name	Amount outstanding (Rs. in lacs)	
	As on 31.03.2017	Maximum Amount outstanding during the year
<b>1. Associates:</b>		
a. Aadarsh Jann Aawaash Ltd.	Nil	0.74

Notes:

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

### 12. Details of Lease arrangements :

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

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	<b>27.28</b> (42.38)	<b>6.19</b> (8.43)	<b>21.09</b> (33.95)
2. Between one year to five years	58.73 (76.44)	<b>6.93</b> (11.40)	<b>51.80</b> (65.04)
Total	<b>86.01</b> (118.82)	<b>13.12</b> (19.83)	<b>72.89</b> (98.99)

Figures in bracket are of previous year

### 13. Earnings Per Share :

₹ in Lacs

Particulars		2016 - 2017	2015 - 2016
a.	Profit after tax excluding exceptional items	970.35	2,004.08
b.	Less : Exceptional items	--	555.55
c.	Profit after tax including exceptional items	970.35	1,448.53
d.	Number of Equity shares outstanding	266,43,600	266,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	3.64	7.53
	- EPS including exceptional items (c/d)	3.64	5.44
f.	Face value per share – in Rs.	2 per share	2 per share

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

Timing difference comprises of :

₹ in Lacs

Deferred Tax Asset	31.03.2017	31.03.2016
1. Expenses covered by 43B	5.33	--
2. Carry forward Unabsorbed Depreciation	821.80	770.39
3. Others	--	1.01
Total	827.13	771.40
Deferred Tax Liability		
1. Depreciation	67.37	5.35
Total	67.37	5.35
Net Deferred Tax Asset/(Liability)	759.76	766.05

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

### 15. Cash Transaction during 8th Nov 2016 to 30th Dec 2016

₹ in Lacs

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08-11-16	10.17	0.74	10.91
(+) Permitted Receipts	-	11.86	11.86
(+) Other Permitted Receipts	-	0.21	0.21
(-) Permitted Payments	-	5.78	5.78
(-) Amount Deposited in Bank	10.17	0.17	10.34
Closing Cash Balance on 30-12-16	-	6.86	6.86

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



**FORM AOC-1**

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

**PART "A" : Subsidiaries**

Rs. in Lakhs

Sl. No		Name of the Subsidiaries				
		ATL Textile Processors Limited	Pee Dee Yarn Processors Limited	Manoj Yarn Processors Limited	Patodia Developers Private Limited	Srivarsha Realtors Private Limited
1	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
2	Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA	NA	NA	NA	NA
3	Share Capital	103.74	5.09	5.09	1.00	1.00
4	Reserves and Surplus	417.57	(1.86)	(6.63)	(1.08)	0.09
5	Total Assets	521.38	4.29	8.25	0.18	70.20
6	Total Liabilities	0.06	1.06	9.79	0.18	69.11
7	Investments	0	0	4.00	0	0
8	Turnover/Other Income	0.11	Nil	0.05	0	134.82
9	Profit/(Loss) before taxation	(3.74)	(0.17)	(1.25)	(0.83)	0.95
10	Provision for taxation	0	0	0	0	(0.29)
11	Profit / (Loss) after taxation	(3.74)	(0.17)	(1.25)	(0.83)	0.66
12	Proposed dividend	Nil	Nil	Nil	Nil	Nil
13	% of Share Holding	100%	100%	100%	100%	100%

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

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

Rs. in Lakhs

Sl. No	Name of Associates/Joint Venture	Prime Developers (Partnership Firm)	Prime Newline AOP (Association of Persons)
1	Latest Audited Balance Sheet Date	31.03.2017	31.03.2017
2	Shares of Associate/Joint Ventures held by the Company on the year		
a	No. of shares	NA	NA
b	Amount of Investment in Associates/Joint Venture	1.00	202.20
c	Extent of Holding %	50%	75%
3	Description of how there is significant influence	NA	NA
4	Reason why the associate/Joint venture is not consolidated	NA	NA
5	Networth attributable to Shareholding as per latest audited balance	302.31	892.49
6	Profit / (Loss) for the year		
a	Considered in consolidation	(25.45)	(45.80)
b	Not considered in consolidation	(25.45)	(15.27)

