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PRIME URBAN DEVELOPMENT INDIA LIMITED

(Formerly Prime Textiles Limited)

Annual Report 2009 -10

BOARD OF DIRECTORS

Mr. PURUSHOTTAM PATODIA
Chairman & Managing Director

Mr. MANOJKUMAR PATODIA
Vice Chairman & Managing Director

Mr. ANUJJ K. PATODIA
Managing Director

Mr. N.K. BAFNA
Independent Director

Mr. BANWARILAL SINGHAL
Independent Director

Mr. VIJAY KUMAR BHANDARI
Independent Director

Mr. VIRAJ C. GANDHI
Independent Director

Mr. B.K. SRINIVASA RAGAVAN
(relinquished office as whole-time Director
and was appointed as an Additional Director
w.e.f. 10.07.10)

COMPANY SECRETARY

Mr. S.RENGASAMY

AUDITORS

MESSRS.M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants, Coimbatore

LEGAL ADVISORS

MESSRS. RAMANI & SHANKAR
Advocates, Coimbatore

BANKERS

CENTRAL BANK OF INDIA

REGISTERED OFFICE

110, Avinashi Road
Gandhinagar Post
Tirupur-641 603
India

PRIME URBAN DEVELOPMENT INDIA LIMITED

DIRECTORS' REPORT

To the Members

Your Directors are presenting their Seventy Third Annual Report and the Audited Accounts for the year ended 31st March 2010.

FINANCIAL RESULTS AT A GLANCE

Year ended 31 st March	2010 Rs. in thousands	2009 Rs. in thousands
Turnover and other Income	3,38,839	7,68,908
EBIDTA	(87,634)	2,17,601
Interest	41,005	55,296
Depreciation	8,490	20,261
Amortisation	18,004	25,574
Profit /(Loss) before taxes	(1,55,133)	1,16,470
Exceptional items	(42,180)	(2,09,605)
Extraordinary items	(5,500)	-
Current Taxation	-	-
Deferred taxation benefit/(Expenses)	32,204	17,827
Fringe benefit tax	-	(1,359)
Minimum Alternate Tax Credit entitlement	-	-
Profit after tax	(1,70,609)	(76,667)
Surplus from previous year brought forward	(3,472)	8,580
Transfer from General Reserve	-	64,615
Transfer from Business Reconstruction Reserve	2,10,674	-
Amount available for appropriation	36,593	(3,472)
Appropriations:		
Proposed Dividends-		
On Equity Capital	-	-
Tax on Distributed Profits	-	-
Transfer to General Reserve	30,000	-
Surplus carried over to Balance Sheet	6,593	(3,472)
Total Appropriations	36,593	(3,472)

SCHEME OF ARRANGEMENT

As the shareholders are aware, the Scheme of Arrangement between the company and the shareholders has been approved by the Hon'ble High Court of Judicature at Madras. The Scheme, inter-alia, provides for financial restructuring by reinstatement of the immovable assets at their fair value. The emanating reserve has been dealt with in the manner provided under the Scheme.

CHANGE OF NAME OF COMPANY

Your company over past years, been giving a thrust towards fostering its business in the Realty Sector. After its initial success in constructing best-of-the-class residential apartments, the company now takes a leap-forward for construction of world-class luxury villas and various corporate and commercial blocks at Tirupur. A change in name of the company as "Prime Urban Development India Limited" has been just a reflection of the changed business focus. Your company continues its ethos of values and always strives to deliver the best to the stakeholders. The new name has been approved by the Registrar of Companies, Coimbatore vide their letter dated 05.07.2010.

DIVIDEND

Your Directors do not recommend a Dividend for the year ended 31st March 2010 in view of the present status of the ongoing project.



RETROSPECTS AND PROSPECTS

India has emerged as the second fastest growing economy in the world. The construction industry has significantly contributed as a conduit for substantial part of its development investment. Increased industrialization, mass urbanization, bolstered economic development and aspirations of the people for improved quality of life standards, demand for commercial property to meet the needs of business such as corporate offices, world-class hotels and retail shopping arcades - all point to a profitable future for your company in the realty sector.

Tirupur has been a forerunner in contributing to the nation's economy. It is now a district headquarters and is being nurtured by the government for a sustainable economic growth. The company possesses high-value land bank in Tirupur and its development is now taken up.

As the shareholders are aware, "Prime Enclave Vistas" residential multi-storied apartments have become now a prestigious address to own in Tirupur. The turnover of Prime Developers for the financial year 2009 - 10 is Rs. 1,13,433 thousands. The construction of a multi-storied commercial complex adjacent to Prime Enclave Vistas is expected to be launched in the coming year. The construction of luxury duplex villas next to Prime Enclave Vistas is to commence shortly.

Your company has closed down and disposed off its textile manufacturing base and has discharged all the connected liabilities. It nevertheless continues its presence, though not significant, in the textile sector.

CONSOLIDATED FINANCIAL STATEMENTS

Audited Consolidated Financial Statements for the year ended March 31, 2010 form part of the Annual Report.

SUBSIDIARY COMPANIES

The Reports and Audited Accounts of the subsidiary companies along with the statement pursuant to Section 212 of the Companies Act, 1956, are not forming part of the Annual Report. Your company sought and obtained approval from the Ministry of Corporate Affairs, Government of India, New Delhi for the Financial Year 2009-10 in respect of the applicability of provisions contained in subsection (1) of Section 212 of the Companies Act, 1956 in relation to these four wholly-owned subsidiary companies that carry no significant commercial activities.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company has adopted appropriate standards for good Corporate Governance. All the mandatory provisions of Corporate Governance as prescribed under the amended Listing Agreements of the Stock Exchanges, with which the Company is listed, are complied with. Report on Corporate Governance with Management Discussion and Analysis as required under the Listing Agreements with the Stock Exchanges forms part of the Annual Report.

In terms of sub-clause (v) of Clause 49 of Listing Agreement, certificate of the CEO, inter alia, confirming the correctness of the financial statements, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of the said Clause is also annexed as part of the said Report. A certificate from the auditors to this effect is annexed as part of the Corporate Governance Report.

ENVIRONMENT AND POLLUTION CONTROL

Your Company has been complying with the State Environment and Pollution Control statutes and has instituted adequate measures towards environmental protection.

FIXED DEPOSITS

There are no unpaid deposits except the ones matured but remaining unclaimed amounting to Rs. 2,738 thousands (Rs.11,410 thousands) by 2 depositors and all of them have since been renewed.

LISTING PARTICULARS

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited, Mumbai. The company has paid the listing fees to Bombay Stock Exchange upto 20-10-11. The company's application for delisting its equity shares from Coimbatore Stock Exchange is pending approval from the Coimbatore Stock Exchange Limited.

PRIME URBAN DEVELOPMENT INDIA LIMITED

DISCLOSURE OF PARTICULARS

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant information and data is given in Annexure B. A Cash Flow Statement, as required by Clause 32 of the Listing Agreement with the stock exchanges is forming part of the Notes on accounts.

DEPOSITORY SYSTEM

As the members are aware, your company's shares are tradable compulsorily in electronic form and your company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization of the Company's shares on either of the Depositories as aforesaid.

DIRECTORS

In accordance with the Articles of Association of the Company, Mr.N.K. Bafna retires by rotation as Director at the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. B.K. Srinivasa Ragavan relinquished the office as a whole-time Director and under Section 260 of the Companies Act, 1956 read with Article 93 of the Articles of Association of the Company, he was appointed as an Additional Director with effect from 10.07.2010. He is eligible for re-appointment at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, your Directors wish to confirm that -

- i. In the preparation of the annual accounts, the applicable Accounting Standards have been followed.
- ii The Accounting Policies adopted are consistently followed and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit / (Loss) of the Company for the year.
- iii The Directors have taken proper and sufficient care as warranted for the maintenance of adequate accounting records in accordance with the provisions of this Act in safeguarding the assets of the Company and for preventing/detecting any incidence of frauds and other irregularities.
- iv The Annual Accounts have been prepared on a going concern basis.

AUDITORS

The Statutory Auditors of the Company, Messrs M.S.Jagannathan & Visvanathan, Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if reappointed.

PARTICULARS OF EMPLOYEES

A statement showing the particulars of employees referred to in sub section (2A) of section 217 of the Companies Act 1956 read with Companies (Particulars of employees) Rules 1975 is given in Annexure A forming part of this report.



ACKNOWLEDGEMENTS

Your Directors record with a deep sense of gratitude to the working capital bankers for the excellent support and cooperation rendered by them to the company. Your Directors are thankful to its valuable customers, esteemed stakeholders and business associates for their continued support and the confidence reposed in the Company and its Management.

For and on behalf of the Board of Directors

Place : Tirupur
Date : 12.11.2010

Purushottam Patodia
Chairman and Managing Director

ANNEXURE A

Particulars of employees as required under sub section (2A) of Section 217 of the Companies Act, 1956 and the rules made there under forming part of the Directors Report

A. Employees who worked throughout the accounting year and whose remuneration aggregating Rs.24,00,000 or more per year

Name	Age	Designation	Nature of duties	Qualification & Experience	Date of commencement	Last employment held	Amount of Remuneration
Mr. Purushottam Patodia	72	Chairman & Managing Director	Overall managerial supervision	B.Com (46 years)	20.10.1989	GTN Textiles Ltd	Rs.3459 thousand
Mr. Manojkumar Patodia	46	Vice Chairman & Managing Director	Overall managerial supervision	B.Com (21 years)	01.01.1995	Yarn Syndicate Ltd.	Rs. 2579 thousand
Mr. Anuj K. Patodia	37	Managing Director	Overall managerial supervision	B.Com (16 years)	21.06.2002	Aadarash Jann Aawaash Ltd	Rs.2511 thousand

B. Employees who worked during part of the accounting year and whose remuneration aggregating Rs.2,00,000 or more per month: None

Notes:

1. Nature of employment : Contractual
2. The remuneration includes Salary, Company's contribution to Provident Fund, Educational Allowance, Medical Expenses and other perquisites evaluated as per Income tax Rules wherever necessary.
3. Mr. Purushottam Patodia, Chairman and Managing Director, Mr. Manojkumar Patodia Vice Chairman and Managing Directors and Mr. Anuj K. Patodia, Managing Director are related to each other

For and on behalf of the Board of Directors

Place : Tirupur
Date : 12.11.2010

Purushottam Patodia
Chairman and Managing Director

ANNEXURE-B Management's Discussion and Analysis

Overview

Prime Urban Development India Limited is a Government Recognized Star Export House. It has two business segments- Realty and Textiles.

BUSINESS ANALYSIS

1. The Realty Division of the company has been progressing with property development activities in full swing. The Division is expected to evolve a business model in achieving the overall goal of being the leading company in generating dependable returns over the long term. The Company plans to go the extra mile in creating and harvesting high quality properties to keep pace with a fast growing market. The Company has been imparting high level of professionalism in all its construction activities.

PRIME URBAN DEVELOPMENT INDIA LIMITED

2. A multi-storied residential complex is taken up and construction for 288 apartments is complete and offered for occupation. The construction of a commercial mall adjacent to the residential complex is expected to be taken in the current year. The above initiatives are in two partnership firms in which the company holds a stake of 50% each.
3. The company has entered into a Development and Collaboration agreement for development of the balance of land with FDI. The construction of Phase I of the individual luxury villas is to commence shortly.

TOWARDS ENHANCEMENT OF STAKEHOLDER VALUE

Matching the Company's distinctive capabilities with the Realty Division is considered where profitable growth and increased shareholders' value are likely to occur. Your Company has also planned to widely position its Realty Division through strategic partnerships for joint development of other properties. This will cater to a strong demand foreseen for dwelling units and leisure needs.

Financial Review and Analysis

Highlights

Particulars	Year ended 31 st March	
	2010 Rs.in thousands	2009 Rs. in thousands
Net Turnover	3,31,049	7,64,446
Other Income	7,790	4,462
PBIDT	(87,634)	2,17,601
Interest	41,005	55,296
Depreciation	8,490	20,261
Amortisation expenses	18,004	25,574
Profit/(Loss) before Taxes	(1,55,133)	1,16,470
Exceptional items	42,180	(2,09,605)
Extraordinary items	5,500	-
Current tax	-	-
Fringe Benefit Tax	-	(1,359)
Profit/(Loss) after Current Tax	(2,02,813)	(94,494)
Deferred Tax	32,204	17,827
Minimum Alternate Tax Credit entitlement	-	-
Profit/(Loss) after tax	(1,70,609)	(76,667)

Income Tax

Deferred tax asset relating to the current year stands credited to the current revenues of the Company. There is no incidence for Minimum Alternate Tax liability.

Internal Control

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The Internal Control is supplemented by an extensive program of internal audits, review by management and documented policies, guidelines and procedures. The Internal control is designed to ensure that the financial and other records are reliable for preparing financial statement and other datas and for maintaining accountability of assets. The Board of Directors provides governance, guidance and oversight. Through the Audit Committee, it discusses the internal control structure with management based on input from the internal and independent auditors and provides oversight as necessary.

The internal audit function adequately provides –

- a) objective assurance to the Board as to the effectiveness of the company's risk management and internal control framework;
- b) assistance to the Board and the management to issues connected with the design, implementation, and operation of systems of internal control; and,
- c) assistance to the Board through periodic reporting to support their review of effectiveness of internal control.



ANNEXURE C

INFORMATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN REPORT OF BOARD OF DIRECTORS) RULES, 1988, FORMING PART OF THE REPORT OF THE DIRECTORS

1. CONSERVATION OF ENERGY

(A) MEASURES TAKEN

-Nil-

(B) IMPACT OF THE ABOVE MEASURES

- Does not arise -

(C) ENERGY CONSUMPTION

Energy consumption details as per prescribed Form-A together with comparative figures for the previous year, is given at the end of this Annexure.

2. TECHNOLOGY ABSORPTION

(A) PROCESSES FOR VALUE ADDITION : Nil

(B) BENEFITS : Enlarging customer base

(C) IMPORTED TECHNOLOGY/IMPORTS IN LAST FIVE YEARS: None

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

A.. Activity relating to Exports

Exports of value-added cotton yarns and cotton knitted garments continue to be the thrust areas for the Company.

B. Plans and Initiatives taken to increase exports : Export of cotton yarns under the outsourced yarns Division

4. Total Foreign Exchange earning and outgo

(Rs. in thousands)

	Year ended on March 31st	
	2010	2009
Total Foreign Exchange earnings	2,26,684	3,46,586
Total Foreign Exchange outgo	5,549	9,300

FORM A

Conservation of Energy

For the year ended on 31st March

2010

2009

A Power and Fuel consumption

Electricity

a Purchased	KW hr	1,26,522	1,68,540
Total amount	Rs.thousands	773	1,021
Rate per Unit	Rs.P.	6.11	6.06
b Generation for captive usage	KW hr	8,395	18,451
Total amount	Rs.thousands	194	310
Rate per Unit	Rs.P.	23.11	16.78
Units generated per litre	KW hr	1.50	1.81

B. Consumption per unit of Production

a Electricity	KW hr	Nil	Nil
b Consumption for production per Kg.	KW hr	Nil	Nil

For and on behalf of the Board of Directors

Place : Tirupur
Date : 12.11.2010

Purushottam Patodia
Chairman and Managing Director

PRIME URBAN DEVELOPMENT INDIA LIMITED

PRIME URBAN DEVELOPMENT INDIA LIMITED

(Formerly Prime Textiles Limited)

REPORT ON CORPORATE GOVERNANCE YEAR ENDED 31ST MARCH 2010

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Your Company reports total compliance of the mandatory provisions of the Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchanges. Furnished below is a Report on the implementation thereof.

A. Mandatory Requirements

I. Company's Philosophy on Code of Corporate Governance

PRIME URBAN DEVELOPMENT INDIA LIMITED has recognised corporate governance policies as key factors in achieving its long-term goals. The Company believes that adherence to sound corporate governance policies and practices is important in ensuring that the company is governed and managed with the highest standards of responsibility, ethics and integrity and in the best interests of its stakeholders. The Board has adopted Principles of Corporate Governance, which provide an effective corporate governance framework for the Company, intending to reflect a set of core values that provide the foundation for its governance and management systems and its interactions with others.

The above philosophy along with the enshrined Code of Conduct for prevention of Insider Trading ensures the sustenance of high ethical and moral standards which govern the conduct of the Company and its employees.

