

**81<sup>st</sup>**  
***Annual Report***  
**2017-2018**



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

we make your dreams come true

# **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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## **81<sup>st</sup> ANNUAL REPORT 2017-18**

### **CORPORATE INFORMATION**

#### **BOARD OF DIRECTORS**

##### **CHAIRMAN**

Mr. Purusottamdas Patodia

##### **VICE CHAIRMAN**

Mr. Manoj Kumar Patodia

##### **MANAGING DIRECTOR**

Mr. Anuj Patodia

##### **WHOLE TIME DIRECTOR**

Mr. T. Paul Sugumaran

##### **DIRECTORS**

Mr. N.K. Bafna

Mr. Banwarilal Singhal

Mr. Venkatchalam Ramaswamy

Mrs. Ryna Zaiwalla Karani

##### **CHIEF FINANCIAL OFFICER**

Mr. S. Udayananda

##### **SENIOR MANAGER – LEGAL AND COMPANY SECRETARY**

Mr. Krunal Shah

##### **STATUTORY AUDITORS**

M/s. L. U. Krishnan & Co.

Chartered Accountants, Chennai

##### **INTERNAL AUDITORS**

M/s. K. Sundaramurthy & Co.

Chartered Accountants, Coimbatore

##### **LEGAL ADVISORS**

M/s. Ramani & Shankar

Advocates, Coimbatore

##### **BANKERS**

Central Bank of India

#### **REGISTERED OFFICE**

110, Avanashi Road, Gandhi Nagar Post,

Tirupur- 641 603, Tamil Nadu, India.

Tel No.: +91 421 4307800

#### **CORPORATE OFFICE**

106, 10th Floor, Mittal Chamber,

Nariman Point, Mumbai- 400021,

Tel No.: +91 22 6164 5000

Fax No.: +91 22 6164 5070

Email ID: [companysecretary@ptlonline.com](mailto:companysecretary@ptlonline.com)

#### **REGISTRAR & SHARE TRANSFER AGENTS**

S.K.D.C. Consultants Limited

Kanapathy Towers, 3rd Floor, 1391/A-1,

Sathy Road, Ganapathy Post,

Coimbatore – 641 006, Tamil Nadu, India.

Tel No. : +91 422 4958995

Fax No. : +91 422 2539837

#### **WEBSITE**

[www.ptlonline.com](http://www.ptlonline.com)

#### **CORPORATE IDENTIFICATION NUMBER**

L70200TZ1936PLC000001

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### LETTER FROM THE CHAIRMAN



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

Dear Shareholders,

I am very happy to share with you the performance of your Company for the financial year 2017-18.

Indian economy at the start of 2017-18 felt the continuing effects of demonetization which were further compounded by the implementation of GST in the 2nd quarter. This coupled with high Non-Performing Assets accumulated with Public sector banks worsened the liquidity in the economy. However, in October, the government announced a mammoth recapitalization plan of Rs 2.11 lakh crore for public-sector banks. This is expected to improve the liquidity position going ahead. Despite these issues India's GDP recovered and is estimated to have increased at 6.6% in 2017-18 and is expected to grow 7.3% in 2018-19.

During the year, the Indian residential market has breached new lows in terms of supply and sales for every successive year of this decade. Despite the massive need for housing that India is facing, huge unsold inventories caused by a prolonged focus of the developers on the wrong apartment ticket sizes have resulted in the poor performance of the residential real estate industry. The government aggressively tried to push a culture of transparency through measures such as demonetizations, Goods and Services Tax (GST) and the Real Estate (Regulation and Development) Act, 2017 (RERA) which are expected to alter the course of the industry in the long term.

A robust establishment of skill-based manufacturing industries has led to fast paced urbanization in south India, housing around 102.8mn people in just urban areas (27.3% of India's total urban population). Tamil Nadu, Andhra Pradesh, Karnataka and Kerala house close to 50% of the total number of SEZs in the country. Together with industrial growth, IT remains the dominant driver for the real estate market.

The growth potential in southern India is humongous. Tamil Nadu contributes approximately 10.93% to India's overall GDP and ranks 2nd among the 36 Indian States & Union Territories in terms of GDP contribution. Contribution of the southern states of India is nearly 31% of the GDP of India. The Real Estate sector in the South is also picking up on account of growth in sectors like Auto, Consumer goods, Power consumption & Cement in the recent past.

Your Company is mainly engaged in the Real Estate sector in South India. Your Company is mainly focused in the Tirupur city of the state of Tamil Nadu and with the opening up of the Affordable Housing segment due to Government push, your Company is exploring opportunities in the same. Your Company is also aggressively seeking out opportunities in various parts of the country.

Your Company's consolidated revenue for FY18 was Rs. 97.73 Cr. with EBITDA of Rs. 8.33 Cr. In the Textile division, our revenues in FY18 were Rs. 56.32 Cr with an EBIT of Rs. 0.46 Cr.

Best regards,

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



## PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001

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

Website: [www.ptlonline.com](http://www.ptlonline.com), Email id: [companysecretary@ptlonline.com](mailto:companysecretary@ptlonline.com)

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

### NOTICE

NOTICE is hereby given that the EIGHTY FIRST Annual General Meeting of the Members of **PRIME URBAN DEVELOPMENT INDIA LIMITED** will be held at Hotel Viswa's, Opp. to Prime Enclave Vistas Apartments, 112/1, Asher Nagar, Avanashi Road, Tirupur-641 603, Tamil Nadu on **Wednesday, 8th August, 2018 at 3.00 p.m.** to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Manoj Kumar Patodia (DIN: 00026455), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Company hereby ratifies the appointment of M/s. L. U. Krishnan & Co, Chartered Accountants, registered with the Institute of Chartered Accountants of India vide Firm registration number 001527S as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of 82<sup>nd</sup> Annual General Meeting on such remuneration plus applicable taxes and out of pocket expenses, as may be mutually agreed upon by the Board of Directors and Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) and /or Mr. Krunal Shah, Senior Manager - Legal and Company Secretary be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