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director

**For and on behalf of the Board**  
**Purusottam Das Patodia**  
Chairman & Managing Director

Place : Mumbai  
Date : 24.05.2017

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

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED****PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

**FORM No. MGT 11****Proxy Form**

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

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

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

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eightieth Annual General Meeting of the Company, to be held on Friday, August 11, 2017 at 3.00 p.m. at 110 Avanashi Road, Gandhi Nagar Post, Tirupur - 641 603, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
<b>Ordinary Business</b>	
1.	Adoption of audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 <sup>st</sup> March, 2017 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Declaration of Final Dividend on equity shares of the Company for the Financial Year ended 31 <sup>st</sup> March, 2017.
3.	Re-appointment of Mr. Purusottamdas Patodia (DIN: 00032088) as a Director retiring by rotation.
4.	Appointment of M/s. Raghu and Ram, Chartered Accountants (Registration Number - 0033405) as Statutory Auditors of the Company.
<b>Special Business</b>	
5.	Appointment of Mrs. Ryna Zaiwalla Karani (DIN: 00116930) as an Independent Director of the Company.

Signed this \_\_\_\_\_ day of August, 2017  
 Signature of the Shareholder \_\_\_\_\_  
 Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

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



## PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603  
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Tel. No: +91 421- 4307800 Fax: +91 421-2471463

### EIGHTIETH ANNUAL GENERAL MEETING - FRIDAY, 11TH AUGUST, 2017 AT 3.00 P.M. ATTENDANCE SLIP

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

Sr. No.

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

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Eightieth Annual General Meeting of the Company being held on Friday, August 11, 2017 at 3.00 p.m. at 110, Avanashi Road, Gandhinagar Post, Tirupur - 641 603, Tamil Nadu.

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

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

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

#### ELECTRONIC VOTING PARTICULARS

EVSN (Electronic voting Sequence Number)	USER ID	PASSWORD/ PIN
170703014		

**PRIME URBAN DEVELOPMENT INDIA LIMITED****PRIME URBAN DEVELOPMENT INDIA LIMITED**

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
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**Form No. MGT-12****Polling Paper**

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

**BALLOT PAPER**

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

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Eightieth Annual General Meeting (AGM) of the Company to be held on **Friday, August 11, 2017 at 3.00 p.m.** in respect of businesses as stated in the Notice dated May 24, 2017, by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate boxes given below:

Sr. No.	Item No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1	Adoption of audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 <sup>st</sup> March, 2017 together with the Reports of the Board of Directors and the Auditors thereon.			
2	Declaration of Final Dividend on equity shares of the Company for the Financial Year ended 31 <sup>st</sup> March, 2017.			
3	Re-appointment of Mr. Purusottamdas Patodia (00032088) as a Director retiring by rotation.			
4	Appointment of M/s. Raghu and Ram, Chartered Accountants (Registration Number-0033405) as Statutory Auditors of the Company.			
5	Appointment of Mrs. Ryna Zaiwalla Karani (DIN: 00116930) as an Independent Director of the Company.			

Place:

Date:

Signature of the Shareholder

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





## INSTRUCTIONS

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done through e-voting shall be considered valid. In case a member casts votes by ballot and also physically votes at the AGM, then the votes cast by ballot shall be considered valid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system, the votes cast by ballot and the votes cast on poll at the AGM to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer Mr. S. Ramanathan, Practising Chartered Accountant (Membership No. FCA 019532) on or before 10th August, 2017 [5.00 p.m. IST]. No other form or photocopy thereof is permitted.
5. Ballot Forms received after 10th August, 2017 shall be strictly treated as if the reply from the members has not been received.
6. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.
7. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.
8. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the appropriate column provided in the Ballot Form.
9. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on 4th August, 2017 and as per the Register of Members of the Company.
10. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Ballot Form should reach the Scrutinizer not later than the date and time specified in serial no. 4 above.
11. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which make it difficult for the Scrutinizer to identify either the member or as to whether the votes are cast in favour of or against or if the signature cannot be verified.
12. The decision of the Scrutinizer on the validity of a Ballot Form shall be final and binding.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Important Communication to members**

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

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

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

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

To

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*If undelivered please return to :*



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

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