Your Company has complied with the requirements of the Corporate Governance Code, the disclosure requirements of which are given below:

II Board Of Directors

a. Composition of the Board

The Board comprises four non-executive Independent Directors and four executive Directors and is responsible to shareholders for the proper management of the Company. It meets regularly, reviewing trading performance, setting and monitoring strategy and examining major capital expenditure and acquisition opportunities. The Company is fully compliant with the revised Corporate Governance norms in terms of the composition of the Board. The Board at PRIME represents optimum mix of professionalism, knowledge and expertise.

b. Board Meetings

The Board meets at least once every quarter to review the quarterly results and where expediency demands, additional meetings are held. The Board is apprised and informed of all the important information relating to the business of the company including those listed in Annexure-1A of Clause 49 of the Listing Agreement.

c. Number of Board meetings held during the year

Five Board Meetings were held during the year 2009-10 and the gap between two consecutive meetings did not exceed four months. The dates on which the Board Meetings held were 30th June 2009, 28th July 2009, 29th October 2009, 30th December 2009, and 20th January 2010

d. Directors attendance record at the Board Meetings and the last AGM

Name of Director	Category	No. of Board Meetings attended	Attended at the last AGM
Mr.Purushottam Patodia Chairman and Managing Director	Promoter Non Independent Executive	5	No
Mr.Manojkumar Patodia Vice Chairman & Managing Director	Promoter Non Independent Executive	5	Yes
Mr.Anujj K.Patodia Managing Director	Promoter Non Independent Executive	5	No



d. Directors attendance record at the Board Meetings and the last AGM (Continued)

Name of Director	Category	No. of Board Meetings attended	Attended at the last AGM
Mr. N.K. Bafna	Independent Non Executive	5	No
Mr. Banwarilal Singhal	Independent Non Executive	4	Yes
Mr.Vijaykumar Bhandari	Independent Non Executive	5	No
Mr.Viraj C. Gandhi	Independent Non Executive	2	No
Mr.B.K.Srinivasa Ragavan Director (Finance & Admin) (relinquished office as whole-time Director and was appointed as an Additional Director w.e.f. 10.07.10)	Non Independent Executive	5	Yes

e. Number of other Companies or Committees the Director of the Company is a Director/Member/Chairman

Name of Director	No. of Directorship in other companies		No. of Committee positions held in other companies	
	Chairman	Member	Chairman	Member
Mr.Purushottam Patodia	Nil	3	Nil	Nil
Mr.Manojkumar Patodia	Nil	6	Nil	Nil
Mr.Anujj K.Patodia	Nil	8	Nil	Nil
Mr. N.K. Bafna	Nil	3	1	5
Mr. Banwarilal Singhal	Nil	8	5	7
Mr.V.K.Bhandary	Nil	7	4	2
Mr.Viraj C. Gandhi	Nil	2	Nil	Nil
Mr.B.K.Srinivasa Ragavan	Nil	2	Nil	Nil

The Company did not have any pecuniary relationship with any of the Non-Executive Directors during the year 2009-10.

f. Information supplied to the Board

Among others information supplied includes

- review of annual operating plans of business, capital budgets
- quarterly results of the company and its operating divisions or business segments.
- minutes of meeting of audit committee and other committees
- minutes of meeting of the subsidiary companies
- materially important show cause, demand, prosecution and penalty notices
- fatal or serious accidents or dangerous occurrences
- any materially significant problems
- sale of material nature of investments, subsidiaries, assets which is not in the normal course of business
- non compliance of any regulatory or statutory provision or listing requirements as well as share holder services
- details of any joint venture or collaboration agreement
- transactions that involve substantial payment towards goodwill, brand equity or intellectual property

The Board of Prime Urban Development India Limited is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board Meetings or are tabled in the course of the Board Meetings or are tabled before the appropriate Committees of the Board.

g. Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transaction or relationship between the company and its Directors for the year ended 31st March 2010 that may have a potential conflict with the interest of the company at large.

PRIME URBAN DEVELOPMENT INDIA LIMITED

h. Code of Conduct for Directors and Senior Management Personnel

The Company has adopted the "Code of Conduct for Directors and Senior Management Personnel" for compliance on annual basis, meeting the requirements of the Securities and Exchange Board of India (SEBI). The Company Secretary has been appointed as the Compliance Officer for the purpose. The code is applicable to all the Directors and Senior Management Personnel who are members of its core management team excluding Board of Directors and will comprise all members of management one level below the Executive Directors including all functional heads. The code of conduct is available on the website.

III. COMMITTEES OF THE BOARD

The Board has two mandatory Committees viz., the Audit Committee and the Investors' Grievance Committee and three Non-Mandatory Committees viz., the Remuneration Committee, the Finance Committee and the Special Committee. The Board decides the terms of reference of these Committees and the assignment of its members thereof.

Audit Committee

The Audit Committee comprises of Mr. Banwarilal Singhal as its Chairman and Mr. N.K.Bafna and Mr. Manojkumar Patodia as Members. Mr. Banwarilal Singhal and Mr. N.K. Bafna are partners in reputed firms of Chartered Accountants. The Committee provides a forum for reporting by the Company's auditors. By invitation, the meetings are also attended by other Directors. Other key personnel of the Company, as called for, attend the meetings. The Company Secretary acts as the Secretary to the Committee.

The Audit Committee is responsible for reviewing a wide range of financial matters including the quarterly and annual accounts before their submission to the Board and monitoring the controls that are in force to ensure the integrity of the financial information reported to the shareholders. The Audit Committee advises the Board on the appointment of external and internal auditors and on their remuneration, both for audit and non-audit work, and discusses the nature and scope of their audit. The committee is also responsible for implementing the recommendations of the Board arising from its review of the internal control and risk assessment report. The terms of reference to the Audit Committee include the areas specified under Sub-clauses D and E of Clause 49 II and Disclosures under Clause 49 IV (A) of the Listing Agreement. The Audit Committee has been granted powers as prescribed under Clause 49 II(C). Thus, the terms of reference of the Audit Committee are wide enough to cover matters specified below:

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. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 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 (2AA) of section 217 of the Companies Act, 1956
 - 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. Qualifications 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, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.



8. Discussion with internal auditors any significant findings and follow up thereon.
9. 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.
10. 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.
11. 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.
12. To review the functioning of the Whistle Blower mechanism, in case the same is brought to force.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

The Audit Committee met 4 times during the year ended 31st March 2009 on 30th June 2009, 28th July 2009, 29th October 2009 and 20th January 2010

The Company has complied with the requirements of Clause 49II A as regards the composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Names of Members	Category	Number of meetings attended
Mr.Banwarilal Singhal Committee Chairman (Chartered Accountant)	Independent, Non-Executive	4
N.K.Bafna, Member (Chartered Accountant)	Independent, Non-Executive	4
Mr.Manojkkumar Patodia	Non Independent-Executive	4

Investors' Grievances Committee

The Investors' Grievance Committee is constituted to address and redress investors' complaints such as transfer of shares, non-receipt of annual accounts, non-receipt of dividend warrants and to ensure expeditious share transfer process. The Committee comprises of Mr.N.K.Bafna as the Chairman, Mr.Banwarilal Singhal, Mr.Purushottam Patodia, Mr.Manojkkumar Patodia and Mr. Vijaykumar Bhandari as its Members. The Company Secretary acts as the Secretary of the Committee.

The Committee met 4 times during the year 2009-10 on 30th June 2009, 28th July 2009, 29th October 2009 and 20th January 2010. No investor grievance remained unattended/pending for more than 30 days and no request for share transfers and dematerialization received during the financial year was pending for more than 30 days and 15 days respectively.

PRIME URBAN DEVELOPMENT INDIA LIMITED

The composition of the Investors' Grievance Committee and details of the meetings attended by the Directors are as under:-

Names of Members	Category	Number of meetings attended
Mr.N.K.Bafna Committee Chairman	Independent, Non-Executive	4
Mr.Banwarilal Singhal	Independent, Non-Executive	4
Mr.Purushottam Patodia	Non-Independent, Executive	4
Mr.Manojkumar Patodia	Non-Independent, Executive	4
Mr.Vijaykumar Bhandari	Independent, Non-Executive	4

Remuneration Committee

The Remuneration Committee is a non-mandatory requirement.

The Remuneration Committee comprises three non-executive Directors, Mr.Banwarilal Singhal, Mr.N.K.Bafna and Mr. Vijaykumar Bhandari. The Committee is responsible for recommending the contract terms, remuneration and other benefits for Company's Managing/Whole-time Directors. The Committee met once on 30th June 2009 and 31st July 2009. The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below:

Names of Members	Category	Number of meetings attended
Mr.Banwarilal Singhal	Independent, Non-Executive	1
Mr.N.K.Bafna	Independent, Non-Executive	1
Mr.Vijaykumar Bhandari	Independent, Non-Executive	1

Remuneration Policy

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and Whole-time Directors. Salary is paid within the range approved by the shareholders. Effective 1st April each year, annual increments as recommended by the Remuneration Committee, are approved by the Board of Directors. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors on the recommendations by the Remuneration Committee, within the overall ceilings stipulated in Section 198 and 309 of the Companies Act, 1956. Sitting fees is paid to only Non-whole time and Non-executive Directors. No severance fees is payable to any of the Whole-time Directors.

Remuneration of Directors, Sitting fees, salary, perquisites

Remuneration payable to the managerial personnel is approved by the members at the General Meeting of the Company. Remuneration consists of a fixed salary, perquisites, contribution to Provident Fund. Commission is calculated on the net profits of the company.

The Board of Directors decides the remuneration of Non-Executive Directors which is presently only by way of a sitting fee.



Table set below explain the details :

Rs. In thousands

Name of Director	Sitting fees	Salary	Contn.to P.F.	Perks	Total
Mr. Purushottam Patodia	Nil	2580	310	570	3460
Mr. Manojkumar Patodia	Nil	2040	245	294	2579
Mr. Anuj K. Patodia	Nil	1980	238	293	2511
Mr. N.K.Bafna	140	-	-	-	140
Mr. Banwarilal Singhal	130	-	-	-	130
Mr.B.K.Srinivasa Ragavan	Nil	2160	-	417	2577
Mr.Vijayakumar Bhandari	100	-	-	-	100
Mr. Viraj C. Gandhi	20	-	-	-	20
Total	390	8760	793	1574	11517

Finance Committee

The Board has constituted this non-mandatory Committee with the terms of reference of approval for major capital expenditure schemes, exercise Budgetary Controls, connote acceptance and contract for term debts from financial institutions/banks in respect of such capital expenditure schemes, approve and contract on proposals for swapping/syndication of term debts with a view to curtail cost of finance, grant donations within the stipulated limits, oversee banking operations, transact routine matters such as opening and closing of banking accounts, to grant limited power of attorney to the officers of the Company, and to recommend to the Board, revenue budgets, capital budgets, projects and other major capital schemes, to consider expansion/new businesses, divestments, changes in organisational structure and also periodically review the business plans and strategies of the Company. The Finance Committee also affects share transfers subject to approval/ratification by the Board.

The Finance Committee comprises Mr.Purushottam Patodia, Chairman and Managing Director (Committee Chairman), Mr.Manojkumar Patodia, Vice Chairman and Managing Director and Mr. Anuj K. Patodia, Managing Director as its Members

Special Committee

The Board has constituted a Special Committee with the terms of reference to approve the quarterly financial results other than the Audit Committee and the Board need not approve the same before publishing the quarterly financial results. But the Board would have to approve the quarterly financial results in its next meeting. The Special Committee comprises Mr.B.L.Singhal (Committee Chairman), Mr.N.K.Bafna, Director, Mr.Purushottam Patodia, Chairman and Managing Director and Mr.B.K. Srinivasa Ragavan, Director (Finance and Admin) as its Members. The Committee did not meet during the financial year ended 31st March 2010 as the terms of reference were transacted by the Board of Directors.

PRIME URBAN DEVELOPMENT INDIA LIMITED

IV. SUBSIDIARY COMPANIES

Mr. B.L.Singhal is nominated to the Board of Directors of ATL Textile Processors Limited, a material non-listed Indian subsidiary of the company.

The Company monitors the performance of its wholly-owned subsidiary companies, inter-alia, by means of–

- i. The Financial Statements, in particular, the investments, if any, made by the unlisted subsidiary company, are reviewed by the Audit Committee.
- ii. The Minutes of the Board Meetings of the subsidiary companies are noted at the Board Meetings of the company.
- iii. The details of significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Board of Directors of the company as and when applicable.

V. Name, designation & address of Compliance Officer:

Mr. S.Rengasamy, Company Secretary,
Prime Urban Development India Limited,
110, Avinashi Road, Gandhinagar P.O., Tirupur 641 603 (T.N.)
Phone : 0421-2470198/2470065 Fax:0421-2471463

VI. MANAGEMENT

a. Management Discussion and Analysis

The Directors' Report includes details of Management Discussion and Analysis of business of the company. As required under Clause 49(V) of the Listing Agreement, the CEO Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting is enclosed to this Report.

b. Disclosures by the Management to the Board

All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

VII. GENERAL BODY MEETINGS

General Body Meetings during last three years

Date of the meeting Time of the meeting	02.03.2007 2.30 P.M.	27.07.2007 10.00 A.M.	23.08.2008 4.00 P.M.	26.09.2009 4.00 P.M.
Nature of the Meeting	EGM	AGM	AGM	AGM
Special resolutions put through postal ballot	None	None	1	None
Voting pattern	NA	NA	150,27,565 were polled out of which, 7,005 were rejected, 2,700 were cast against, and, 150,17,860 were cast in favour.	NA
Person conducted postal ballot	NA	NA	Mr.G.Chandrasekar, FCA Chartered Accountant, Bangalore	NA

Ensuing Annual General Meeting - Postal Ballots

None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.



VIII Disclosures

- a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with the promoters, the directors or the management, their subsidiaries or relatives, etc that may have potential conflict with the interests of the company at large :

The Company has not entered into any materially significant related party transactions with its Promoters, Directors, or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note 8. of Part B in Schedule 18 to the financial statements in the Annual Report. The Audit Committee has reviewed the related party transactions as required under mandatory Clause 49 of the Listing Agreement and found them to be not materially significant.

- b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other statutory authorities relating to the above.

- c) **Code of Conduct**

The Company has adopted a "Code of Conduct for Prevention of Insider Trading", meeting the requirements of the Securities and Exchange Board of India (SEBI). The Company Secretary has been appointed as the Compliance Officer for the purpose. The Code is applicable to all those employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company as well as all the Directors. The Company has also adopted Disclosure Practices for meeting the SEBI Regulations.

- d) **Risk Management Framework**

The Company has in place a mechanism to inform the Board of Directors about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

- e) Details of shareholdings of Non-Executive Directors

Name of Director	No. of shares held
Mr. Banwarilal Singhal	37,213

IX. Means of Communication

- Quarterly Results: The Quarterly Results are generally published in "Business Line" and "Tamil Murasu".
- Management Discussion & Analysis Report: The Management Discussion & Analysis Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance and material developments in human resources are discussed in the said Report.

X. General Shareholders' Information

Annual General Meeting

Date of Book Closure	: December 16, 2010 to December 30, 2010 (both days inclusive)
Day & Date	: Thursday, December 30, 2010
Time	: 4:00 P.M.
Venue	: Registered Office, 110, Avinashi Road, Gandhinagar P.O., Tirupur 641 603 in Tamil Nadu State

Listing on Stock Exchanges : The Company is listed on Bombay Stock Exchange Ltd., and the Coimbatore Stock Exchange. The annual listing fees have been paid to Bombay Stock Exchange Limited. The company's application for delisting its equity shares from Coimbatore Stock Exchange is pending approval from the Coimbatore Stock Exchange Limited.

Stock Code

Bombay Stock Exchange Ltd.	-	521149
Coimbatore Stock Exchange Ltd.	-	21006

PRIME URBAN DEVELOPMENT INDIA LIMITED

Financial Calendar (tentative)

First Quarter Results : Second week of July, 2010
Second Quarter/Half-Yearly Results : Second week of November, 2010
Third Quarter Results : Fourth week of January 2011
Annual Audited Results : Fourth week of May 2011

Registered Office

Prime Urban Development India Limited,
110, Avinashi Road,
Gandhinagar P.O.,
Tirupur 641 603 (Tamil Nadu)
Tel. : 0421-2470198
Fax : 0421-2471463
e-mail : rengasamy@ptlonline.com
Homepage : www.ptlonline.com

Registrar and Transfer Agents

M/s. S.K.D.C. Consultants Limited
Kanapathy Towers 3rd Floor
139/1A-1 Sathy Road
Ganapathy
Coimbatore 641 006, Tamilnadu
Phones:(0422)2539835, Fax:(0422) 2539837
Email address:skdccbe@gmail.com

Share transfer system

The Finance Committee has been empowered by the Board for approving transfers/ transmissions of shares, split/consolidation, issue of duplicate share certificates and other allied matters. At its each meeting, the Board is apprised of the details of transfers/ transmissions/issue of duplicate shares.