#### **SPECIAL BUSINESS**

4. To re-appoint Mr. Purusottamdas Patodia as Chairman and Managing Director of the Company and in this regard, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other statutory approvals as may be necessary, approval of the Members of the Company be and is hereby accorded to re-appoint Mr. Purusottamdas Patodia (DIN: 00032088) as Chairman and Managing Director of the Company for a period of 3 (three) years, on expiry of his present term of office, i.e with effect from April 1, 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Purusottamdas Patodia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Purusottamdas Patodia's term of office as Chairman and Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

5. To re-appoint Mr. Manoj Kumar Patodia as Vice Chairman and Managing Director of the Company and in this regard, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other statutory approvals as may be necessary, approval of the Members of the Company be and is hereby accorded to re-appoint Mr. Manoj Kumar Patodia (DIN: 00026455) as Vice Chairman and Managing Director of the Company for a period of 3 (three) years, on expiry of his present term of office, i.e with effect from April 1, 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Manoj Kumar Patodia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Manoj Kumar Patodia’s term of office as Vice Chairman and Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

6. To re-appoint Mr. Anuj Patodia as Managing Director of the Company and in this regard, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other statutory approvals as may be necessary, approval of the Members of the Company be and is hereby accorded to re-appoint Mr. Anuj Patodia (DIN: 00026458) as Managing Director of the Company for a period of 3 (three) years, on expiry of his present term of office, i.e with effect from April 1, 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Anuj Patodia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Anuj Patodia’s term of office as Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

7. To re-appoint Mr. T. Paul Sugumaran as Whole Time Director of the Company and in this regard, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other statutory approvals as may be necessary, approval of the Members of the Company be and is hereby accorded to re-appoint Mr. T. Paul Sugumaran



(DIN: 01875775) as Whole Time Director of the Company for a period of 3 (three) years, on expiry of his present term of office, i.e with effect from June 1, 2018, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. T. Paul Sugumaran, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. T. Paul Sugumaran's term of office as Whole Time Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

8. To re-appoint Mr. N. K. Bafna as an Independent Director of the Company and in this regard, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. N. K. Bafna (DIN: 00019372), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024."

9. To re-appoint Mr. Banwarilal Singhal as an Independent Director of the Company and in this regard, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Banwarilal Singhal (DIN: 00006433), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024."

10. To re-appoint Mr. Venkatchalam Ramaswamy as an Independent Director and in this regard, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Venkatchalam Ramaswamy (DIN: 00008509), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024."

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

**Place: Mumbai**  
**Date: May 21, 2018**

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

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the AGM, is annexed hereto.
3. Corporate members intending to send their authorized representative(s) to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 2, 2018 to Wednesday, 8th August, 2018 (both days inclusive).
5. Documents in respect of items referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
6. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in electronic form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
7. Members holding shares in physical form are requested to notify/send:
  - Any change in their address/mandate/bank details;
  - Particulars of their bank account, in case the same have not been sent earlier;
  - Quote their Folio numbers in all correspondences; and
  - Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company’s Registrar and Share Transfer Agent, SKDC Consultants Limited, Coimbatore at the earliest but not later than Tuesday, August 1, 2018.
8. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with regards to the Directors seeking appointment and re-appointment at this AGM is given as an Annexure to this Notice.
9. Electronic copy of Annual Report for the financial year 2017-18 and Notice calling the 81st AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is also being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2017-18 and Notice of the 81st AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in and copies of the Annual Report at the AGM.
11. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.





12. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

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

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

13. The Securities and Exchange Board of India ("SEBI") has mandated submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.

14. a) In accordance to the provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer to its Members facility for voting through electronic means ("E-voting") on the resolutions proposed to be passed at the AGM.

The Company has engaged Central Depository Services (India) Limited ("CDSL"), an agency authorized by the Ministry of Corporate Affairs for providing e-voting platform.

- b) The Members may cast their votes through E-voting from a place other than the venue of the AGM ("Remote E-voting").
- c) Voting through physical ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote E-voting shall be able to cast their vote by physical ballot paper at the Meeting.
- d) The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.
15. Any person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e. Tuesday, August 1, 2018, may obtain the User ID and password for Remote E-voting by sending request at companysecretary@ptlonline.com.
16. Mr. S. Ramanathan, Practising Chartered Accountant (Membership No. FCA 019532) has been appointed as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.
17. The Scrutinizer shall, after scrutinising the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman.

The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company i.e. www.ptlonline.com and on the website of CDSL and shall also be communicated to BSE Limited.

18. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
19. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

20. Members desirous of obtaining any information as regards Accounts are requested to write to the Company at least one week before the AGM so that the information required will be made available at the AGM.
21. The Annual Report for the financial year 2017-18, Notice calling the 81st Annual General Meeting and Attendance Slip/Proxy Form will also be available on Company's website - [www.ptlonline.com](http://www.ptlonline.com). Physical copies of the aforesaid documents will also be available for inspection at the Registered Office of the Company between 11.00 a.m and 1.00 p.m upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
22. The Company is concerned about the environment and utilizes natural resources in a sustainable way. To support "Green Initiative", the Members are requested to update their email address, with their concerned Depository Participant to enable us to send you necessary documents /communication via email. Members who hold shares in physical form are requested to register their e-mail address with S.K.D.C Consultants Limited, Registrar and Share Transfer Agents.

### INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, August 5, 2018 at 9.00 a.m. and ends on Tuesday, August 7, 2018 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, August 1, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



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

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act"):**

##### **Item No. 4**

The Board of Directors of the Company ("Board"), at its Meeting held on May 21, 2018 has, subject to approval of Members, re-appointed Mr. Purusottamdas Patodia (DIN: 00032088) as Chairman and Managing Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

Since the age of Mr. Purusottamdas Patodia is above 70 years, it is proposed to seek Members approval by passing Special Resolution for the re-appointment of and remuneration payable to Mr. Purusottamdas Patodia as Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Keeping in view that Mr. Purusottamdas Patodia has more than five decades of rich and varied experience in Textile Management and exports, it would be in the interest of the Company to re-appoint Mr. Purusottamdas Patodia as Chairman and Managing Director of the Company.