The Company's Registrars, M/s. S.K.D.C. Consultants Limited have adequate infrastructure to process the share transfers. The share transfers received are processed within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects. Demat request are processed within 10 days from the date of receipt, to give credit of the shares through the Depository. In compliance with the Listing Guidelines, during every quarter, a Practicing Company Secretary audits the System of Transfer and Certificate to that effect is issued.

The Company's scrips form part of the SEBI's Compulsory Demat segment bearing ISIN No. INE419E1024.

The Company's Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India is L70200TZ1936PLC000001. The Company is registered in Tirupur, in the State of Tamil Nadu.



XI. Market Price Data

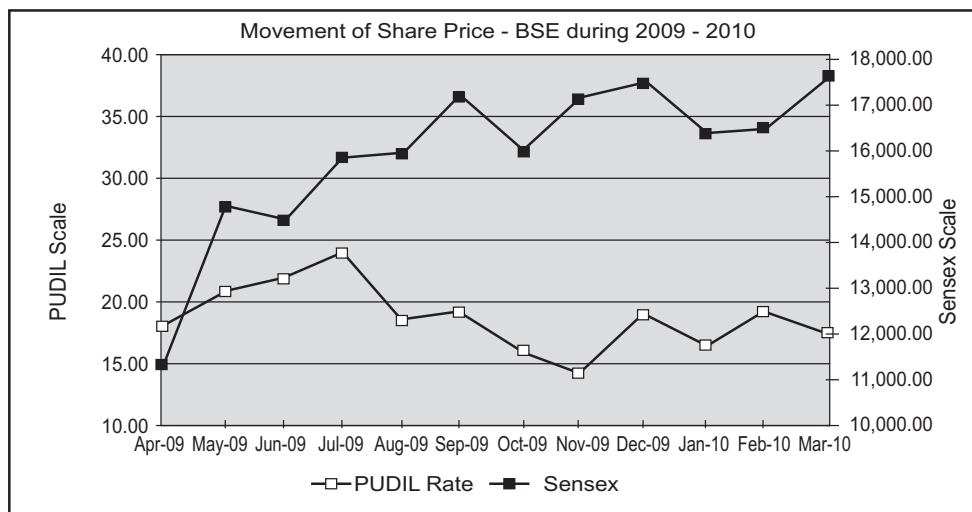
The High and Low prices of the Company's share (of face value of Rs.2/- per share) from April 2009 to March 2010
 [Source: BSE Website] :-

Month	Month's High Rs. Ps.	Month's Low Rs. Ps.
April 2009	19.47	10.98
May 2009	21.05	14.80
June 2009	29.00	19.10
July 2009	23.10	16.65
August 2009	25.45	18.00
September 2009	19.90	16.75
October 2009	19.10	15.45
November 2009	16.25	13.20
December 2009	20.42	13.60
January 2010	20.60	16.55
February 2010	20.40	16.65
March 2010	20.20	15.40

XII Distribution of Shareholding as on 31st March 2010

Shares	Shareholders	Percentage	Shares held	Percentage
Upto 500	3,668	77.16%	1,318,197	5.80%
501-1000	542	11.40%	454,513	2.00%
1001-2000	220	4.63%	336,234	1.48%
2001-3000	103	2.17%	264,036	1.16%
3001-4000	43	0.90%	148,765	0.65%
4001-5000	40	0.84%	192,309	0.85%
5001-10000	45	0.95%	319,241	1.40%
10001 above	93	1.95%	19,710,305	86.66%
Grant Total	4,754	100.00%	22,743,600	100.00%

XIII. Performance of Company's Share Price to broad based BSE sensex



PRIME URBAN DEVELOPMENT INDIA LIMITED**XIV Shareholding Pattern as on 31st March 2010**

Description of Investors	Number of Shares held	Percentage of holding
Promoters	1,42,02,494	62.45
Directors and Relatives	94,713	0.42
Financial Institutions/Banks	25,000	0.11
Corporate Bodies	17,54,516	7.71
NRI and OCBs	14,945	0.06
Indian Public-Individuals	66,51,932	29.25
Total	2,27,43,600	100.00

XV Dematerialisation of Shares and Liquidity

46.26% (1,05,20,395 equity shares) of the Company's paid-up Equity capital has been dematerialised up to 31st March 2010. Trading in Equity Shares is permitted only in dematerialised form as notified by SEBI. The volumes traded in stock exchanges are not high.

XVI Unclaimed Dividends

Under the Companies Act 1956, dividends that are unclaimed for a period of seven years statutorily get transferred to the Investor Education and Protection Fund administered by the Central Government and thereafter cannot be claimed by the Investors. To ensure maximum disbursement of unclaimed dividend, the Company has sent a reminder to the respective shareholders to encash the pending dividend amount from the company before transfer of dividend to Investor Education and Protection Fund. Shareholders, who have so far not encashed the previous dividend warrants, are requested to immediately forward the same to the company for revalidation.

B. Non-Mandatory Requirements

1. Chairman of the Board: Mr.Purushottam Patodia is the Executive Chairman.
2. The Company has adopted guidelines for composition of the Board of Directors
3. The Company has set up the Remuneration Committee under the provisions of Clause 49
4. The Audit Report by the Statutory Auditors on the financial statements of the Company do not carry any qualifications made thereunder.
5. The Quarterly & half-yearly financial results are published in the news papers. Therefore, the results were not separately circulated to all shareholders.

The above report was adopted by the Board of Directors at their meeting held on 12th November 2010.

For and on behalf of the Board of Directors

Place : Tirupur
Date : 12.11.2010

Purushottam Patodia
Chairman and Managing Director



CHIEF EXECUTIVE OFFICER (CEO)

Declaration by the CEO under Clause 49 of the Listing Agreement

To
The Board of Directors
Prime Urban Development India Ltd
Tirupur

I, the undersigned, in my capacity as the Chief Executive Officer of Prime Urban Development India Limited ("the Company") to the best of my knowledge and belief hereby certify that:

- A. I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2010 and based on my knowledge and belief, we state that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B. I, further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- C. I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the company.
- D. I accept responsibility for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operational of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- E. I have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
- i) significant changes, if any, in the internal control over financial reporting during the year
 - ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Purushottam Patodia
Chairman & Managing Director & CEO

PRIME URBAN DEVELOPMENT INDIA LIMITED

Certificate of Compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement

AUDITORS' CERTIFICATE

The Members of
M/s. Prime Urban Development India Limited
Tirupur

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by M/s. Prime Urban Development India Limited ('the Company') for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company in ensuring the compliance of conditions of Corporate Governance as stipulated in the above mentioned Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to:

1. Our reliance upon the certificate received by the Company from its Registrar and Transfer Agent for the number of complaints received from the shareholders and the number of complaints resolved during the financial year and that there are no share transfers pending as at 31st March 2010;
2. Our having relied on the representation of the management that there were no transactions of material nature with the management or their relatives that may have a potential conflict with the interest of the Company at large as stated in the disclosure of the Company's report on Corporate Governance.

We certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

M.J.Vijayaraaghavan
Partner
Membership Number : 7534

Place : Tirupur
Date : 12.11.2010



AUDITORS' REPORT

AUDITOR'S REPORT TO THE MEMBERS OF M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED (Formerly known as PRIME TEXTILES LIMITED)

1. We have audited the attached Balance Sheet of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED (Formerly known as PRIME TEXTILES LIMITED) as at 31st March 2010 and also the Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto (collectively referred as the 'financial statement'). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Reference is invited to :

Without qualifying our opinion we draw attention to note 15 of part B - notes on accounts schedule 18 regarding the Scheme of Arrangement had financial restructuring exercise and a Scheme of Arrangement under sections 391-394 of the Companies Act, 1956. In terms of the Scheme, the Company restated its free hold land by crediting the resulting accretion value of Rs. 24,74,868 thousands to the Business Reconstruction Reserve (BRR) Account. The Scheme has inter alia, has expenses / impairment and other adjustments from Business Reconstruction Reserve. The Scheme was approved by the Hon'ble High Court of Madras on 22nd September, 2010 and the appointment date being 1st of April, 2009. The Company has followed the accounting treatment as prescribed under the Scheme approved by Hon'ble High Court of Madras.

4. Further to our comments in the Annexure referred to above, we report that;
 - i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - iii) The Financial Statements dealt with by this report are in agreement with the books of account (and with the audited returns from the Branches);
 - iv) In our opinion, the Financial Statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together Significant Accounting Policies and Notes to Accounts in Schedule "18" and those appearing elsewhere in the accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India:
 - a) In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2010
 - b) In the case of Profit and Loss account LOSS of the company for the year ended on that date; and
 - c) In case of the cash flow statement, of the cash flows for the year ended on that date;

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

M.J.Vijayaaraghavan
Partner
Membership Number : 7534

Place : Tirupur
Date : 12.11.2010

PRIME URBAN DEVELOPMENT INDIA LIMITED

Annexure referred in our report of even date of the accounts for the year ended 31st March 2010 of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED.

On the basis of such checks as we considered appropriate during the course of audit, we state that:

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets are physically 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) During the year, there was no sale of substantial part of fixed assets and hence the going concern of the Company is not affected.
- ii)
 - a) The Inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii)
 - a) The Company has not granted any loans secured or unsecured to firms, companies or other parties covered in the register maintained under section 301 and hence sub clauses b, c, & d are not applicable.
 - b) The company has taken advance from a subsidiary company ATL Textile Processors Limited, during previous year and outstanding at the year end was Rs. 52,447 thousands, maximum outstanding during the year was Rs.52,465 thousands.
 - c) In our opinion and according to the information and explanations given to us, other terms and conditions on which such loans have been taken from the subsidiary company covered in the Register maintained under section 301 of the Act are prima facie not prejudicial to the interest of the company;
- iv) In our opinion and according to the explanation and information given to us, there is an adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our Audit no major weakness has been noticed in the internal controls.
- v)
 - a) According to the information explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us the company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the Books of Account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix)
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities.



- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, at the year end for a period of more than six months from the date they became payable.
- c) 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 is being contested by the Company.

Sl. No.	Name of the Statute	Nature of the Dues	Amount Rs. thousands	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act 1961	Income tax	4,143	A.Y. 2002-03	Hon'ble High Court of Madras
2.	CST Act, 1956	Central Sales Tax	487	F.Y. 1993-94	Sales Tax Appellate Tribunal.

- x) The Company does not have accumulated losses as at 31st March 2010. The Company has incurred cash loss of Rs. 1,76,319 thousands during the financial year covered by our audit and the Company has incurred cash loss of Rs. 47,300 thousands during the immediately preceding financial year.
- xi) Based on our audit procedures and according to the information, the company has not defaulted in repayment of dues to Financial Institutions / Banks.
- xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a Chit Fund or a Nidhi / Mutual Benefit fund/ Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- xv) During the year, the Company has not given guarantees for loans taken by others from banks.
- xvi) In our opinion and according to the information and explanations given to us, the Company has not borrowed any term loan during the year.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short time basis have been used for long term investments.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures during the year.
- xx) The company has not made any Public Issues during the year.
- xxi) No fraud on/or by the Company has been noticed or reported during the period course of our Audit.

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

M.J.Vijayaaraghavan
Partner
Membership Number : 7534

Place : Tirupur
Date : 12.11.2010

PRIME URBAN DEVELOPMENT INDIA LIMITED

BALANCE SHEET AS AT 31st MARCH 2010

	Schedule	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs.in thousands
Sources of Funds			
(1) Shareholders' Funds			
a) Share Capital	1	45,487	45,487
b) Reserves and Surplus	2	24,19,788	1,52,979
		<u>24,65,275</u>	<u>1,98,466</u>
(2) Loan Funds			
b) Secured Loans	3	1,18,724	3,25,360
c) Unsecured Loans	4	1,70,147	1,05,420
		<u>2,88,871</u>	<u>4,30,780</u>
(3) Deferred Tax Liability (net)			
		-	32,204
Total		<u>27,54,146</u>	<u>6,61,450</u>
Application of Funds			
(1) Fixed Assets			
a) Gross Block	5	26,35,864	3,30,922
b) Less: Depreciation		81,886	1,29,030
c) Net Block		<u>25,53,978</u>	<u>2,01,892</u>
(2) Investments			
	6	1,08,326	1,00,686
(3) Current Assets, Loans and Advances			
(a) Inventories	7	30,399	2,06,846
(b) Sundry Debtors		25,270	1,65,657
(c) Cash and Bank Balances		39,661	71,872
(d) Other Current Assets		49,665	7,107
(e) Loans and Advances		1,55,165	1,50,046
		<u>3,00,160</u>	<u>6,01,528</u>
Less : Current Liabilities and Provisions			
(a) Liabilities	8	2,07,635	2,62,967
(b) Provisions		683	1,165
		<u>2,08,318</u>	<u>2,64,132</u>
Net Current Assets			
		<u>91,842</u>	<u>3,37,396</u>
(4) a) Miscellaneous Expenditure			
(to the extent not written off/adjusted)			
Voluntary Retirement Scheme Compensation		-	18,004
b) Profit and Loss account			
		-	3,472
Total		<u>27,54,146</u>	<u>6,61,450</u>

Schedule 1 to 8 and 18 form part of this Balance Sheet
As per our report of even date annexed
For **M.S.Jagannathan & Visvanathan**
Chartered Accountants

M.J.Vijayaraaghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

Manojkumar Patodia
Vice Chairman & Managing Director
Anuj K. Patodia
Managing Director

For and on behalf of the Board

Purushottam Patodia
Chairman & Managing Director
Banwarilal Singhal
Director
S.Rengasamy
Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Schedule	Year ended 31.03.2010 Rs. in thousands	Year ended 31.03.2009 Rs. in thousands
INCOME			
Turnover	9	3,31,049	7,64,446
Other Income	10	7,790	4,462
Increase / (Decrease) in Stocks	11	(78,227)	(47,918)
		<u>2,60,612</u>	<u>7,20,990</u>
EXPENDITURE			
Cost of Materials	12	2,39,235	2,64,027
Personnel Expenses	13	32,834	54,977
Power and Fuel Consumed		5,639	14,801
Stores, Spares and Packing Materials Consumed		4,758	11,036
Processing Charges		10,628	57,319
Repairs and Maintenance	14	2,967	2,921
Selling and Distribution Expenses	15	17,992	42,553
Administrative and Other Expenses	16	34,193	55,755
Interest	17	41,005	55,296
		<u>3,89,251</u>	<u>5,58,685</u>
Profit/(Loss) Before Depreciation/Amortisation		<u>(1,28,639)</u>	<u>1,62,305</u>
Amortisation of Voluntary Retirement Compensation		18,004	25,574
Depreciation		8,490	20,261
		<u>(1,55,133)</u>	<u>1,16,470</u>
Profit/(Loss) Before exceptional/extraordinary items and tax		<u>42,180</u>	<u>2,09,605</u>
Exceptional items - Ref Note 14 (a) in Schedule 18		5,500	-
Extraordinary items - Ref Note 14 (b) in Schedule 18		(2,02,813)	(93,135)
Profit/(Loss) Before Tax		<u>(2,02,813)</u>	<u>(93,135)</u>
Provision for Current tax	-	-	-
Deferred Tax Benefit	32,204	-	17,827
Provision for Fringe Benefit Tax	-	-	(1,359)
		<u>32,204</u>	<u>(1,359)</u>
Profit/(Loss) After Tax		<u>(1,70,609)</u>	<u>(76,667)</u>
Surplus/(Deficit) brought forward from previous year		(3,472)	8,580
Transfer from General Reserve		-	64,615
Transfer from Business Reconstruction Reserve		2,10,674	-
Surplus/(Deficit) carried over		<u>36,593</u>	<u>(3,472)</u>
APPROPRIATIONS			
Proposed Dividend - Equity Shares		-	-
Dividend for Preference Shares		30,000	-
Tax on distributed profits		-	-
Surplus / (Deficit) carried over		6,593	(3,472)
		<u>36,593</u>	<u>(3,472)</u>
Basic/Diluted Earnings Per Share including Exceptional/Extraordinary item		(9.60)	(12.59)
Basic/Diluted Earnings Per Share excluding Exceptional/Extraordinary item (Face value of Rs. 2 each)		(7.50)	(3.37)

Schedule 1 to 8 and 18 form part of this Balance Sheet
As per our report of even date annexed

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

M.J.Vijayaraaghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

Manojkumar Patodia
Vice Chairman & Managing Director
Anuj K. Patodia
Managing Director

For and on behalf of the Board

Purushottam Patodia
Chairman & Managing Director

Banwarilal Singhal
Director

S.Rengasamy
Company Secretary

PRIME URBAN DEVELOPMENT INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED :	31.03.2010 Rs. in thousands	31.03.2009 Rs. in thousands
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	(2,02,813)	(93,135)
Adjustments for:		
Depreciation	8,490	20,261
(Profit) / Loss on sale of assets	40,337	2,00,035
(Profit) / Loss on sale of investments	(1,050)	
Deferred Revenue Expenditure	18,005	23,655
Interest received	(3,008)	(3,353)
Interest charged	41,005	55,296
Extraordinary and Exceptional Items	47,680	2,09,605
	<u>1,51,459</u>	<u>5,05,499</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(51,354)	4,12,364
Adjustments for:-		
Trade and other receivables	156,234	(1,81,639)
Inventories	176,447	67,444
Trade payables	(52,322)	(24,487)
	<u>2,80,359</u>	<u>(1,38,682)</u>
Cash Generation from operations - Before Extraordinary and Exceptional Items	2,29,005	2,73,682
Less : Extraordinary and Exceptional Items	(47,680)	(2,09,605)
Cash Generation from operations	1,81,325	64,077
Direct taxes paid	(2,179)	(1,576)
	<u>(2,179)</u>	<u>(1,576)</u>
NET CASH FROM OPERATING ACTIVITIES Sub-total	1,79,146	62,500
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(757)	(173)
Purchase of Investments	(8,340)	(1,500)
Sale of Fixed assets	42,134	1,76,714
Interest received	3,008	3,353
Sale of Investments	1,750	
NET CASH USED IN INVESTING ACTIVITIES	37,795	1,78,394
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Redemption in) Long term borrowings	(44,315)	(2,19,092)
Proceeds from / (Redemption in) Short term borrowings	(97,592)	15,134
Interest paid	(44,402)	(53,039)
Dividend paid	(95)	(3,527)
NET CASH USED IN FINANCING ACTIVITIES	(1,86,404)	(2,60,524)
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	30,537	(19,630)
Cash and cash Equivalents - Opening Balances	5,981	25,611
Cash and cash Equivalents - Closing Balances	36,518	5,981

Note:- 1. Margin Money Deposits have been included under "Trade and other receivables"

2. The above Cash Flow Statements prepared in indirect method as per AS-3 Cash Flow Statements issued by ICAI

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

Manojkumar Patodia
Vice Chairman & Managing Director

For and on behalf of the Board
Purushottam Patodia
Chairman & Managing Director

M.J.Vijayaraaghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

Anuj K. Patodia
Managing Director

Banwarilal Singhal
Director

S.Rengasamy
Company Secretary



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 1 : SHARE CAPITAL		
Authorised :		
6,25,00,000 Equity shares of Rs. 2 each	1,25,000	1,25,000
7,50,000 Preference shares of Rs.100 each	75,000	75,000
	<u>2,00,000</u>	<u>2,00,000</u>
Issued :		
2,27,44,300 Equity shares of Rs. 2 each	45,489	45,489
	<u>45,489</u>	<u>45,489</u>
Subscribed and paid up:		
2,27,43,600 Equity Shares of Rs. 2 each fully paid up	45,487	45,487
Total	<u>45,487</u>	<u>45,487</u>
Equity Shares includes 13,44,600 shares of Rs.2 each allotted as fully paid Bonus shares by capitalisation of general reserve.		
SCHEDULE 2 : RESERVES AND SURPLUS		
General Reserve:		
As per Last Balance Sheet	-	64,615
Transfer from Business Reconstruction Account	64,615	-
Transfer to Profit and Loss Account	30,000	(64,615)
(Ref: Note No.15 In part B (Sch:18) of Notes on Accounts)	<u>94,615</u>	<u>-</u>
Business Reconstruction Reserve :		
Reserve created as per Scheme approved by Hon'ble High Court of Madras	24,74,868	
Transfer from Securities Premium	54,000	
Transfer from Capital Redemption Reserve	65,000	
	<u>25,93,868</u>	
Amortisation Expenses-Transfer to Profit and Loss account	(18,004)	
Extraordinary Items - Transfer to Profit and Loss account	(5,500)	
Transfer to General Reserve	(64,615)	
Transfer to Profit and Loss account	<u>(1,87,169)</u>	
	<u>23,18,580</u>	
Securities Premium Account :		
As per Last Balance Sheet	54,000	54,000
Transfer to Business Reconstruction Reserve	<u>(54,000)</u>	-
	-	<u>54,000</u>
Capital Redemption Reserve :		
As per Last Balance Sheet	65,000	65,000
Transfer to Business Reconstruction Reserve	<u>(65,000)</u>	-
	-	<u>65,000</u>
Revaluation Reserve :		
As per Last Balance Sheet	33,979	42,054
Transferred to Land cost	<u>(33,979)</u>	-
Withdrawals on assets sold	-	(8,075)
	-	<u>33,979</u>
Surplus in Profit and Loss account		
	6,593	-
Total	<u>24,19,788</u>	<u>1,52,979</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 3 : SECURED LOANS		
Loans and Advances from		
(a) Banks		
(i) Term Loans	-	36,762
(ii) Working Capital Advances	1,14,011	2,76,331
(iii) Vehicle Loan	1,195	1,396
(b) Financial Institutions		
Term Loans	-	5,834
(c) Others		
Vehicle Loan	<u>3,518</u>	<u>5,037</u>
Total	<u>1,18,724</u>	<u>3,25,360</u>

(For details of security-refer-notes, Part B-2 in Schedule 18)

SCHEDULE 4 : UNSECURED LOANS

i) Loans

(a) Fixed Deposits - from Public	19,597	8,200
(b) Fixed Deposits - from Directors (Repayable within one year Rs.9,341 thousands : Previous year Rs.434 thousands)	6,000	3,900

ii) Intercorporate Deposits (short term)

(a) From Subsidiary Company	52,447	52,465
(b) From Other	<u>92,103</u>	<u>40,855</u>
Total	<u>1,70,147</u>	<u>1,05,420</u>

SCHEDULE - 5 : FIXED ASSETS

Rs. in thousands

PARTICULARS	GROSS BLOCK				As at 31.03.2010	DEPRECIATION				NET BLOCK		
	As at 31.03.2009	Additions during the Year	Reinstated Value	Deductions during the Year		Upto 31.03.2009	For the Year	Impairment Provision	Withdrawn	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
Land-Free hold #	46,880	-	24,74,868	35,505	24,86,243	-	-	-	-	24,86,243	46,880	
Buildings	50,155	-	-	11,150	39,005	16,234	1,262	-	837	16,659	22,346	33,921
Plant & Machinery	2,06,091	260	-	1,12,268	94,083	99,699	5,260	16,288	61,215	60,032	34,051	1,06,391
Furniture & Office Equipments	12,465	15	-	11,312	1,168	9,659	400	-	9,684	375	793	2,806
Vehicles \$	15,327	482	-	448	15,361	3,438	1,568	-	186	4,820	10,541	11,890
Livestock	4	-	-	-	4	-	-	-	-	-	4	4
Total	330,922	757	24,74,868	1,70,683	26,35,864	1,29,030	8,490	16,288	71,922	81,886	25,53,978	2,01,892
Corresponding previous year	1,134,387	687	-	8,04,152	3,30,922	5,28,099	20,261	-	4,19,330	1,29,030	2,01,892	

Note: # - Land cost reinstated value is based on valuation by Recognised and Accredited valuer in the High Court Panel under a Scheme approved by Hon'ble High Court of Madras and deletions includes Rs.33,979 thousands of Revaluation Reserve withdrawn from the Cost of land

\$ - Vehicles include cars costing Rs.15,123 thousands (previous year Rs.13,040 thousands) purchased on Hire-purchase basis.



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 6 : INVESTMENTS		
Long Term - at Cost		
Trade - Unquoted		
YS Spinners Limited 129,000 Equity Shares of Rs.10 each	1,290	1,290
Aadarsh Jann Aawaash Limited 70,000 Equity Shares of Rs.10 each	-	700
ATL-Selina Innerwear Private Limited 15,000 Equity Shares of Rs.10 each	-	150
Tirupur Infrastructure Development Company Limited 500 Equity Shares of Rs.1000 each	500	500
Wholly Owned Subsidiary		
ATL Textile Processors Limited 10,37,450 Equity Shares of Rs.10 each	51,445	51,445
Manoj Yarn Processors Limited 50,900 Equity Shares of Rs.10 each	509	509
Peedee Yarn Processors Limited 10,900 Equity Shares of Rs.10 each	109	109
Prime Hometex Industries (India) Limited 45,50,000 Equity Shares of Rs.10 each	45,500	45,500
Non Trade - Quoted		
Velan Hotels Limited 2,000 Equity Shares of Rs.10 each	20	20
Non Trade - Unquoted		
Metal Industries Limited 800 Equity Shares of Rs.10 each	8	8
Asher Textiles Mills Co-operative Stores Limited 200 Equity Shares of Rs.5 each	1	1
Birla Cash Plus - Mutual Fund units 1,61,062.292 units of Rs.10.80 per unit	1,740	-
Capital of Firms / AOP : Ref Note Part B No.2-Schedule 18		
Prime Developers	100	100
Prime Mall Developers	100	100
Prime Newline AOP	8,250	1,500
Government Securities		
National Savings Certificate	50	50
	<u>1,09,622</u>	<u>1,01,982</u>
Less: Provision for Diminution in value	1,296	1,296
	<u>1,08,326</u>	<u>1,00,686</u>
Aggregate Book value of Quoted investments	20	20
Aggregate Market value of Quoted investments	14	4
Aggregate Book value of unquoted investments	1,09,602	1,01,962
	<u>1,09,602</u>	<u>1,01,962</u>
SCHEDULE 7 : CURRENT ASSETS, LOANS AND ADVANCES		
A. Current Assets:		
(a) Inventories :		
Stores, Spares & packing materials	-	3,123
Stock in Trade :		
Raw materials	144	42,941
Finished goods	30,255	1,60,782
	<u>30,399</u>	<u>2,06,846</u>
(b) Sundry Debtors :		
Unsecured, considered good-unless otherwise stated		
(i) Debts outstanding for a period exceeding six months		
Considered doubtful	3,877	3,402
Less: Provision for doubtful debts	(3,877)	(3,402)
	-	-
Considered good	655	22,416
(ii) Other debts	24,615	1,43,241
	<u>25,270</u>	<u>1,65,657</u>
	<u>25,270</u>	<u>1,65,657</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 7 : CURRENT ASSETS, LOANS AND ADVANCES:CONTD.		
(c) Cash and Bank Balances:		
(i) Cash on hand	528	812
(ii) With Scheduled banks		
a) In Current Accounts	35,361	4,445
b) In Margin money and other Lien Deposit	3,143	65,891
c) In Unpaid Dividend Account	629	724
	<u>39,661</u>	<u>71,872</u>
d) Other Current Assets		
Interest accrued on Deposits	175	634
Income and other receivables	49,490	6,473
	<u>49,665</u>	<u>7,107</u>
Sub-Total (A)	<u>1,44,995</u>	<u>4,51,482</u>
B. Loans and Advances		
Unsecured-considered good-unless otherwise stated		
a) Advances recoverable in cash or in kind or for value to be received		
Considered Doubtful	336	339
Less: Provision for doubtful advances	(336)	(339)
	-	-
Considered Good	1,29,777	1,23,587
b) Advance to Subsidiary Companies	8,425	8,337
c) Prepaid expenses	1,772	3,399
d) Advance Income Tax including Tax Deducted at Source {Net of provisions - Rs.8,758 thousands; previous year Rs.8,758 thousands}	9,205	7,026
e) Income Tax Refund Receivable	2,797	2,797
f) Deposits	3,189	4,828
g) Balance with Customs, Excise and other statutory authorities	-	72
	<u>155,165</u>	<u>1,50,046</u>
Sub-total (B)	<u>155,165</u>	<u>1,50,046</u>
Total (A + B)	<u>300,160</u>	<u>6,01,528</u>
SCHEDULE 8:CURRENT LIABILITIES AND PROVISIONS		
A. Current Liabilities		
Sundry Creditors		
Due to Micro, Small and Medium enterprises	-	-
Due to others	30,311	83,667
Other current liabilities	47,959	21,844
Current Account outstanding in Partnership firms	1,27,025	1,40,213
Interest accrued but not due on loans	1,711	5,109
Unclaimed Dividends **	629	724
Unclaimed Fixed deposits	-	11,410
	<u>2,07,635</u>	<u>2,62,967</u>
Sub-Total (A)	<u>2,07,635</u>	<u>2,62,967</u>
B . Provisions		
For Pension, Gratuity and Superannuation Fund	683	1,165
	<u>683</u>	<u>1,165</u>
Sub-total (B)	<u>683</u>	<u>1,165</u>
Total (A + B)	<u>208,318</u>	<u>2,64,132</u>
(** There are no amounts due and outstanding to be credited to Investors Education and Protection Fund)		



SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Year ended 31.03.2010 Rs. in thousands	Year ended 31.03.2009 Rs. in thousands
SCHEDULE 9 : TURNOVER		
Textile Segment		
Cotton Yarn	2,57,622	2,86,770
Knitted Garments & Fabrics	30,616	1,15,964
Export Incentives	17,877	11,570
Waste	1,219	1,360
Process Receipts	6,096	14,158
Realty Segment		
Sale of Land (net)	16,886	10,268
Consideration towards transfer of developmental rights and FSI	-	3,05,000
Share of Profit/(Loss) from a firm	81	19,356
Incidental income	652	-
Total	<u>3,31,049</u>	<u>7,64,446</u>
SCHEDULE 10 : OTHER INCOME		
Miscellaneous Income	1,685	934
Interest receipts (TDS Rs.589 thousands; Previous year Rs. 447 thousands)	3,008	3,353
Provision for diminution of investment reversed	-	10
Profit on sale of assets	1,906	-
Dividend receipts	141	1
Insurance claim	-	164
Profit on sale of Investments	1,050	-
Total	<u>7,790</u>	<u>4,462</u>
SCHEDULE 11: INCREASE /(DECREASE) IN STOCKS		
Stock at Closing:		
Finished Goods	30,255	1,60,782
(A)	<u>30,255</u>	<u>1,60,782</u>
Less:		
Stock at Commencement:		
Finished Goods	1,60,782	2,08,700
Less : Value of stocks burnt out - treated separately	52,300	-
(B)	<u>1,08,482</u>	<u>2,08,700</u>
Net Value (A) -(B)	<u>(78,227)</u>	<u>(47,918)</u>
SCHEDULE 12: COST OF MATERIALS		
Opening Stock of Materials	42,941	49,559
Add: Purchases	1,96,438	2,57,409
	2,39,379	3,06,968
Less: Closing stock of Materials	144	42,941
Total	<u>2,39,235</u>	<u>2,64,027</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Year ended 31.03.2010 Rs. in thousands	Year ended 31.03.2009 Rs.in thousands
SCHEDULE 13: PERSONNEL EXPENSES		
Salaries, Wages, Bonus and others	19,296	33,554
Managerial Remuneration	11,125	12,738
Contribution to Provident and other Funds	1,325	6,649
Welfare Expenses	1,088	2,036
Total	<u>32,834</u>	<u>54,977</u>
SCHEDULE 14: REPAIRS AND MAINTENANCE		
Buildings	1,842	969
Machinery	772	1,256
Others	353	696
Total	<u>2,967</u>	<u>2,921</u>
SCHEDULE 15: SALES AND DISTRIBUTION EXPENSES		
Brokerage and Commission	7,695	12,729
Freight, Forwarding & Other Expenses	10,297	29,824
Total	<u>17,992</u>	<u>42,553</u>
SCHEDULE 16: ADMINISTRATIVE AND OTHER EXPENSES		
Insurance	1,649	3,235
Postage, Telephone, Printing & Stationery	2,436	4,425
Travelling, Motor Vehicle maintenance	7,549	10,453
Bank Charges, Filing Fees, Subscription & Advertisement	7,630	11,171
Rent	6,229	9,149
Rates & Taxes	1,947	2,510
Directors' Sitting Fees	390	350
Auditors' Remuneration	265	228
Loss on sale of assets (net)	63	430
Bad debts written off	-	2,023
Provision for Bad and doubtful debts	-	1,154
Donations	62	42
Miscellaneous Expenses	5,973	10,585
Total	<u>34,193</u>	<u>55,755</u>
SCHEDULE 17: INTEREST		
On Fixed Loans	14,702	11,517
On Others	26,303	43,779
Total	<u>41,005</u>	<u>55,296</u>



**SCHEDULE 18: NOTES FORMING PART OF ACCOUNTS:
PART A: SIGNIFICANT ACCOUNTING POLICIES**

- 1. General:**

Accounts are prepared on historical cost (except for certain fixed assets which have been re-valued) and on the accounting principles of a going concern.
The mercantile system of accounting is followed and income and expenditure are recognized on accrual basis except those with significant uncertainties.
- 2. Fixed Asset:**

Fixed Assets are stated at cost of acquisition or construction (net of CENVAT Credits) 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 and adjustments arising out of exchange rate variation relating to borrowings attributable to those fixed assets.
- 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 Profit and Loss Account. If at Balance Sheet date, there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.
- 4. Investments:**

Long-term investments are stated at cost less provisions, if any, for permanent diminution in value for other than temporary.
- 5. Valuation of Inventories:**
 1. Inventories are valued at lower of cost and net realizable value.
 2. Cost of raw materials is determined on specific identification method
 3. Stock of stores, spares and packing materials is determined on weighted average method.
 4. Finished goods and work in progress include conversion and other costs incurred in bringing the inventories to their present location and condition.
- 6. Revenue Recognition:**
 - 1. 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.
 - 2. Textile :** Product sales are exclusive of the excise duty, VAT, insurance and trade discounts. Sales for exports are accounted on the date of issue of the Mate's Receipt.
- 7. Borrowing costs:**

Borrowing costs 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 costs are charged to Profit and Loss Account.
- 8. Depreciation:**
 1. Depreciation on fixed assets acquired prior to 1.4.90 has been provided on written down value method and on additions thereafter have been provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
 2. Spinning as a process of manufacture has been considered on technical assessment as a continuous process plant as defined in Schedule XIV to the Companies Act, 1956 and depreciation has been provided accordingly.
 3. Depreciation on assets re-valued is calculated on their respective book values on straight-line method. The additional charge of depreciation on account of revaluation is deducted from the Revaluation Reserve and credited to the Profit and Loss Account.