Broad particulars of the terms of re-appointment of, and remuneration payable to Mr. Purusottamdas Patodia are as under:

- I. **Salary:** Rs. 3,50,000/- per month
- II. **Perquisites:** Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary. The details of perquisites are mentioned below:

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **A. House Rent Allowance:**

- (i) The expenditure by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by Mr. Purusottamdas Patodia.
- (ii) If the Company does not provide accommodation to Mr. Purusottamdas Patodia, he shall be entitled to House Rent Allowance equivalent to 50% of his salary.
- (iii) If accommodation in the Company owned house is provided to Mr. Purusottamdas Patodia, a deduction of 10% shall be made from his salary.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income tax Rules 1962. This shall however, be subject to a ceiling of 10% of the salary of Mr. Purusottamdas Patodia.

### **B. Discretionary Allowance:**

- (i) **Medical Reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- (ii) **Leave Travel Concession:** Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
- (iii) **Club Fees:** Fees of clubs subject to a maximum of two clubs. No Admission and Life Membership fees will be paid.
- (iv) **Personal Accident Insurance:** Personal Accident Insurance of an amount, the premium which shall not exceed Rs. 10,000 per annum.

### **C. Provident Fund**

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income tax Act, 1961.

### **D. Car**

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

### **E. Others**

- (i) **Earned Leave:** On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

## **III. Benefits and Amenities:**

### **A. Gratuity**

Gratuity payable shall not exceed half month's salary for each completed year of service.

### **IV. General:**

- (i) The Chairman and Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be from time to time be given and made by the Board.
- (ii) The Chairman and Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Chairman and Managing Director shall adhere to the Company's Code of Conduct.
- (iv) The office of Chairman and Managing Director may be terminated by the Company or by him by giving the other 3 (three) months notice in writing.

Mr. Purusottamdas Patodia satisfies all the conditions set out in Part-1 of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.



In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Purusottamdas Patodia's term of office as Chairman and Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Purusottamdas Patodia under Section 190 of the Act.

Details of Mr. Purusottamdas Patodia are provided in the "Annexure" to the Notice.

Statement of information as required under Schedule V of the Companies Act, 2013

<b>I. General Information</b>					
1	Nature of Industry	:	Realty and Textiles		
2	Date or expected date of commencement of commercial production	:	16/11/1936		
			(Rs. In Lakhs)		
3	<b>Financial performance</b>	:	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	Gross Sales	:	6,973.63	5,266.06	9,517.57
	Profit/(Loss) before Tax	:	1,827.12	1,257.36	(933.91)
	Net Profit/(Loss)	:	1,454.17	976.48	(1,064.19)
	Export Performance	:	3,609.39	3,182.23	5,488.49
	Net Foreign Exchange Earning	:	3,609.39	3,182.23	5,488.49
4	Foreign investments or collaborators, if any	:	There are no existing Foreign Investments or Collaborations.		
<b>II. Information about the Appointee</b>					
1	Background Details	:	Mr. Purusottamdas Patodia is B.Com. He is a mentor of the Prime group with vast experience over five decades in textiles management and exports.		
2	Past Remuneration and other benefit	:	Rs. 54.73 Lakh for the period 01/04/2017 to 31/03/2018		
3	Recognition or awards	:	-		
4	Job profile and his suitability	:	Mr. Purusottamdas Patodia devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. Mr. Purusottamdas Patodia has over 5 decades of rich and varied experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.		
5	Remuneration proposed	:	As given above in the explanatory statement.		
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	:	The remuneration proposed to be paid to Mr. Purusottamdas Patodia, Chairman and Managing Director is purely based on merit.  Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Purusottamdas Patodia before recommending the remuneration as proposed hereinabove.		

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7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	:	Besides the remuneration proposed, Mr. Purusottamdas Patodia also holds 20,58,020 equity shares of the Company. Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director and Mr. Anuj Patodia, Managing Director being relatives may be deemed to be interested in the Resolution relating to the remuneration of Mr. Purusottamdas Patodia.
<b>III. Other Information</b>			
1	Reasons of loss or inadequate profits	:	There is Operating Net Profit of Rs. 181.55 lacs for the FY 2017-18. The loss is due to recognition of share of loss of partnership entities in which the Company is Partner.
2	Steps taken or proposed to be taken for Improvement	:	The Loss of partnership firms is an exceptional item which is not of repetitive nature. Hence there will not be any further loss due to the same.
3	Expected increase productivity and profits measurable terms	:	Expected increase in Sales of textile segment is at 100% and there will be reasonable operating profits.
<b>IV. Disclosures</b>			
The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance" if any, attached to the financial statement			
1	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	:	Will be disclosed in the Board Report wherever applicable.
2	Details of fixed component. and performance linked incentives along with the performance criteria	:	
3	Service contracts, notice period, severance fees; and	:	
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	:	

Mr. Purusottamdas Patodia is interested in the resolution set out at Item No. 4 of the Notice. Mr. Manoj Kumar Patodia and Mr. Anuj Patodia, being related to Mr. Purusottamdas Patodia may be deemed to be interested in the said Resolution.

The other relatives of Mr. Purusottamdas Patodia may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in anyway concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of Members.

### Item No. 5

The Board of Directors of the Company ("Board"), at its Meeting held on May 21, 2018 has, subject to approval of Members, re-appointed Mr. Manoj Kumar Patodia (DIN: 00026455) as Vice Chairman and Managing Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek Members approval for the re-appointment of and remuneration payable to Mr. Manoj Kumar Patodia as Vice Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to Mr. Manoj Kumar Patodia are as under:

- I. **Salary:** Rs. 2,60,000/- per month
- II. **Perquisites:** Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary. The details of perquisites are mentioned below:



#### **A. House Rent Allowance:**

- (i) The expenditure by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by Mr. Manoj Kumar Patodia.
- (ii) If the Company does not provide accommodation to Mr. Manoj Kumar Patodia, he shall be entitled to House Rent Allowance equivalent to 50% of his salary.
- (iii) If accommodation in the Company owned house is provided to Mr. Manoj Kumar Patodia, a deduction of 10% shall be made from his salary.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income tax Rules 1962. This shall however, be subject to a ceiling of 10% of the salary of Mr. Manoj Kumar Patodia.