PRIME URBAN DEVELOPMENT INDIA LIMITED

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 Profit and Loss account.

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.

Termination Benefits:

Compensation to employees opting for retirement under the Voluntary Retirement Schemes of the Company is amortized as follows:

- a) Sixty (60) months for payments paid before 31.03.2006 from the month of incurrence.
- b) Twenty five (25) months for payments paid during the year ended 31.03.2008 from the month of incurrence.

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 profit & loss account in the year of realization.
- b) Foreign currency loans availed prior to 1st April, 2004 for acquiring fixed assets are translated at the exchange rates prevailing at the end of the year. Gains or losses on translation are adjusted to the carrying cost of such fixed assets.
- c) Foreign currency assets and liabilities are stated at the rate of exchange prevailing at the year-end and resultant gains/losses are recognized in the Profit and Loss account. Exchange difference in respect of foreign exchange forward contracts (other than for acquisition of fixed assets) is recognized as income or expense over the life of the contract.

11. Taxation:

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

12. Lease Rentals:

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

13. Contingent Liabilities:

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

14. Research and Development Expenditure:

Capital expenditure on Research and Development is treated in the same manner of treatment in respect of fixed assets. Revenue expenses are charged to the profit and loss account in the year in which they are incurred.

15. 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.



PART B: NOTES ON ACCOUNTS:

	Rs. in thousands	Rs. in thousands
	31.03.2010	31.03.2009
1) A) Contingent liabilities not provided for in respect of		
(a) Disputed tax demands		
i) Sales tax, cess etc.	1,007	1,007
ii) Incometax	7,612	7,612
Total	8,619	8,619
(b) Export documentary bills discounted with Bank (since realized Rs.63,735 thousands previous year Rs. 37,144 thousands)	63,735	58,000
(c) Corporate Guarantee		
i) ATL Textile Processors Limited subsidiary of the company has given corporate guarantee to the working capital bankers of the company	52,900	52,900
ii) Manoj Yarn Processors Limited has given corporate guarantee to the working capital bankers of the company	600	600
iii) Pee Dee Yarn Processors Limited has given corporate guarantee to the working capital bankers of the company	400	400

B) Licensed and installed Capacity:

Licensed Capacity

Knitted Fabrics	Metric Tonnes	Nil	402
Knitted Garments	Numbers	Nil	6,90,000

Installed Capacity

Knitted Fabrics	Metric Tonnes	Nil	Nil
Knitted Garments	Numbers	Nil	6,50,000

C) Production:

Cotton yarn Manufactured	Kgs.	Nil	Nil
Cotton yarn Outsourced	Kgs.	13,88,783	15,00,068
Knitted Garments- Manufactured	(numbers)	1,99,544	5,16,057
Knitted Garments-Job Processed	(numbers)	-	2,36,213

Closing stock of yarn is net of process loss of 1 thousand kgs. (previous year 11 thousand kgs)

D) Turnover:

		31.03.2010		31.03.2009	
		Quantity	Value	Quantity	Value
		Rs. in thousands		Rs. in thousands	
Yarn Division	Kgs	15,64,777	2,79,222	16,80,505	3,03,181
Fabrics	Mtrs	-	-	3,581	200
Knitted Garments	Numbers	2,86,500	34,208	7,29,113	1,26,441

E) Stock of Finished Goods.

Opening Stock - Yarn	Kgs	2,25,006	4,25,056
- Garments	Numbers	3,03,462	2,78,710
Closing Stock - Yarn	Kgs	44,414	2,25,006
- Garments	Numbers	75,545	3,03,462

PRIME URBAN DEVELOPMENT INDIA LIMITED

	31.03.2010		31.03.2009	
	Quantity	Value Rs.in thousands	Quantity	Value Rs. in thousands
F) Raw material consumed:				
Cotton stock sold	1,35,259	4,057	1,19,071	7,236
Cotton Yarn (outsourced)	13,97,648	2,05,568	15,11,968	2,06,148
Garments-Fabrics & Yarn		29,610		50,643
Total		2,39,235		2,64,027

G) Value of Imports on CIF Basis:				
Components and spare parts		Nil		31

	31.03.2010		31.03.2009	
	Rs. in thousands	% of consumption	Rs. in thousands	% of consumption
I) Value of Raw materials, spares, consumables and components consumed				
a) Raw Materials:				
a) Imported	Nil	Nil	Nil	Nil
b) Indigenous	2,39,235	100.00	2,64,027	100.00
Total	2,39,235	100.00	2,64,027	100.00

b) Stores, spares and packing materials consumed:				
a) Imported	Nil	Nil	3,000	27.87
b) Indigenous	4,758	100.00	8,036	72.13
Total	4,758	100.00	11,036	100.00

J) Expenditure in foreign currency:	31.03.2010 Rs. in thousands	31.03.2009 Rs. in thousands
Sales commission, traveling and Interest etc.,	5,549	9,300

K) Earnings in foreign currency:		
Exports in FOB value	2,26,684	3,46,586

2) Secured loans dealt in Schedule 3 of the Balance Sheet are secured as under: -

1. Hire purchase loans and terms loans for purchase of vehicles are secured by hypothecation of respective assets.
2. Working capital advances from bank are secured by hypothecation of current assets and further secured by way of second charge over the land belonging to an Associate Company and further guaranteed by three of the Directors of the Company.



3) Firm / AOP in which the Company is a Partner / Member

a) M/s.Prime Developers

Name of Partners	Capital invested Rs. in thousands	Share in Profits	Share in Losses
Prime Urban Development India Limited	100	50.00%	66.66%
Pudumjee Industries Limited	100	12.50%	16.67%
Suma Commercial India Private Limited	--	12.50%	16.67%
Aristo Realty Developers Limited	--	25.00%	0.00

b) M/s.Prime Mall Developers

Name of Partners	Capital invested Rs. Thousands	Share in Profits	Share in Losses
Prime Urban Development India Limited	100	50.00%	66.66%
Pudumjee Plant & Laboratories Limited	100	25.00%	33.34%
Aristo Realty Developers Limited	-	25.00%	0.00

c) Prime - Newline AOP

Name of Members	Capital invested Rs. Thousands	Share in Profits	Share in Losses
Prime Urban Development India Limited	8,250	77.50%	77.50%
Newline Buildtech (P) Ltd	1,400	22.50%	22.50%

4) Managerial Remuneration under section 198 of the Companies Act, 1956:

	Rs. in thousands	
Remuneration /Perquisites for the year ended		
Salary	6,600	7,943
House Rent Allowance	39	59
Contribution to Provident Fund	792	9.54
Contribution to Superannuation	858	1,033
Perquisites	260	352
Gratuity	-	-
Total	8,549	10,341
b) Remuneration of Director Finance :		
Remuneration /Perquisites		
Salary	2,160	2,080
House Rent Allowance	216	144
Perquisites	200	173
Total	2,576	2,397
Grand total of Managerial Remuneration	11,125	12,738

Note:

Since no commission is being paid to the Managerial personnel, computation of net profit under section 349 of the Companies Act, 1956 has not been given.

5) Auditors' Remuneration and expenses:

	Rs. in thousands	
a) Audit Fees:		
Statutory Auditors	125	105
Branch Auditors	19	19
b) Tax Audit Fees:		
Statutory Auditors	15	12
Branch Auditors	9	-
c) Other Fees to Auditors:		
Taxation representation	25	20
Out of pocket expenses	10	15
Certification fees	42	42
Service Tax	20	15
Total	265	228

6) Foreign Exchange transactions:

Amount of Foreign Exchange difference (net) credited in the Profit and Loss Account Rs.436 thousands [previous year (Rs.3,006) thousands

PRIME URBAN DEVELOPMENT INDIA LIMITED

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

List of Related Parties and nature of relationships:

- i) Where control exists: (Wholly owned subsidiary companies):
 ATL Textile Processors Limited
 Manoj Yarn Processors Limited
 Pee Dee Yarn Processors Limited
 Prime Hometex Industries (India) Limited
- ii) Other Parties with whom the Company has entered into transactions during the year:
- a) Associates: -
 Aadarsh Jann Aawaash Limited
 ATL Selina Innerwear Private Limited
 Prime Developers
 Prime Mall Developers
 Prime-Newline AOP
- b) Key Managerial Personnel
 Mr. Purshottam Patodia, Chairman & Managing Director
 Mr. Manojkumar Patodia, Vice Chairman & Managing Director
 Mr. Anujj K.Patodia, Managing Director
- c) Enterprises having Common key Management Personnel
 Pat Credit Limited
 Anjana Syntex Co. Limited
- d) Relatives of Key Managerial Personnel:
 Mrs.Indiradevi Patodia, wife of Mr. Purushottam Patodia
 Mrs.Nandita Patodia, wife of Mr. Manojkumar Patodia
 Mrs.Meenal Patodia, wife of Mr.Anujj K. Patodia

iii) Transactions with related parties in the ordinary course of business:

Rs.in thousands

Sl. No.	Nature of Transaction	Subsidiary Companies	Associates	Key Managerial Personnel	Enterprises/ Relatives of Key Managerial Personnel	Total
1.	Purchase of goods	Nil	-	Nil	Nil	-
			(21)	(Nil)	(Nil)	(21)
2.	Rent received	Nil	21	Nil	Nil	21
			(18)	(Nil)	(Nil)	(18)
3.	Share of Profit from firms	Nil	81	Nil	Nil	81
			(19,356)	(Nil)	(Nil)	(19,356)
4.	Expenses reimbursed	106	2,312	Nil	Nil	2,418
		(1,377)	(8,256)	(Nil)	(Nil)	(8,256)
5.	Interest received	Nil	541	Nil	Nil	541
			(1,182)	(Nil)	(Nil)	(1,182)
6.	Interest paid	Nil	Nil	985	1,233	2,218
			(Nil)	(Nil)	(Nil)	(Nil)
7.	Directors' Remuneration	Nil	Nil	8,550	185	8,735
	Paid/sitting fees	(Nil)	(Nil)	(10,342)	(178)	(10,520)
8.	Balance as on 31.3.2010					
	ATL Textile Processors Limited	52,447 Cr				52,447 Cr
		(52,465) Cr				(52,465)Cr
	Pee Dee Yarn Processors Limited	207 Dr				207 Dr
		(197) Dr				(197) Dr
	Manoj Yarn Processors Limited	5,048 Dr				5,048 Dr
		(5,035) Dr				(5,035) Dr
	Prime Hometex Industries (India) Limited	3,170 Dr				3,170 Dr
		(3,105) Dr				(3,105) Dr
	Prime Developers	20,637 Dr				20,637 Dr
		(29,868) Dr				(29,868)Dr
	Prime Mall Developers	1,27,025 Cr				1,27,025 Cr
		(1,27,025) Cr				(1,27,025) Cr
	Prime Newline AOP	29 Dr				29 Dr
		(5,846) Dr				(5,846) Dr
	Aadarsh Jann Aawaash Limited	1,683 Dr				1,683 Dr
		(1,619) Dr				(1,619) Dr

Figures in brackets represent previous year's figures.

Note : During the year advances/Debtors no longer recoverable outstanding is written off in respect of ATL Selina Innerwear Private Limited, an Associate, Rs. 20,843 thousands



8) Advances in the nature of loans to associates/employees:
(Disclosure pursuant to clause 32 of the Listing Agreement)

Name	Amount outstanding (Rs. in thousands)	
	As on 31.03.2010	Maximum outstanding during the year.
Subsidiary Companies		
1) Manoj Yarn Processors Limited	5,048 Dr (5,035) Dr	5,048 (5,035)
2) Pee Dee Yarn Processors Limited	207 Dr (197) Dr	207 (197)
3) Prime Hometex Industries (India) Ltd	3,170 Dr (3,105) Dr	3,170 (3,105)

Note : Figures in brackets represents previous year's figures.

9) Basic and diluted Earnings per share (EPS) of face value of Rs.2/- each is calculated as under :-

Particulars	Rs. in thousands 31 st March 2010	Rs. in thousands 31 st March 2009
a. Profit/(Loss) after tax excluding extraordinary/exceptional items	(1,22,929)	1,32,938
b. Add : Extraordinary/Exceptional items	(47,680)	(2,09,605)
c. Profit/(Loss) after tax including extraordinary/exceptional items	(1,76,609)	(76,667)
d. Number of Equity shares outstanding	2,27,43,600	2,27,43,600
e. Basic/Diluted Earnings Per Share (EPS) - in Rs		
- EPS excluding extraordinary/exceptional items (a/d)	(9.60)	(3.37)
- EPS including extraordinary/exceptional items (c/d)	(7.50)	(12.59)
f. Face value per share	Rs.2/- per share	Rs.2/- per share

10) Accounting for taxes on income-Accounting Standard 22 (AS 22) Net deferred tax liability comprises of:

A. Deferred Tax Assets	31.03.2010	31.03.2009
1. Expenses covered by 43B	38	9
2. Carry forward Unabsorbed Depreciation	36,597	5,655
3. Others	9	656
Total	<u>36,644</u>	<u>6,320</u>

Deferred Tax Liabilities	31.03.2010	31.03.2009
1. Depreciation	30,305	38,524
2. Others	(808)	-
Total	<u>29,497</u>	<u>38,524</u>
Net Deferred Tax (Liability) / Assets**	<u>7,147</u>	<u>(32,204)</u>

** The company has not recognised Net Deferred Tax Asset in the financial Statements

PRIME URBAN DEVELOPMENT INDIA LIMITED

- 11) Based on information available with the Company regarding the status of suppliers, defined under Micro, Small and Medium Enterprises Development Act, 2006 and payments to them as specified under the notification GSR 719(E) dated 16th November, 2007 are as follow:

	31.03.2010	31.03.2009
a) The Principle amount and the interest due thereon remaining unpaid as on the Balance Sheet date	Rs. Nil	Rs. Nil
b) Interest paid along with the amount of the payment during the year	Rs. Nil	Rs. Nil
c) Interest due and payable but without adding the interest specified in the above mentioned act	Rs. Nil	Rs. Nil
d) The amount of interest accrued and remaining unpaid at the end of the year	Rs. Nil	Rs. Nil
e) Amount of interest remaining due and payable in subsequent years, and such interest actually paid to and deductible expenditure under section 23 of the said act	Rs. Nil	Rs. Nil

- 12) 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 Rules, the company has presented consolidated financial statements separately, in this annual report.

- 13) (a) In the opinion of the Board of Directors, the "Current Assets, Loans and Advances" have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
 (b) Balance of certain Debtors, Creditors and Advances are yet to reconciled and confirmed. In the opinion of the Management the difference would be insignificant.

14) a) The Exceptional Items in the Profit and Loss account comprise of:

Loss on sale assets at TFO Unit & Garment Unit and Impairment Loss	21,337
Write off Debts no longer recoverable	Rs. in 20,043 thousands
Total of Exceptional Items	42,180

- b) During the year on 8th May 2009 a fire broke-out in a storage godown gutting the finished garments and fabrics stocked therein valued at Rs.52,300 thousands. The goods are adequately insured. Claims made are under process by the insurers and as per the present discussions the claim is expected to be received in the due course. The incidence did not affect the operations of the Garment Factory and unit functioned uninterruptedly thereafter. Provision made for insurance claim receivable for Rs.46,800 thousands. As a matter of prudence the difference of Rs.5,500 thousands has been provided under "Extra-ordinary items" in the Profit and Loss account for the year.

- 15) The Hon'ble High Court of Madras vide its order 22nd September, 2010 approved a Scheme of Arrangement between the Company and its shareholders ("the Scheme"). The Scheme provides that with effect from 1st of April, 2009, the Appointed Date, a significant portion of Free hold Land, as the Company considers relevant and appropriate, will be reinstated at their respective fair values as determined by recognized valuers. Consequently, any adjustment on account of such reinstatement would be reflected in Business Reconstruction Reserve Account ("BRR") of the Company.

The Scheme further provides that the aggregate amount under the BRR created by way of reinstatement of Land and Building would be utilized, to the extent considered necessary and appropriate by the Board of Directors of the Company, from time to time, to adjust certain write off/impairment/diminution and other expenses as mentioned in the Scheme until the balance is available in the BRR account.

In terms of the Scheme, the Company had reinstated significant portion of its freehold land by creating Rs.24,74,868 thousands to the BRR and as per the Scheme, the BRR was further credited by an amount of Rs.54,000 thousands and Rs.65,000 thousands being the amounts standing to the credit of Securities Premium Account and Capital Redemption Account respectively as on 31st March, 2009. During the year, an amount of Rs. 64,615 thousands and Rs. 1,87,169 thousands were transferred from BRR to General Reserve and Profit and Loss account respectively. As per the Scheme, an aggregate amount Rs. 23,504 thousands was transferred from the BRR on account of the following expenses :

- a) Amortised amount of VRS Compensation Rs.18,004 thousands
 b) Exceptional / Extraordinary items Rs.5,500 thousands.

- 16) With Core business of the Company in textiles having been changed to the realty segment, the Company has changed its name as "Prime Urban Development India Limited" with effect from 5th July, 2010.



17) The company had invested to an extent of Rs.45,500 thousands in wholly owned Subsidiary Company M/s.Prime Hometex Industries (India) Limited incorporated in 2007 for pursuing the project for manufacture of Home Textile Products. However in the light of continued depressed conditions in the home textile market and local problem thwarting efforts to acquire suitable lands, further progress in the project could not be made so far. The management is however, hopeful of pursuing with the project after prevailing conditions improve. Accordingly no provision for diminution in the value thereof is considered necessary.

18) Disclosure in respect of Accounting Standard 15 " Employees Benefits" notified in the Companies (Accounting Standards) Rule 2007 :

Employee Benefit

The gratuity liability is funded by life Insurance Corporation of India under Group Gratuity Cash Accumulation Scheme

(In Rupees)

1.	Assumptions	31.03.2010	31.03.2009
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
2.	Changes in the present value of obligation		
	Present value of obligation as at beginning of year	27,26,820	44,44,681
	Interest Cost	2,18,146	3,55,574
	Current Service Cost	1,59,151	2,99,678
	Benefits paid	(10,79,655)	(91,07,438)
	Actuarial Loss/(Gain) on obligations	19,79,485	67,34,325
	Present value of obligations as at the end of year	40,03,947	27,26,820
3.	Changes in the fair value of plan assets		
	Fair value of plan assets at beginning of year	6,76,517	18,81,252
	Expected return on plan assets	19,494	1,27,512
	Contributions	5,00,346	77,75,191
	Benefits paid	(10,79,659)	(91,07,438)
	Actuarial Gain/(Loss) on Plan assets	Nil	Nil
	Fair value of plan assets at the end of year	1,16,702	6,76,517
4.	Fair value of plan assets		
	Fair value of plan assets at beginning of the year	6,76,517	18,81,252
	Actual return on plan assets	19,494	1,27,512
	Contributions	5,00,346	77,75,191
	Benefits paid	(10,79,655)	(91,07,438)
	Fair value of plan assets at the end of year	1,16,702	6,76,517
	Funded status	(38,87,245)	(20,50,303)
5.	Actuarial Gain/Loss recognized		
	Actuarial gain /(Loss) for the year - obligation	(19,79,485)	(67,34,325)
	Actuarial gain/(Loss) for the year - plan assets	Nil	Nil
	Total Loss/ (gain) for the year	19,79,485	67,34,325
	Actuarial Loss/(Gain) recognized in the year	19,79,485	67,34,325
6.	Amounts recognized in the balance sheet and Profit and Loss		
	Present value of obligations as at the end of the year	40,03,947	27,26,820
	Fair value of plan assets as at the end of the year	1,16,702	6,76,517
	Funded status	(38,87,245)	(20,50,303)
	Net Asset/(Liability) recognized in balance sheet	38,87,245	20,50,303
7.	Expenses charged in statement of Profit and Loss account		
	Current Service cost	1,59,151	2,99,678
	Interest Cost	2,18,146	3,55,574
	Expected return on plan assets	(19,494)	(1,27,512)
	Net Actuarial loss/(gain) recognized in the year	19,79,485	67,34,325
	Expenses recognized in statement of Profit and Loss account	23,37,288	72,62,065

19. Previous year's figures are re-grouped/re-arranged, wherever necessary to conform to this year/s presentation.

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

Manojkumar Patodia
Vice Chairman & Managing Director

For and on behalf of the Board

Purushottam Patodia
Chairman & Managing Director

Anuj K. Patodia
Managing Director

Banwarilal Singhal
Director

M.J.Vijayaaraghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

S.Rengasamy
Company Secretary

PRIME URBAN DEVELOPMENT INDIA LIMITED

As per notification dated 15.5.1995 issued by the Department of Company Affairs, the additional information under para IV as under:-

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details:			
Registration No.	L17111TZ1936PLC000001		
Balance Sheet Date	31-03-2010		
II. Capital rose during the year		(Figures rupees in thousands)	
Public Issue	Nil	Rights Issue	Nil
Bonus Public issue	Nil	Private Placement	Nil
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities	29,62,464	Total Assets	29,62,464
Sources of Funds:			
Paid up Capital	4,5487	Reserves & Surplus	24,19,788
Secured Loans	1,18,724	Unsecured Loans	1,70,147
Deferred Tax Liability		Current Liabilities	2,08,318
Application of Funds:			
Net Fixed Assets	25,53,978	Investments	1,08,326
Current Assets	3,00,160	Misc. Expenditure.	-
IV. Performance of the Company			
Turnover (including stock		Total Expenditure	4,63,425
Adjustment & other Income	2,60,612	Profit (+)/Loss (-) after tax	1,70,609
Profit (+)/Loss (-) Before tax	2,02,813	Dividend Rate : Equity	Nil
Earning per share in Rs.	(6.59)		
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms):			
Item Code No (ITC code)	520420.09		
Product Description	Cotton Yarn		

For and on behalf of the Board

Manojkumar Patodia
Vice Chairman & Managing Director

Purushottam Patodia
Chairman & Managing Director

Anuj K. Patodia
Managing Director

Banwarilal Singhal
Director

Place : Tirupur
Date : 12.11.2010

S.Rengasamy
Company Secretary



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956
Related to Subsidiary Companies

Sl. No.	Particulars	Name of Subsidiary Companies			
		ATL Textile Processors Limited	Manoj Yarn Processors Limited	Pee Dee Yarn Processors Limited	Prime Hometex Industries (India) Ltd.
1.	Financial Year ended 31st March.	2010	2010	2010	2010
2.	No. of shares held by holding Co.	10,37,450	50,900	50,900	45,50,000
3.	Face value of shares in. Rs.	10	10	10	10
4.	Extent of Holding (%) Held by Manoj Yarn Processors Ltd.	100	100	21.41 78.59	100
5.	Net aggregate amount of profits [losses] of the subsidiary for the above financial year so far as it concerns members of the Holding Company which are not dealt within the company's account	Rs. 15 thousands	Not applicable Operations not yet commenced	Not applicable Operations not yet commenced	Not applicable Operations not yet commenced
6.	-do-For the Financial Year	Rs. 15 thousands	-do-	-do-	-do-
7.	Net aggregate amount of profits [losses] of the subsidiary for the above financial year so far as it concerns members of the Holding Company which are dealt within the company's account	Rs.1,401 thousands	Not applicable	Not applicable	Not applicable
8.	Holding company's interest as at 31st March 2010 incorporating changes since the close of the financial year of the subsidiary company	No change	No change	No change	No change

For and on behalf of the Board

Manojkumar Patodia
Vice Chairman & Managing Director

Purushottam Patodia
Chairman & Managing Director

Anuj K. Patodia
Managing Director

Banwarilal Singhal
Director

Place: Tirupur
Date : 12.11.2010

S.Rengasamy
Company Secretary

Disclosure of information relating to the subsidiary companies as required by the Ministry of Corporate affairs, Government of India vide their approval letter No.47/241/2010 - CL III dated 5th April 2010

(Rupees in thousands)

Particulars	ATL Textile Processors Limited	Manoj Yarn Processors Limited	Pee Dee Yarn Processors Limited	Prime Hometex Industries India Limited
a) Share Capital	10,375	509	509	45,500
b) Reserves & surplus	42,483	Nil	Nil	Nil
c) Total asstes	52,955	5,563	722	46,142
d) Total liabilities	52,955	5,563	722	46,142
e) Details of investment	Nil	400	Nil	Nil
f) Operating income on lease basis	1,515	Nil	Nil	Nil
g) profit / (loss) Before tax	15	Nil	Nil	Nil
h) Provision for taxation	3	Nil	Nil	Nil
i) Profit / (loss) After tax	12	Nil	Nil	Nil
j) Proposed Dividend	Nil	Nil	Nil	Nil
k) Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee

PRIME URBAN DEVELOPMENT INDIA LIMITED

AUDITORS' REPORT

Report of the auditors to the Board of Directors of PRIME URBAN DEVELOPMENT INDIA LIMITED

We have audited the attached consolidated Balance Sheet of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED, and its subsidiaries as at 31st March 2010, and also the related Profit and Loss account and the Cash Flow Statement for the year ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of ATL TEXTILE PROCESSORS LIMITED, MANOJ YARN PROCESSORS LIMITED, PEE DEE YARN PROCESSORS LIMITED AND PRIME HOMETEX INDUSTRIES (INDIA) LIMITED subsidiaries, for the year ended 31st March 2010. These statements were audited by other auditors whose reports have been furnished to us, and our opinion, so far as it relates to these companies is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard-21 'Consolidated Financial Statement' issued by the Institute of Chartered Accountants of India, on the basis of the individual financial statements of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED and its subsidiary companies included in the aforesaid consolidation.

On the basis of the information and explanations given to us and on consideration of the separate Audit Reports on individual audited financial statement of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED and its subsidiary, in our opinion the consolidated financial statements give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED and its subsidiary as at 31st March 2010
- b) in the case of the consolidated Profit and Loss account, of the consolidated results of operations of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED and its subsidiaries for the year ended on that date, and
- c) in the case of the consolidated cash flow statement of the consolidated cash flows of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED and its subsidiaries for the year ended on that date.

In our opinion, based on our audits and the reports of other audits, the consolidated financial statements referred to above give a true and fair view of the financial position of M/s. PRIME URBAN DEVELOPMENT INDIA LIMITED, and subsidiaries as at 31st March 2010 and of the results of consolidated cash flows for the year ended conformity with generally accepted accounting principles in India.

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

Place : Tirupur
Date : 12.11.2010

M.J.Vijayaraaghavan
Membership No. 7534 Partner

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2010**

	Schedule	As at 31.03.2010 Rs.in thousands	As at 31.03.2009 Rs. in thousands
Sources of Funds			
(1) Shareholders' Funds			
Capital	1	45,487	45,487
Reserves and Surplus	2	2,421,211	1,52,979
		<u>2,466,698</u>	<u>1,98,466</u>
(2) Loan Funds			
Secured Loans	3	1,18,724	3,25,360
Unsecured Loans	4	1,17,700	52,955
		<u>2,36,424</u>	<u>3,78,315</u>
(3) Deferred Tax Liability			
		-	32,204
	Grand Total	<u>2,703,122</u>	<u>6,08,985</u>
Application of Funds			
(1) Fixed Assets			
Gross Block	5	26,41,489	3,36,546
Less: Depreciation		81,886	1,29,030
		<u>25,59,603</u>	<u>2,07,516</u>
Capital Work - in - Progress		7,259	7,259
Net Block		<u>25,66,862</u>	<u>2,14,775</u>
(2) Investments			
	6	10,764	3,399
(3) (i) Current Assets, Loans & Advances			
(a) Inventories	7	30,399	2,08,323
(b) Sundry Debtors		25,270	1,65,657
(c) Cash and Bank Balances		40,762	72,696
(d) Other Current Assets		49,665	7,107
(e) Loans and Advances		1,47,344	1,42,308
		<u>293,440</u>	<u>5,96,091</u>
(ii) Current Liabilities & Provisions			
(a) Liabilities	8	208,302	2,65,143
(b) Provisions		683	1,165
		<u>208,985</u>	<u>2,66,308</u>
Net Current Assets (i-ii)		<u>84,455</u>	<u>3,29,783</u>
(4) Miscellaneous Expenditure (to the extent not written off/adjusted)			
(i) Voluntary Retirement Scheme Compensation		-	18,005
(ii) Others		41,041	40,952
(iii) Profit and Loss account		-	2,071
		<u>2,703,122</u>	<u>6,08,985</u>

Significant Accounting Policies and notes on accounts
Schedule 1 to 8 and 18 form part of this Balance Sheet

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

M.J.Vijayaraaghavan
Partner : M.No.7534

Place : Tirupur
Date : 12.11.2010

Manojkumar Patodia
Vice Chairman & Managing Director
Anuj K. Patodia
Managing Director

For and on behalf of the Board

Purushottam Patodia
Chairman & Managing Director
Banwarilal Singhal
Director
S.Rengasamy
Company Secretary

PRIME URBAN DEVELOPMENT INDIA LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Schedule	Year ended 31.03.2010 Rs. in thousands	Year ended 31.03.2009 Rs. in thousands
INCOME			
Turnover	9	3,32,388	7,64,446
Other Income	10	7,966	4,479
Increase / (Decrease) in Stocks	11	(78,227)	(47,918)
		<u>262,127</u>	<u>7,21,007</u>
EXPENDITURE			
Cost of Materials	12	240,712	2,64,027
Personnel Expenses	13	32,833	54,977
Power and Fuel Consumed		5,638	14,801
Stores, Spares & Packing Materials Consumed		4,758	11,037
Processing Charges		10,628	57,319
Repairs and Maintenance	14	2,967	2,921
Selling & Distribution Expenses	15	17,992	42,553
Administrative & Other Expenses	16	34,214	55,778
Interest	17	41,005	55,296
		<u>3,90,747</u>	<u>5,58,709</u>
Gross Profit after interest before depreciation		(1,28,620)	1,62,298
Amortisation of Miscellaneous Expenditure		18,004	25,574
Depreciation	8,490		
Less: Transfer from Revaluation Reserve	-	8,490	20,261
Exceptional items including Loss on sale assets		42,180	-
Extraordinary items		5,500	2,09,605
Profit for the year before tax		(2,02,794)	(93,142)
Provision for - Current tax	3		-
Provision for Deferred Tax Asset / (Liability)	32,204		17,828
Fringe benefit tax - current year	-		
		<u>32,207</u>	<u>(1,359)</u>
Profit after tax		(1,70,587)	(76,673)
Surplus brought forward from previous year		(2,071)	9,987
Transfer From General Reserve		-	64,615
Transfer from Business Reconstruction Reserve		2,10,674	-
Amount available for appropriations		38,016	(2,071)
APPROPRIATIONS			
Proposed Dividend - Equity Shares		-	-
Tax on distributed profits		-	-
Transfer to General Reserve		30,000	-
Surplus carried over		8,016	(2,071)
		<u>38,016</u>	<u>(2,071)</u>
Basic/Diluted Earnings Per Share including Exceptional/Extraordinary item		(9.60)	(12.59)
Basic/Diluted Earnings Per Share excluding Exceptional/Extraordinary item		(7.50)	(3.37)
Significant Accounting Policies and notes on accounts Schedule 9 to 18 form part of this Profit and Loss Account	18		