#### **B. Discretionary Allowance:**

- (i) **Children's Education Allowance:** An allowance limited to a maximum of Rs. 60,000 per annum per child subject to a maximum of two children or Reimbursement of actual expenses incurred whichever is less.
- (ii) **Medical Reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- (iii) **Leave Travel Concession:** Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
- (iv) **Club Fees:** Fees of clubs subject to a maximum of two clubs. No Admission and Life Membership fees will be paid.
- (v) **Personal Accident Insurance:** Personal Accident Insurance of an amount, the premium which shall not exceed Rs. 10,000 per annum.

#### **C. Provident Fund**

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income tax Act, 1961.

#### **D. Car**

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

#### **E. Others**

- (i) **Earned Leave:** On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

### **III. Benefits and Amenities:**

#### **A. Gratuity**

Gratuity payable shall not exceed half month's salary for each completed year of service.

#### **IV. General:**

- (i) The Vice Chairman and Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be from time to time be given and made by the Board.
- (ii) The Vice Chairman and Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Vice Chairman and Managing Director shall adhere to the Company's Code of Conduct.
- (iv) The office of Vice Chairman and Managing Director may be terminated by the Company or by him by giving the other 3 (three) months notice in writing.

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Mr. Manoj Kumar Patodia satisfies all the conditions set out in Part-1 of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Manoj Kumar Patodia's term of office as Vice Chairman and Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Manoj Kumar Patodia under Section 190 of the Act.

Details of Mr. Manoj Kumar Patodia are provided in the "Annexure" to the Notice.

Statement of information as required under Schedule V of the Companies Act, 2013

<b>I. General Information</b>					
1	Nature of Industry	:	Realty and Textiles		
2	Date or expected date of commencement of commercial production	:	16/11/1936		
			(Rs. In Lakhs)		
3	<b>Financial performance</b>	:	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	Gross Sales	:	6,973.63	5,266.06	9,517.57
	Profit/(Loss) before Tax	:	1,827.12	1,257.36	(933.91)
	Net Profit/(Loss)	:	1,454.17	976.48	(1,064.19)
	Export Performance	:	3,609.39	3,182.23	5,488.49
	Net Foreign Exchange Earning	:	3,609.39	3,182.23	5,488.49
4	Foreign investments or collaborators, if any	:	There are no existing Foreign Investments or Collaborations.		
<b>II. Information about the Appointee</b>					
1	Background Details	:	Mr. Manoj Kumar Patodia is B.Com. He has vast experience in Textiles and Realty Segments.		
2	Past Remuneration and other benefit	:	Rs. 40.98 Lakh for the period 01/04/2017 to 31/03/2018		
3	Recognition or awards	:	-		
4	Job profile and his suitability	:	Mr. Manoj Kumar Patodia devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. Mr. Manoj Kumar Patodia has rich and varied experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.		
5	Remuneration proposed	:	As given above in the explanatory statement.		
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	:	The remuneration proposed to be paid to Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director is purely based on merit.  Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Manoj Kumar Patodia before recommending the remuneration as proposed hereinabove.		





7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	:	Besides the remuneration proposed, Mr. Manoj Kumar Patodia also holds 10,46,918 equity shares of the Company. Mr. Purusottamdas Patodia, Chairman and Managing Director and Mr. Anuj Patodia, Managing Director being relatives may be deemed to be interested in the Resolution relating to the remuneration of Mr. Manoj Kumar Patodia.
<b>III. Other Information</b>			
1	Reasons of loss or inadequate profits	:	There is Operating Net Profit of Rs. 181.55 lacs for the FY 2017-18. The loss is due to recognition of share of loss of partnership entities in which the Company is Partner.
2	Steps taken or proposed to be taken for Improvement	:	The Loss of partnership firms is an exceptional item which is not of repetitive nature. Hence there will not be any further loss due to the same.
3	Expected increase productivity and profits measurable terms	:	Expected increase in Sales of textile segment is at 100% and there will be reasonable operating profits.
<b>IV. Disclosures</b>			
The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance" if any, attached to the financial statement			
1	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	:	Will be disclosed in the Board Report wherever applicable.
2	Details of fixed component. and performance linked incentives along with the performance criteria	:	
3	Service contracts, notice period, severance fees; and	:	
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	:	

Mr. Manoj Kumar Patodia is interested in the resolution set out at Item No.5 of the Notice. Mr. Purusottamdas Patodia and Mr. Anuj Patodia, being related to Mr. Manoj Kumar Patodia may be deemed to be interested in the said Resolution.

The other relatives of Mr. Manoj Kumar Patodia may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in anyway concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of Members.

#### Item No. 6

The Board of Directors of the Company ("Board"), at its Meeting held on May 21, 2018 has, subject to approval of Members, re-appointed Mr. Anuj Patodia (DIN: 00026458) as Managing Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek Members approval for the re-appointment of and remuneration payable to Mr. Anuj Patodia as Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to Mr. Anuj Kumar Patodia are as under:

- I. **Salary:** Rs. 2,50,000/- per month
- II. **Perquisites:** Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary. The details of perquisites are mentioned below:

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### A. House Rent Allowance:

- (i) The expenditure by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by Mr. Anuj Patodia.
- (ii) If the Company does not provide accommodation to Mr. Anuj Patodia, he shall be entitled to House Rent Allowance equivalent to 50% of his salary.
- (iii) If accommodation in the Company owned house is provided to Mr. Anuj Patodia, a deduction of 10% shall be made from his salary.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income tax Rules 1962. This shall however, be subject to a ceiling of 10% of the salary of Mr. Anuj Patodia.

### B. Discretionary Allowance:

- (i) **Children's Education Allowance:** An allowance limited to a maximum of Rs. 60,000 per annum per child subject to a maximum of two children or Reimbursement of actual expenses incurred whichever is less.
- (ii) **Medical Reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- (iii) **Leave Travel Concession:** Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
- (iv) **Club Fees:** Fees of clubs subject to a maximum of two clubs. No Admission and Life Membership fees will be paid.
- (v) **Personal Accident Insurance:** Personal Accident Insurance of an amount, the premium which shall not exceed Rs. 10,000 per annum.

### C. Provident Fund

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income tax Act, 1961.

### D. Car

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

### E. Others

- (i) **Earned Leave:** On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

### III. Benefits and Amenities:

#### A. Gratuity

Gratuity payable shall not exceed half month's salary for each completed year of service.

### IV. General:

- (i) The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be from time to time be given and made by the Board.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Conduct.
- (iv) The office of Managing Director may be terminated by the Company or by him by giving the other 3 (three) months notice in writing.

Mr. Anuj Patodia satisfies all the conditions set out in Part-1 of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.



In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. Anuj Patodia's term of office as Managing Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013 or any statutory modification or re-enactment thereof.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Anuj Patodia under Section 190 of the Act.

Details of Mr. Anuj Patodia are provided in the "Annexure" to the Notice.

Statement of information as required under Schedule V of the Companies Act, 2013

<b>I. General Information</b>				
1	Nature of Industry	:	Realty and Textiles	
2	Date or expected date of commencement of commercial production	:	16/11/1936	
			(Rs. In Lakhs)	
3	<b>Financial performance</b>	:	<b>2015-16</b>	<b>2016-17</b>
	Gross Sales	:	6,973.63	5,266.06
	Profit/(Loss) before Tax	:	1,827.12	1,257.36
	Net Profit/(Loss)	:	1,454.17	976.48
	Export Performance	:	3,609.39	3,182.23
	Net Foreign Exchange Earning	:	3,609.39	3,182.23
4	Foreign investments or collaborators, if any	:	There are no existing Foreign Investments or Collaborations.	
<b>II. Information about the Appointee</b>				
1	Background Details	:	Mr. Anuj Patodia is B.Com. He has Rich experience in the field of Real Estate Development.	
2	Past Remuneration and other benefit	:	Rs. 41.81 Lakh for the period 01/04/2017 to 31/03/2018	
3	Recognition or awards	:	-	
4	Job profile and his suitability	:	Mr. Anuj Patodia devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. Mr. Anuj Patodia has rich and varied experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.	
5	Remuneration proposed	:	As given above in the explanatory statement.	
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	:	The remuneration proposed to be paid to Mr. Anuj Patodia, Managing Director is purely based on merit.  Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Anuj Patodia before recommending the remuneration as proposed hereinabove.	
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	:	Besides the remuneration proposed, Mr. Anuj Patodia also holds 5,72,753 equity shares of the Company. Mr. Purusottamdas Patodia, Chairman and Managing Director and Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director being relatives may be deemed to be interested in the Resolution relating to the remuneration of Mr. Anuj Patodia.	

## PRIME URBAN DEVELOPMENT INDIA LIMITED

<b>III. Other Information</b>	
1	Reasons of loss or inadequate profits : There is Operating Net Profit of Rs. 181.55 lacs for the FY 2017-18. The loss is due to recognition of share of loss of partnership entities in which the Company is Partner.
2	Steps taken or proposed to be taken for Improvement : The Loss of partnership firms is an exceptional item which is not of repetitive nature. Hence there will not be any further loss due to the same.
3	Expected increase productivity and profits measurable terms : Expected increase in Sales of textile segment is at 100% and there will be reasonable operating profits.
<b>IV. Disclosures</b>	
	The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance" if any, attached to the financial statement
1	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors; : Will be disclosed in the Board Report wherever applicable.
2	Details of fixed component. and performance linked incentives along with the performance criteria :
3	Service contracts, notice period, severance fees; and :
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. :

Mr. Anuj Patodia is interested in the resolution set out at Item No. 6 of the Notice. Mr. Purusottamdas Patodia and Mr. Manoj Kumar Patodia, being related to Mr. Anuj Patodia may be deemed to be interested in the said Resolution.

The other relatives of Mr. Anuj Patodia may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in anyway concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of Members.

### Item No. 7

The Board of Directors of the Company ("Board"), at its Meeting held on May 21, 2018 has, subject to approval of Members, re-appointed Mr. T. Paul Sugumaran (DIN: 01875775) as Whole Time Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from June 1, 2018, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek Members approval for the re-appointment of and remuneration payable to Mr. T. Paul Sugumaran as Whole Time Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to Mr. T. Paul Sugumaran are as under:

**I. Salary:** Rs. 2,50,000/- per month (inclusive of all perquisites)

#### II. General:

- (i) The Whole Time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be from time to time be given and made by the Board.
- (ii) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.



- (iii) The Whole Time Director shall adhere to the Company's Code of Conduct.
- (iv) The office of Whole Time Director may be terminated by the Company or by him by giving the other 3 (three) months notice in writing.

Mr. T. Paul Sugumaran satisfies all the conditions set out in Part-1 of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In the event of any loss or inadequacy of profits in any financial year of the Company during Mr. T. Paul Sugumaran's term of office as Whole Time Director, he shall be entitled to remuneration, perquisites and other benefits as provided in the Companies Act, 2013. or any statutory modification or re-enactment thereof.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. T. Paul Sugumaran under Section 190 of the Act.

Details of Mr. T. Paul Sugumaran are provided in the "Annexure" to the Notice.

Statement of information as required under Schedule V of the Companies Act, 2013

<b>I. General Information</b>					
1	Nature of Industry	:	Realty and Textiles		
2	Date or expected date of commencement of commercial production	:	16/11/1936		
			(Rs. In Lakhs)		
3	<b>Financial performance</b>	:	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	Gross Sales	:	6,973.63	5,266.06	9,517.57
	Profit/(Loss) before Tax	:	1,827.12	1,257.36	(933.91)
	Net Profit/(Loss)	:	1,454.17	976.48	(1,064.19)
	Export Performance	:	3,609.39	3,182.23	5,488.49
	Net Foreign Exchange Earning	:	3,609.39	3,182.23	5,488.49
4	Foreign investments or collaborators, if any	:	There are no existing Foreign Investments or Collaborations.		
<b>II. Information about the Appointee</b>					
1	Background Details	:	Mr. T. Paul Sugumaran is B. Tec (Civil), M.A.Sociology. He has experience in Project Management – EPC, Business Management – Realty Construction Management - Infrastructure, Water, Residential, Commercial Project.		
2	Past Remuneration and other benefit	:	Rs. 38.70 Lakh for the period 01/04/2017 to 31/03/2018		
3	Recognition or awards	:	-		
4	Job profile and his suitability	:	Mr. T. Paul Sugumaran devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. Mr. T. Paul Sugumaran has rich and varied experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.		
5	Remuneration proposed	:	As given above in the explanatory statement.		
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	:	The remuneration proposed to be paid to Mr. T. Paul Sugumaran, Whole time Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. T. Paul Sugumaran before recommending the remuneration as proposed hereinabove.		