As per our report of even date annexed

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

M.J.Vijayaraaghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

Manojkumar Patodia
Vice Chairman & Managing Director

Anuj K. Patodia
Managing Director

For and on behalf of the Board

Purushottam Patodia
Chairman & Managing Director

Banwarilal Singhal
Director

S.Rengasamy
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED	31.03.2010 Rs. in thousands	31.03.2009 Rs. in thousands
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT / (LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	(2,02,794)	(93,142)
Adjustments for:		
Depreciation	8,490	20,262
(Profit) / Loss on sale of assets	40,337	2,00,030
(Profit) / Loss on sale of investments	(1,050)	-
Deferred Revenue Expenditure &	17,914	23,554
Interest received	(3,008)	(3,353)
Interest charged	41,005	55,296
Extraordinary and Exceptional Items	47,680	2,09,605
	1,51,368	5,05,394
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(51,426)	4,12,252
Adjustments for:-		
Trade and other receivables	1,56,321	(1,81,534)
Inventories	1,77,924	67,443
Trade payables	(53,831)	(24,482)
	2,80,414	(1,38,573)
Cash Generation from operations - Before Extraordinary and Exceptional Items	2,28,988	2,73,679
Less : Extraordinary and Exceptional Items	47,680	(209,605)
Cash Generation from operations -	1,81,308	64,074
Direct taxes paid	(2,176)	(1,576)
	(2,176)	(1,576)
B. NET CASH FROM OPERATING ACTIVITIES Sub-total	1,79,132	62,498
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(760)	(173)
Purchase of Investments	(8,064)	(1,527)
Sale / Transfer value of Fixed assets	42,137	1,76,714
Sale of investments	1,750	-
Interest received	3,008	3,353
NET CASH USED IN INVESTING ACTIVITIES	38,071	1,78,367
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds/repayments Long term/(to) borrowings	(44,315)	(2,19,094)
Proceeds from Short term borrowings	(97,575)	15,148
Interest paid	(44,403)	(53,039)
Dividend paid	(95)	(3,527)
	(1,86,388)	(2,60,512)
NET CASH USED IN FINANCING ACTIVITIES	30,815	(19,647)
	6,805	26,447
NET INCREASE\ (DECREASE) IN CASH AND CASH EQUIVALENTS	37,620	6,800
Cash and cash Equivalents as at Opening balance		
Cash and cash Equivalents as at Closing balance		

Note:- 1. Margin Money Deposits have been included under "Trade and other receivables"

2. The above Cash Flow Statements prepared in indirect method as per AS-3 Cash Flow Statements issued by ICAI

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

Manojkumar Patodia
Vice Chairman & Managing Director

Anuj K. Patodia
Managing Director

For and on behalf of the Board
Purushottam Patodia
Chairman & Managing Director

Banwarilal Singhal
Director

S.Rengasamy
Company Secretary

M.J.Vijayaraaghavan
Partner : M.No.7534
Place : Tirupur
Date : 12.11.2010

PRIME URBAN DEVELOPMENT INDIA LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs.in thousands
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
6,25,00,000 Equity shares of Rs. 2 each	1,25,000	1,25,000
7,50,000 Preference shares of Rs.100 each	75,000	75,000
	<u>2,00,000</u>	<u>2,00,000</u>
Issued		
227,44,300 Equity shares of Rs. 2 each	45,489	45,489
1,50,000 8% Cumulative redeemable Preference Shares of Rs.100/- each	-	-
	<u>45,489</u>	<u>45,489</u>
Subscribed and paid up:		
227,43,600 Equity Shares of Rs. 10 each fully paid up	<u>45,487</u>	<u>45,487</u>
1,50,000 8% Cumulative Preference Shares of Rs.100/- each Subscribed and Paid-up Equity Shares includes 2,68,920 shares of Rs.10/- each allotted during previous years as fully paid bonus shares by capitalisation of general reserve		
SCHEDULE 2 : RESERVES AND SURPLUS		
General Reserve:		
As per Last Balance Sheet	-	64,615
Transfer from Business Reconstruction reserve	64,615	-
Transfer from / (to) Profit and Loss Account (Ref: Note No.15 In part B of Notes on Accounts)	30,000	(64,615)
	<u>94,615</u>	<u>-</u>
Business Reconstruction Reserve		
As per last balance sheet	-	-
Business Reconstruction Reserve as per Scheme	24,74,868	-
Transfer from Securities Premium Account	54,000	-
Transfer from Capital Redemption Reserve	65,000	-
	<u>25,93,868</u>	-
Amortisation Exps-transfer from Profit and Loss Account	(18,004)	-
Exceptional items-transfer from Profit and Loss Account	-	-
Extraordinary items-transfer from Profit and Loss Account	(5,500)	-
Transfer to General Reserve	(64,615)	-
Transfer to Profit and Loss Account	<u>(1,87,169)</u>	-
	23,18,580	-
Securities Premium Account		
As per last balance sheet	54,000	54,000
Transfer to Business Reconstruction Reserve	<u>(54,000)</u>	-
	-	54,000
Capital Redemption Reserve		
As per last balance sheet	65,000	65,000
Transfer to Business Reconstruction Reserve	<u>(65,000)</u>	-
	-	65,000
Revaluation Reserve :		
As per Last Balance Sheet	33,978	42,054
Adjusted to Land account	<u>(33,978)</u>	-
Withdrawals on assets sold	-	(8,075)
	-	<u>33,979</u>
Profit and Loss Account - Surplus		
	8,016	-
Total	<u>2,421,211</u>	<u>1,52,979</u>



SCHEDULES FORMING PART OF CONSOLIDATED THE BALANCE SHEET AS AT 31st MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 3 : SECURED LOANS		
(1) Loans and Advances from		
(a) Banks		
(i) Term Loans	-	36,762
(ii) Working Capital Advances	1,14,011	2,76,331
(iii) Vehicle Loans	1,195	1,396
(b) From Financial Institutions		
Term Loans	-	5,834
(c) From others	3,518	5,037
Total	<u>1,18,724</u>	<u>3,25,360</u>
(Details of security, Refer note no.(B)2 in schedule 19)		
SCHEDULE 4 : UNSECURED LOANS & ADVANCES		
i) LOANS		
1. a) Fixed Deposits - from Public (Repayable within one year Rs.9,341 thousands : Previous year Rs.434 thousands)	19,597	8,200
b) Fixed Deposits - from Directors	6,000	3,900
2. Intercompany Deposits (short term)	92,103	40,855
Total	<u>1,17,700</u>	<u>52,955</u>

SCHEDULE - 5 : FIXED ASSETS

Rs. in thousands

PARTICULARS	GROSS BLOCK				As at 31.03.2010	DEPRECIATION				NET BLOCK		
	As at 31.03.2009	Additions during the Year	Reinstated Value	Deductions during the Year		Upto 31.03.2009	For the Year	Impairment Provision	Withdrawn	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
Land-Free hold #	52,508	-	24,74,868	35,505	24,91,871	-	-	-	-	-	24,91,871	52,508
Buildings	50,154	-	-	11,150	39,004	16,232	1,262	-	837	16,657	22,346	33,922
Plant & Machinery	1,99,587	260	-	1,12,268	87,579	99,700	5,260	16,288	61,213	60,034	27,545	99,887
Furniture & Office Equipments	18,967	15	-	11,311	7,671	9,659	400	-	9,684	374	7,296	9,308
Vehicles \$	15,326	482	-	448	15,360	3,438	1,568	-	186	4,820	10,541	11,888
Livestock	4	-	-	-	4	-	-	-	-	-	4	4
Total	3,36,546	757	24,74,868	1,70,682	26,41,489	1,29,029	8,490	16,288	71,920	81,886	25,59,603	2,07,517
Corresponding previous year	11,40,015	687	-	8,04,156	3,36,546	5,28,100	20,261	-	4,19,332	1,29,029	2,07,517	-

Note: # - Land cost reinstated value is based on valuation by Recognised and Accredited valuer in the High Court Panel under a scheme approved by Hon'ble High Court of Madras and deletions includes Rs.33,979 thousands of Revaluation Reserve withdrawn from the Cost of land

\$ - Vehicles include cars costing Rs.15,123 thousandss (previous year Rs.13,040 thousands) purchased on Hire-purchase basis.

PRIME URBAN DEVELOPMENT INDIA LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

	31.03.2010 Rs. in thousands	31.03.2009 Rs.in thousands
SCHEDULE 6 : INVESTMENTS AT COST - LONG TERM		
Trade - Unquoted		
YS Spinners Limited		
129,000 Equity Shares of Rs.10 each	1,290	1,290
Aadarsh Jann Aawaash Limited		
70,000 Equity Shares of Rs.10 each	-	700
ATL-Selina Innerwear Pvt. Limited		
15,000 Equity Shares of Rs.10 each	-	150
Tirupur Infrastructure Development Company Ltd		
500 Equity Shares of Rs.1000 each	500	500
Non Trade - Quoted		
Velan Hotels Limited		
2,000 Equity Shares of Rs.10 each	20	20
Non Trade - Unquoted		
Metal Industries Limited		
800 Equity Shares of Rs.10 each	8	8
Asher Textiles Mills Co-operative Stores Ltd		
200 Equity Shares of Rs.5 each	1	1
Capital of Firms/AOP : Ref Note No.Sch 18 - B2		
Prime Developers	100	100
Prime Mall Developers	100	100
Prime Newline AOP	8,250	1,500
Investment in Birla Cash Plus	1,741	-
Government Securities		
Natinal Savings Certificate	50	50
Mutual Funds : Birla Sun Life	-	276
	<u>12,060</u>	<u>4,695</u>
Provision for diminution in value	<u>1,296</u>	<u>1,296</u>
	<u>10,764</u>	<u>3,399</u>
Aggregate of quoted investments : At book value	20	20
Aggregate of quoted investments : Market price	14	4
Aggregate of unquoted investments : At book value	<u>12,040</u>	<u>4,675</u>
SCHEDULE 7 : CURRENT ASSETS, LOANS AND ADVANCES:		
A. Current Assets:		
(a) Inventories :		
Stores,spares & packing materials	-	3,123
Stock in Trade :		
Raw materials	144	42,941
Finished goods	30,255	1,60,782
Land	-	1,477
	<u>30,399</u>	<u>2,08,323</u>
(b) Sundry Debtors :		
Unsecured, considered good-unless otherwise stated		
(i) Debts outstanding for a period exceeding six months		
Considered good	655	22,416
Considered doubtful	3,877	3,402
Less: Provision for doubtful debts	<u>(3,877)</u>	<u>(3,402)</u>
	-	-
(ii) Other debts	24,615	1,43,241
Total	<u>25,270</u>	<u>1,65,657</u>



SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

	As at 31.03.2010 Rs. in thousands	As at 31.03.2009 Rs. in thousands
SCHEDULE 7 : CURRENT ASSETS, LOANS AND ADVANCES: Contd.		
(c) Cash and Bank Balances:		
(i) Cash on hand	602	886
(ii) With Scheduled banks		
a) In Current Accounts	36,388	5,195
b) In Margin money and other Lien Deposit	3,143	65,891
c) In Unpaid Dividend Account	629	724
Total (A)	<u>40,762</u>	<u>72,696</u>
(d) Other Current Assets		
Interest accrued on deposits/investments	175	634
Income and other receivables	49,490	6,473
	<u>49,665</u>	<u>7,107</u>
Sub-Total (A)	<u>1,46,096</u>	<u>4,53,783</u>
B. Loans and Advances		
Unsecured-considered good, unless stated otherwise		
a) Advances recoverable in cash or in kind or for value to be received		
Considered Good	1,30,386	1,24,189
Considered Doubtful	336	339
Less: Provision for doubtful advances	(336)	(339)
b) Prepaid expenses	1,772	3,399
c) Advance Tax including tax deducted at source {net of provisions of Rs.8,758 thousands ; previous year Rs.8,758 thousands}	9,199	7,023
e) Income Tax Refund Receivable	2,797	2,797
f) Demand Deposits	3,189	4,828
g) Balance with Customs, Excise etc.,	-	72
Sub-total (B)	<u>1,47,344</u>	<u>1,42,308</u>
Total (A + B)	<u>2,93,440</u>	<u>5,96,091</u>
SCHEDULE 8: CURRENT LIABILITIES & PROVISIONS		
A. Current Liabilities		
Sundry Creditors		
Due to Small Scale Industrial units	-	-
Due to other than SSIs	30,952	84,307
Other current liabilities	47,985	23,380
Current Account outstanding in Partnership firms	1,27,025	1,40,213
Unclaimed Dividends *	629	724
Unclaimed Fixed Deposits	-	11,410
Interest accrued but not due on loans	1,711	5,109
	<u>2,08,302</u>	<u>2,65,143</u>
B. Provisions		
For Pension, Gratuity & Superannuation Fund	683	1,165
	<u>683</u>	<u>1,165</u>
(* There are no amounts due and outstanding to be credited to Investors Education and Protection Fund)		
Total (A & B)	<u>2,08,985</u>	<u>2,66,308</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

**SCHEDULES FORMING PART OF CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2010**

	Year ended 31.03.2010 Rs.in thousands	Year ended 31.03.2009 Rs.in thousands
SCHEDULE 9 : TURNOVER		
Textile Segment		
Cotton Yarn	2,57,622	2,86,770
Knitted Garments & Fabrics	30,616	1,15,964
Export Incentives	17,877	11,570
Business Receipts	6,096	14,158
Waste	1,219	1,360
Realty Segment		
Profit on Sale of Land	16,886	10,268
Consideration towards transfer of developmental rights and FSI	-	3,05,000
Share of Profits from Residential Project	81	19,356
Incidental income	652	-
Sub-Total	<u>3,31,049</u>	<u>7,64,446</u>
Sale value of Land (ATL Textile Processors Ltd)	1,339	-
Total	<u>3,32,388</u>	<u>7,64,446</u>
SCHEDULE 10 : OTHER INCOME		
Miscellaneous Income	1,685	934
Interest receipts (TDS Rs. 589 thousands previous year Rs. 447 thousands)	3,008	3,353
Excess provision for diminution of investment reversed	-	10
Insurance claim received	-	164
Dividend Receipts	146	18
Profit on sale of assets (net)	1,906	-
Profit on sale of Investments	1,050	-
Land Development Charges received	171	-
	<u>7,966</u>	<u>4,479</u>
SCHEDULE: 11: INCREASE /(DECREASE) IN STOCKS		
Stock at closing:		
Finished Goods	30,255	1,60,782
	<u>30,255</u>	<u>1,60,782</u>
Less:		
Stock at Commencement:		
Finished Goods	1,60,782	2,08,700
Less : Value of stocks burnt out - treated separately	(52,300)	-
	<u>1,08,482</u>	<u>2,08,700</u>
Net Total	<u>(78,227)</u>	<u>(47,918)</u>
SCHEDULE 12: COST OF MATERIALS		
Opening Stock of Materials	42,941	49,559
Add: Purchases	1,96,438	2,57,409
	<u>2,39,379</u>	<u>3,06,968</u>
Less: Closing stock of Materials	144	42,941
Sub-total	<u>2,39,235</u>	<u>2,64,027</u>
Add: Cost of Land	1,477	-
Total	<u>2,40,712</u>	<u>2,64,027</u>



**SCHEDULES FORMING PART OF CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Year ended 31.03.2010 Rs. in thousands	Year ended 31.03.2009 Rs. in thousands
SCHEDULE 13: PERSONNEL EXPENSES		
Salaries, Wages, Bonus and others	19,295	33,554
Managerial Remuneration	11,125	12,738
Contribution to Provident and other Funds	1,325	6,649
Welfare Expenses	1,088	2,036
Total	<u>32,833</u>	<u>54,977</u>
SCHEDULE 14: REPAIRS & MAINTENANCE		
Buildings	1,842	969
Machinery	772	1,256
Others	353	696
Total	<u>2,967</u>	<u>2,921</u>
SCHEDULE 15: SALES & DISTRIBUTION EXPENSES		
Brokerage and Commission	7,695	12,729
Freight, Forwarding & Other Expenses	10,297	29,824
Total	<u>17,992</u>	<u>42,553</u>
SCHEDULE 16: ADMINISTRATIVE & OTHER EXPENSES		
Insurance	1,649	3,235
Postage, Telephone, Printing & Stationery	2,436	4,425
Travelling, Motor Vehicle maintenance	7,550	10,453
Bank Charges, Filing Fees, Subscription & Advertisement	7,635	11,179
Rent	6,229	9,149
Rates & Taxes	1,947	2,510
Directors' Sitting Fees	390	350
Auditors' Remuneration and Expenses	280	240
Miscellaneous Expenses	5,973	10,588
Donations	62	42
Loss on sale of assets (net)	63	430
Bad debts written off	-	2,023
Provision for Bad and doubtful debts	-	1,154
Total	<u>34,214</u>	<u>55,778</u>
SCHEDULE 17: INTEREST		
On Fixed Loans	14,702	11,517
On Others	26,303	43,779
Total	<u>41,005</u>	<u>55,296</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date:

SCHEDULE 18: NOTES FORMING PART OF ACCOUNTS

Part A. SIGNIFICANT ACCOUNTING POLICIES

General:

Accounts are prepared on historical cost (except for certain fixed assets which have been re-valued) and on the accounting principles of a going concern

The mercantile system of accounting is followed and income and expenditure are recognized on accrual basis except those with significant uncertainties.