## PRIME URBAN DEVELOPMENT INDIA LIMITED

7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	:	No Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.
<b>III. Other Information</b>			
1	Reasons of loss or inadequate profits	:	There is Operating Net Profit of Rs. 181.55 lacs for the FY 2017-18. The loss is due to recognition of share of loss of partnership entities in which the Company is Partner.
2	Steps taken or proposed to be taken for Improvement	:	The Loss of partnership firms is an exceptional item which is not of repetitive nature. Hence there will not be any further loss due to the same.
3	Expected increase productivity and profits measurable terms	:	Expected increase in Sales of textile segment is at 100% and there will be reasonable operating profits.
<b>IV. Disclosures</b>			
The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance" if any, attached to the financial statement			
1	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	:	Will be disclosed in the Board Report wherever applicable.
2	Details of fixed component. and performance linked incentives along with the performance criteria	:	
3	Service contracts, notice period, severance fees; and	:	
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	:	

Mr. T. Paul Sugumaran is interested in the resolution set out at Item No. 7 of the Notice. The other relatives of Mr. T. Paul Sugumaran may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in anyway concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of Members.

### Item No. 8, 9 & 10

Mr. N. K. Bafna (DIN: 00019372), Mr. Banwarilal Singhal (DIN: 00006433) and Mr. Venkatchalam Ramaswamy (DIN: 00008509) were appointed as an Independent Directors of the Company and they hold office as an Independent Directors of the Company up to March 31, 2019 ("first term"). The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy as an Independent Directors of the Company for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Directors. Accordingly, it is proposed to re-appoint Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy as an Independent Directors of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy are not disqualified from being appointed as a Directors in terms of Section 164 of the Act and has given their consent to act as a Directors.

The Company has also received declarations from Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy that they meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").



In the opinion of the Board, Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy fulfils the conditions for appointment as an Independent Directors as specified in the Act and the Listing Regulations. Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy are independent of the management.

Details of Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy, are provided in the "Annexure" to the Notice. They shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Copy of draft letter of appointment of Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy as Independent Directors setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy are interested in the resolution set out at Item No. 8, 9 & 10 of the Notice with regard to their reappointment. Relatives of Mr. N. K. Bafna, Mr. Banwarilal Singhal and Mr. Venkatchalam Ramaswamy may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Special Resolutions set out at Item No. 8, 9 & 10 of the Notice for approval by the members.

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

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

**Place: Mumbai**  
**Date: May 21, 2018**

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED****“Annexure”**

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

<b>Name of the Director</b>	<b>Manoj Kumar Patodia</b>
Director Identification Number	00026455
Date of Birth	28/01/1964
Date of appointment	01/04/2016
Qualifications	B.Com
Expertise in Specific Functional Area	Vast experience in Textiles and Realty Segments
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	1. Pat Credit Limited 2. Manoj Yarn Processors Limited 3. Pee Dee Yarn Processors Limited 4. Prime Vista Power Generation Limited 5. ATL Textile Processors Limited 6. Prime Team3 Project Development International Private Limited 7. Prime 360 Construction Equipments and Machineries Private Limited. 8. Patodia Developers Private Limited 9. The Cotton Textiles Export Promotion Council
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	10,46,918 equity shares
Relationship between Directors inter-se	Related to Mr. Purusottamdas Patodia and Mr. Anuj Patodia.

<b>Name of the Director</b>	<b>Purusottamdas Patodia</b>
Director Identification Number	00032088
Date of Birth	01/02/1938
Date of appointment	01/04/2016
Qualifications	B.Com
Expertise in Specific Functional Area	Mr. Purusottamdas Patodia is a mentor of the Prime group with vast experience over five decades in textiles management and exports.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	1. Anjana Syntex Company Limited 2. Pat Credit Limited
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	20,58,020 equity shares
Relationship between Directors inter-se	Related to Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.





<b>Name of the Director</b>	<b>Anuj Patodia</b>
Director Identification Number	00026458
Date of Birth	24/02/1973
Date of appointment	01/04/2016
Qualifications	B.Com
Expertise in Specific Functional Area	Rich experience in the field of Real Estate Development.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	<ol style="list-style-type: none"> <li>1. Anjana Syntex Company Limited</li> <li>2. Safari Industries (India) Limited</li> <li>3. Purva Trading Limited</li> <li>4. Manoj Yarn Processors Limited</li> <li>5. Classic Yarn Processors Limited</li> <li>6. Pee Dee Yarn Processors Limited</li> <li>7. Prime Vista Power Generation Limited</li> <li>8. ATL Textile Processors Limited</li> <li>9. Aadarsh Jann Aawaash Limited</li> <li>10. Prime Team3 Project Development International Private Limited</li> </ol>
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	5,72,753 equity shares
Relationship between Directors inter-se	Related to Mr. Purusottamdas Patodia and Mr. Manoj Kumar Patodia.
<b>Name of the Director</b>	<b>Thirugnanam Paul Sugumaran</b>
Director Identification Number	01875775
Date of Birth	23/04/1963
Date of appointment	01/06/2015
Qualifications	B. Tec (Civil), M.A. Sociology
Expertise in Specific Functional Area	Project Management-EPC Business Management-Realty Construction Management- Infrastructure, Water, Residential, Commercial Project.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	None
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	None
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	2,500 equity shares
Relationship between Directors inter-se	None
<b>Name of the Director</b>	<b>N. K. Bafna</b>
Director Identification Number	00019372
Date of Birth	03/07/1939
Date of appointment	01/04/2014
Qualifications	B. Com, FCA, Law Graduate
Expertise in Specific Functional Area	Practicing Chartered Accountant and a Senior Partner of M/s. Lodha & Co. Chartered Accountants, Mumbai. Besides his proficiency in Finance and Accounts, he is also an expert in Company Law matters.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	1. Patspin India Limited
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	<b>Patspin India Limited</b> - Audit Committee - Member - Stakeholder Relationship Committee - Member
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	NIL
Relationship between Directors inter-se	Not related to any Director / Key Managerial Personnel

## PRIME URBAN DEVELOPMENT INDIA LIMITED

<b>Name of the Director</b>	<b>Banwarilal Singhal</b>
Director Identification Number	00006433
Date of Birth	15/04/1947
Date of appointment	01/04/2014
Qualifications	B. Com, FCA
Expertise in Specific Functional Area	Mr. B.L Singhal is a Graduate in Commerce and Fellow member of the Institute of Chartered Accountants of India (ICAI) and Senior Partner of M/s. B.L Singhal & Co., Chartered Accountants, Kolkata. He has vast experience in Finance, Company Law matters besides proficiency in Accountancy.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	1. GTN Industries Limited 2. GTN Enterprises Limited 3. GTN Textiles Limited 4. Priti Credit Private Limited 5. M. B. Credit Private Limited 6. BLS Consultants Private Limited 7. ATL Textiles Processors Limited
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	<b>GTN Enterprises Limited</b> - Audit Committee - Chairman - Nomination and Remuneration committee - Chairman <b>GTN Textiles Limited</b> - Audit Committee - Chairman - Nomination and Remuneration committee - Chairman - Stakeholder Relationship Committee - Member <b>GTN Industries Limited</b> - Audit Committee - Chairman - Stakeholder Relationship Committee - Member
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	36,213 equity shares
Relationship between Directors inter-se	Not related to any Director / Key Managerial Personnel

<b>Name of the Director</b>	<b>Venkatchalam Ramaswamy</b>
Director Identification Number	00008509
Date of Birth	12/08/1966
Date of appointment	01/04/2014
Qualifications	B.E. (Electronics & Communication), MBA from the University of Pittsburgh
Expertise in Specific Functional Area	Has experience in venture capital, private equity advisory, fund raising and Investment Banking, Distress Asset & Resolution Business.
Directorship held in other companies (As on 31 <sup>st</sup> March, 2018)	1. Edelweiss Financial Services Limited 2. Edelweiss Asset Reconstruction Company Limited 3. Edelweiss Tokio Life Insurance Company Limited 4. Edelweiss Financial & Investments Limited 5. ICLEO Com Limited
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31 <sup>st</sup> March, 2018)	<b>Edelweiss Financial Services Limited</b> - Stakeholder Relationship Committee - Member <b>Edelweiss Asset Reconstruction Company Limited</b> - Audit Committee - Member
Shareholding of Directors (As on 31 <sup>st</sup> March, 2018)	NIL
Relationship between Directors inter-se	Not related to any Director / Key Managerial Personnel



**Route map for venue of the AGM**

Hotel Viswa's, Opp. to Prime Enclave Vistas Apartments, 112/1, Asher Nagar,  
Avinashi Road, Tirupur-641 603, Tamil Nadu.



## PRIME URBAN DEVELOPMENT INDIA LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 81st Annual Report on the business and operations of Prime Urban Development India Limited ["Company"] together with the Audited Accounts of the Company, for the Financial Year ended March 31, 2018.

#### FINANCIAL HIGHLIGHTS

The summarized financial performance (Standalone and Consolidated) of your Company for 2017-18 and 2016-17 is given below:

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from operations	9,517.57	5,266.06	9,773.14	5,688.42
Other Income	298.86	122.22	316.03	127.08
Total Income	9,816.43	5,388.28	10,089.17	5,815.50
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	674.81	1,347.27	1,149.12	1,408.20
Less : Finance Costs	460.82	57.76	1,074.39	119.78
Less: Depreciation and amortization expense	32.44	32.15	35.78	36.11
Profit/(Loss) before Exceptional Items and Tax	181.55	1,257.36	38.95	1,252.31
Exceptional Items	(1,115.46)	--	(1,456.58)	--
Profit/(Loss) before Tax	(933.91)	1,257.36	(1,417.63)	1,252.31
Less: Tax Expense	(113.74)	(282.34)	(114.16)	(282.64)
Profit/(Loss) After Tax	(1,047.65)	975.02	(1,531.79)	969.67
Other comprehensive Income/(expenses)	(16.54)	1.46	(16.54)	1.46
Surplus from previous year brought forward	305.69	157.48	303.62	160.76
Less: Dividend and Dividend tax paid during the year	(128.27)	(128.27)	(128.27)	(128.27)
Un-realised gain in contra-group transfers	--	--	(2.46)	--
Transfer to General Reserve	--	(700.00)	--	(700.00)
<b>Amount available for appropriation</b>	<b>(886.77)</b>	<b>305.69</b>	<b>(1,375.44)</b>	<b>303.62</b>

#### OVERVIEW AND THE STATE OF COMPANY AFFAIRS

During the Financial year 2017-18, your Company has clocked consolidated revenues of Rs. 4,141.32 Lakhs in the Realty segment. In the year 2017-18 your Company has sold all the balance units in Prime Enclave Vistas-Apartment Projects and handover to the Association formed by the flat owners have been completed.

Your Company has constructed 14 Villas in the Onyx Project. However looking at the current market conditions, the Company is looking to explore alternate business opportunities for the remaining land parcel. Your Company is also engaged in the sale of developed land and in the financial year 2017-18, your Company has sold in 1,43,000 sq. ft. of developed land.

Your Company is mainly focused in the Tirupur city of the state of Tamil Nadu and with the opening up of the Affordable Housing segment due to Govt. push, your Company is exploring opportunities in the same. Your Company is also aggressively seeking out opportunities in various parts of the country.

#### Textile Segment

Your Company is engaged in the export of cotton yarn under Merchant Trading. The consolidated revenues from this segment in the year 2017-18 were Rs. 5,631.82 Lakhs. There were no major changes in this segment during the year.

#### CONSOLIDATED FINANCIAL STATEMENTS

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



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

As at March 31, 2018, your Company had following 6 (Six) Subsidiary Companies:

1. ATL Textile Processors Limited
2. Manoj Yarn Processors Limited
3. Pee Dee Yarn Processors Limited
4. Patodia Developers Private Limited
5. Srivarsha Realtors Private Limited
6. Newline Buildtech Private Limited

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

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

In accordance to the provisions of Section 136(1) of the Act, the Annual Report of the Company, containing therein Standalone and the Consolidated Financial Statements and the Audited Financial Statements of each of the subsidiary companies have been placed on the website of the Company - [www.ptlonline.com](http://www.ptlonline.com) under the Investors Section.