Principles of Consolidation: The consolidated financial statements relate 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 (formerly known as ATL Patodia Finance Limited), Manoj Yarn Processors Private Limited, Pee Dee Yarn Processors Private Limited and Prime Hometex Industries (India) Limited. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets and liabilities after fully eliminating intra-group balances and intra-group transaction resulting in unrealized profits or losses.

Financial statements of both parent company and subsidiary companies have been drawn up to 31st March 2010, the reporting date.

1. Contingent Liabilities:

Contingent Liabilities are disclosed to the Notes to Accounts 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 in the Notes to Accounts under Significant Accounting Policies for financial statements of the Company and its subsidiary companies.

PART B: NOTES ON ACCOUNTS :

	31.03.2010	31.03.2009
	Rs. in thousands	Rs. in thousands
1) A) Contingent liabilities not provided for in respect of		
a) Disputed tax demands		
i) Other tax, cess etc.	1,007	1,007
ii) Incometax	7,612	<u>7,612</u>
Total	8,619	<u>8,619</u>
b) Export documentary bills discounted with Bank (since realized Rs.63,735 thousands; previous year Rs. 37,144 thousands)	63,735	58,000
c) Corporate Guarantee		
i) ATL Textile Processors Limited subsidiary of the Company has given corporate guarantee to the working capital bankers of the Company	52,900	52,900
ii) Manoj Yarn Processors Limited has given corporate guarantee to the working capital bankers of the Company	600	600
iii) Pee Dee Yarn Processors Limited has given corporate guarantee to the working capital bankers of the Company	400	400
2) Firm / AOP in which the Company is a Partner / Member	31.03.2010	31.03.2009
	Rs. in thousands	Rs.in thousands
a) M/s.Prime Developers		
Name of Partners	Capital invested	Share in
	Rs. thousands	Profits
Prime Urban Development India Limited	100	50.00%
Pudumjee Industries Limited	100	12.50%
Suma Commercial India Private Limited	--	12.50%
Aristo Realty Developers Limited	--	25.00%
		Share in
		Losses
		66.66%
		16.67%
		16.67%
		0.00%



b) M/s.Prime Mall Developers

Name of Partners	Capital invested Rs.thousands	Share in Profits	Share in Losses
Prime Urban Development India Limited	100	50.00%	66.66%
Pudumjee Plant & Laboratories Limited	100	25.00%	33.34%
Aristo Realty Developers Limited	-	25.00%	0.00

c) Prime - Newline AOP

Name of Members	Capital invested Rs. thousands	Share in Profits	Share in Losses
Prime Urban Development India Limited	8,250	77.50%	77.50%
Newline Buildtech Private Limited	1,400	22.50%	22.50%

31.03.2010 31.03.2009
Rs. in thousands Rs. in thousands

3) a) Managerial Remuneration under section 198 of the Companies Act, 1956:

Remuneration /Perquisites for the year ended		
Salary	6,600	7,943
House Rent Allowance / Rent free accommodation	39	59
Contribution to Provident Fund	792	954
Contribution to Superannuation	858	1,033
Perquisites	260	352
Gratuity	0	0
Total	<u>8,549</u>	<u>10,341</u>

b) Remuneration of Director Finance :

Remuneration /Perquisites		
Salary	2,160	2,080
House Rent Allowance	216	144
Perquisites	200	173
Total	<u>2,576</u>	<u>2,397</u>
Grand total of Managerial Remuneration	<u>11,125</u>	<u>12,738</u>

4) Auditors' Remuneration and expenses:

a) Audit Fees:		
Statutory Auditors	136	115
Branch Auditors	19	19
b) Tax Audit Fees:		
Statutory Auditors	15	12
Branch Auditors	9	0
c) Other Fees to Auditors:		
Taxation representation	25	22
Out of pocket expenses	10	15
Certification fees	46	42
Service Tax	20	15
Total	<u>280</u>	<u>240</u>

Note: Audit fees Rs. 58 thousands (previous year Rs.35 thousands) paid by three subsidiary companies is grouped in preliminary expenses as they have not yet commenced their operation.

PRIME URBAN DEVELOPMENT INDIA LIMITED

6) Foreign Exchange transactions:

Amount of Foreign Exchange difference (net) credited in the Profit and Loss Account Rs. 436 thousands [previous year (Rs.3,006) thousands]

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

List of Related Parties and nature of relationships:

Other Parties with whom the Company has entered into transactions during the year::

- a) Associates: -
 - i) Aadarsh Jann Aawaash Limited
 - ii) ATL Selina Innerwear Private Limited
 - iii) Prime Developers
 - iv) Prime Mall Developers
 - v) Prime-Newline AOP

- b) Key Management Personnel and their relatives
 - i) Mr. Purshottam Patodia, Chairman & Managing Director
 - ii) Mr. Maojjkumar Patodia, Vice Chairman & Managing Director
 - iii) Mr. Anujj K.Patodia, Managing Director

- c) Enterprises having Common key Management Personnel
 - i) Pat Credit Limited
 - ii) Anjana Syntex Company Limited

- d) Relatives of Key Management Personnel:
 - i) Mrs.Indiradevi Patodia, wife of Mr. Purushottam Patodia
 - ii) Mrs.Nandita Patodia, wife of Mr. Manojkumar Patodia
 - iii) Mrs.Meenal Patodia, wife of Mr..Anujj K. Patodia



SCHEDULE 18: NOTES FORMING PART OF CONSOLIDATED ACCOUNTS (contd.)

ii) Transactions with related parties in the ordinary course of business:

Rs. in thousands

Sl. No.	Nature of Transaction	Associates	Key Managerial Personnel	Enterprises/ Relatives of Key Managerial Personnel	Total
1.	Purchase of goods	Nil (21)	Nil (Nil)	Nil (Nil)	Nil (21)
2.	Sale of goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3.	Sale of Fixed Assets	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4.	Job charges paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5.	Rent received	21 (18)	Nil (Nil)	Nil (Nil)	21 (18)
6.	Rent /Dividend paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7.	Job charges received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8.	Share of Profit on firm	81 (19,356)	Nil (Nil)	Nil (Nil)	81 (19,356)
9.	Expenses reimbursed	2,312 (8,256)	Nil (Nil)	Nil (Nil)	2,312 (8,256)
10.	Interest received	541 (1,182)	Nil (Nil)	Nil (Nil)	541 (1,182)
11.	Balance as on 31.3.2010				
	Prim Developpers	43,137 Dr (29,868) Dr			43,137 Dr (29,868) Dr
	Prime Mall Developers	1,27,025 Cr (1,27,025) Cr			1,27,025 Cr (1,27,025) Cr
	Aadarsh Jann Aawaash Limited	1,683 Dr (1,619) Dr			1,683 Dr (1,619) Dr
	Prime Newline AOP	29 Dr (5,846) Dr			29 Dr (5,846) Dr

Note: During the year advances/debtors no longer recoverable is written off in respect of ATL Selina innerwear Private Limited, an Associate, amounting to Rs. 20,843 thousands

8) Basic and diluted Earnings per share (EPS) of face value of Rs.2 each is calculated as under :-

Particulars	Rs. in thousands	Rs. in thousands
	31 st March 2010	31 st March 2009
a Profit/(Loss) after tax excluding extraordinary/exceptional items	(122,907)	1,32,932
b. Add : Extraordinary/Exceptional items	(47,680)	(2,09,605)
c. Profit/(Loss) after tax including extraordinary/exceptional items	(1,70,587)	(76,673)
d. Weighted average number of Equity shares outstanding	2,27,43,600	2,27,43,600
e. Basic/Diluted Earnings Per Share (EPS) - in Rs.		
- EPS excluding extraordinary/exceptional items (a/d)	(7.50)	(3.37)
- EPS including extraordinary/exceptional items (c/d)	(9.60)	(12.59)
f. Face value per share	Rs.2/- per share	Rs.2/- per share

PRIME URBAN DEVELOPMENT INDIA LIMITED

9. Accounting for taxes on income-Accounting Standard 22 Net deferred tax liability as at 31st March, 2010 comprises of :

Rs. in thousands

	31.03.2010	31.03.2009
DEFERRED TAX ASSET		
1) Expenses covered by 43B	38	9
2) Carry forward Unabsorbed Depreciation	36,597	5,655
3) Others	9	656
Total	<u>36,644</u>	<u>6,320</u>
DEFERRED TAX LIABILITIES		
1) Depreciation	30,305	38,524
2) Others	(808)	-
Total	<u>29,497</u>	<u>38,524</u>
Net Deferred Tax (Liability) / Assets	<u>7,147</u>	<u>(32,204)</u>

10. a) For reasons of overall efficiency improvements and taking into account the nature of activities of the company stand reclassified by way of identification of business segments from the current year. Comparatives for the previous period are stated in conformity with present classification.

b) Segment-wise results for the year ended:

Rs. in thousands

Particulars	Textiles		Reality	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
a) Segment Revenue				
Sales including benefit but net of excise duty	3,14,769	4,29,822	17,619	3,34,624
b) Segment Revenue:				
Profit(Loss) before tax & interest from each segment	(1,18,647)	(1,44,348)	9,242	3,19,915
c) Less: Interest	40,605	50,892	400	4,403
d) Exceptional items	47,680	2,09,606	--	--
e) Profit/(Loss) before tax	(2,06,932)	(4,04,845)	8,842	3,15,512
Less: Provision for current tax	(303)	--	--	--
Less: MAT credit entitlement	--	--	--	--
Less: Provision for deferred tax (Asset) / Liability	(32,204)	(17,828)	--	--
Less: Provision for FBT	--	1,359	--	--
f) Less: Other un allocable Expenditure	4,399	3,809	--	--
g) Profit/(Loss) after tax	(1,79,430)	(3,92,185)	8,842	3,15,512
h) Carrying amount of segment Asset	3,45,951	4,70,114	24,83,952	3,05,512
i) Carrying amount of Segment Liabilities	4,45,410	3,94,907	8,842	--
j) Cost incurred to acquire Segment Fixed Assets during the year	757	688	--	--
k) Depreciation and Amortization of Miscellaneous expenditure	26,495	45,835	--	--

11. Previous year's figures are re-grouped/re-arranged, wherever necessary to conform to this year's presentation.

For and on behalf of the Board

Manojkumar Patodia
Vice Chairman & Managing Director

Purushottam Patodia
Chairman & Managing Director

Anuj K. Patodia
Managing Director

Banwarilal Singhal
Director

Place : Tirupur
Date : 12.11.2010

S.Rengasamy
Company Secretary



PRIME URBAN DEVELOPMENT INDIA LIMITED

(Formerly Prime Textiles Limited)

Registered Office : 110, Avinashi Road, Gandhi Nagar Post, Tirupur.- 641 603

PROXY FORM

Folio No. / Client ID No. :

No. of Shares :

I/We

of in the district of

Being a MEMBER / MEMBERS of the above-named company, hereby appoint

.....

of in the district of

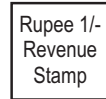
..... or failing him

of in the district of

..... as my\our proxy to attend and vote for me/us and on my\our behalf at the 73rd Annual General Meeting of the company to be held on Thursday, the 30th December, 2010 at 4.00 p.m at the Registered office Company and at any adjournment thereof

Signed this..... day of..... 2010.

Signature



Note: The Proxy should be deposited at the Registered Office of the company not less than 48 hours before the time of holding the above meeting



PRIME URBAN DEVELOPMENT INDIA LIMITED

(Formerly Prime Textiles Limited)

Registered Office : 110, Avinashi Road, Gandhi Nagar Post, Tirupur.- 641 603

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP BEFORE YOU COME TO THE MEETING AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

1. Name of the attending Member
(in Block letters)

2. Register Folio No. / Client ID No.

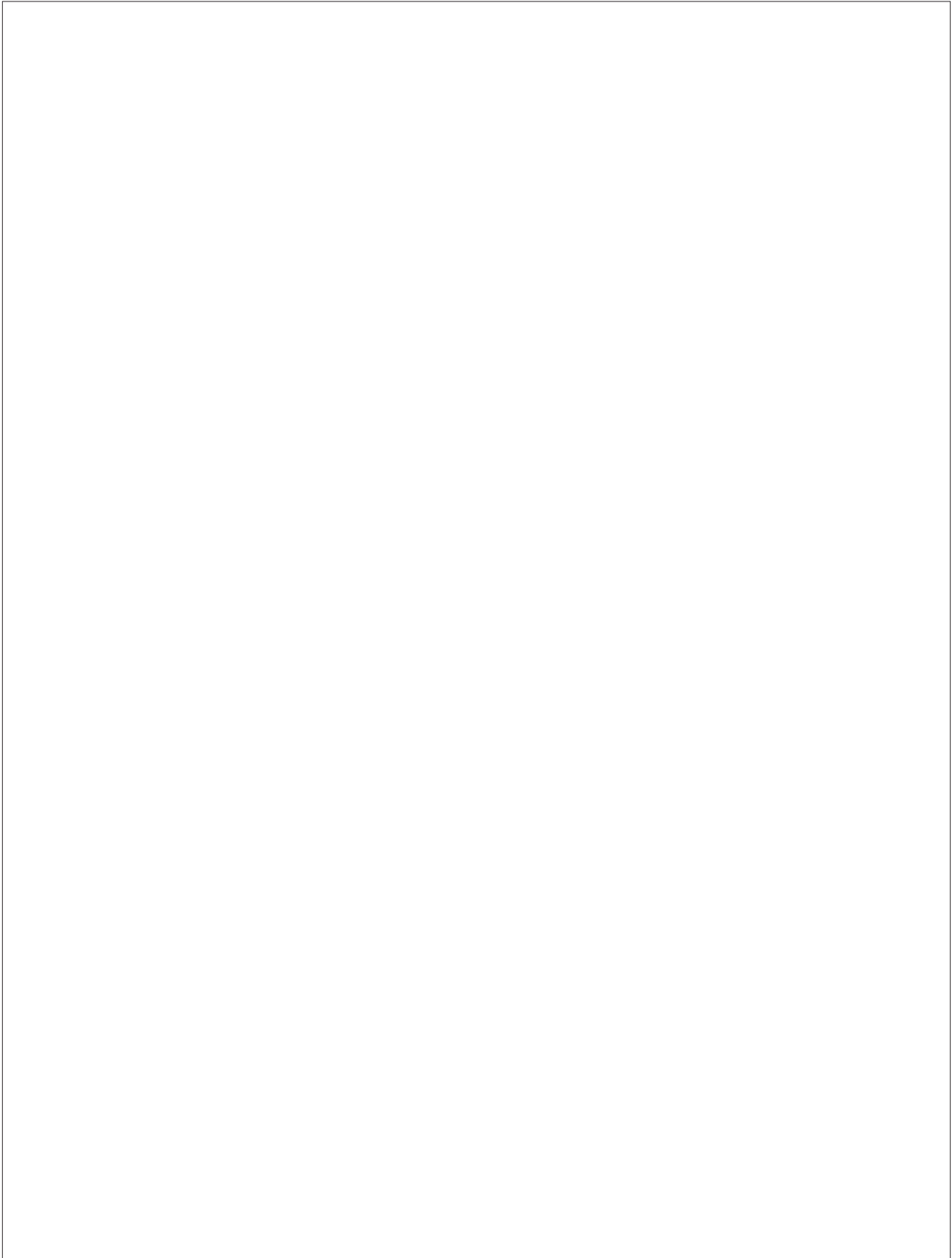
3. Name of Proxy (in Block Letters)
(to be filled if the proxy attends instead of the member)

4. No. of shares held

I hereby record my presence at the 73rd Annual General Meeting at No.110 Avinashi Road, Tirupur 641603 on Thursday, the 30th December 2010 at 4.00 p.m. at the Registered office of the Company.



.....
Members \Proxy's signature



Wrapper back inner

Wrapper back outer