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

The Policy for determining material subsidiaries as approved by the Board of Directors (**hereinafter referred to as the "Board"**) of the Company is made available on the website of the Company at the link-<http://www.ptlonline.com/new-investors/policies/Policy-on-Material-Subsidiaries.pdf>

## **DIVIDEND**

To conserve the funds for future business growth, your Directors have not recommended any dividend on equity shares in respect of the financial year 2017-18.

## **TRANSFER TO RESERVES**

In view of losses incurred during the Financial Year 2017-18, no appropriation is proposed to be made towards Reserves.

## **PUBLIC DEPOSITS**

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

## **MEETING OF THE BOARD MEETINGS AND ITS COMMITTEES**

The Board of Directors of your Company met 6 (Six) times during the financial year 2017-18. The details of composition of the Board and its Committees, their meetings held during the year under review and the attendance of the Directors / Committee Members at the respective meetings are provided in the Corporate Governance Report which forms part of this Annual Report. The time gap between two consecutive Meetings did not exceed one hundred and twenty days.

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

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

Details of loans granted, guarantees provided and investments made by the Company under the provisions of Section 186 of the Act, are provided in Note No.4(a) & 4(g) under Notes forming part of Standalone Financial Statements.

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

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

The details in respect of Foreign Exchange earnings/outgo during the year under review, is provided in Note No. 17(3) under Notes forming part of Standalone Financial Statements.

### **EXTRACT OF ANNUAL RETURN**

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

### **CORPORATE GOVERNANCE REPORT**

Your Company is in compliance with the Corporate Governance guidelines, as laid down in the SEBI Listing Regulations. A report on Corporate Governance together with Auditors' Certificate as required under Regulation 34 read with Schedule V of the SEBI Listing Regulations forms part of this Annual Report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, the Board of Directors vide Circular Resolution dated April 11, 2017 had appointed Mrs. Ryna Zaiwalla Karani as an Additional Director of the Company with effect from April 13, 2017. Further, the Members of the Company had at the 80th Annual General Meeting held on August 11, 2017, appointed Mrs. Ryna Zaiwalla Karani as an Independent Director of the Company for a period of five years.

In terms of the provisions of the Act, Mr. Manoj Kumar Patodia, retires from the Board of the Company by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board of Directors of the Company, at its Meeting held on May 21, 2018, has subject to the approval of Members, re-appointed Mr. Purusottamdas Patodia (DIN: 00032088), Mr. Manoj Kumar Patodia (DIN: 00026455) and Mr. Anuj Patodia (DIN: 00026458) as Chairman and Managing Director, Vice Chairman and Managing Director & Managing Director respectively for a period of 3 (three) years from the expiry of their present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

The Board of Directors of the Company, at its Meeting held on May 21, 2018, has subject to the approval of Members, re-appointed Mr. T. Paul Sugumaran (DIN: 01875775) as Whole Time Director for a period of 3 (three) years from the expiry of his present term, i.e. with effect from June 1, 2018, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

The Board of Directors of the Company, at its Meeting held on May 21, 2018, has subject to the approval of Members, re-appointed Mr. N. K. Bafna (DIN: 00019372), Mr. Banwarilal Singhal (DIN: 00006433) and Mr. Venkatchalam Ramaswamy (DIN: 00008509) as Independent Directors of the Company for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.

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

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

The Notice convening forthcoming Annual General Meeting includes the proposal for appointment/re-appointment of aforesaid Directors. A brief resume of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting and other details as required to be disclosed in terms of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) forms part of the Notice calling the AGM. None of the Directors are disqualified for appointment/re-appointment under Section 164 of the Act. None of the Directors are related inter-se to each other save and except Mr. Purusottamdas Patodia, Mr. Manoj Kumar Patodia, and Mr. Anuj Patodia. Mr. Purusottamdas Patodia is the father of Mr. Manoj Kumar Patodia, and Mr. Anuj Patodia.



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

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

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2018 and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended March 31, 2018 on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

M/s. L. U. Krishnan & Co, Chartered Accountants, (Firm Registration No. 001527S) were appointed as Statutory Auditors of the Company for a period of 5 (five) consecutive years at the Adjourned 80th Annual General Meeting ("AGM") held on 7th September, 2017 till the conclusion of the 85th AGM.

In terms of the provisions of Section 139 of the Companies Act, 2013, their appointment will however need to be ratified by Shareholders at the forthcoming Annual General Meeting. Notice convening the forthcoming Annual General Meeting includes a proposal for ratification of appointment of Statutory Auditors by the Shareholders of the Company.

The Auditors Report for the financial year ended March 31, 2018 does not contain any qualification, reservation or adverse remark. No instances of fraud have been reported by the Statutory Auditors of the Company under Section 143(12) of the Act.

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

In terms of provisions of Section 204 of the Act, the Secretarial Audit of the Company for the Financial Year 2017-18 was conducted by M/s. S. K. Jain & Co, Company Secretaries in Practice.

The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed to this Report as "**Annexure II**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **RELATED PARTY TRANSACTIONS**

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

All Related Party Transactions were placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company at the link i.e. <http://www.ptlonline.com/new-investors/policies/Policy-on-Transactions-with-Related-Parties.pdf>

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

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

Pursuant to the requirement of Section 134(3)(n) of the Act, the Company has in place a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

In compliance with the provisions of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has established a vigil mechanism to provide a framework for promoting responsible and secure whistle blowing and to provide a channel to the employee(s), Directors and other stakeholders to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted/framed from time to time. The details of said vigil mechanism are given in Corporate Governance Report, which forms part of this Annual Report. The Whistle Blower Policy has been uploaded on the Company's website at the link i.e. <http://www.ptlonline.com/new-investors/policies/Whistle-blower-Policy.pdf>

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") in accordance with the provisions of Section 135 of the Act. The Board of Directors of the Company has, based on the recommendations made by the CSR Committee formulated and approved Corporate Social Responsibility Policy for the Company. The same is available on the website of the Company at the link <http://www.ptlonline.com/new-investors/policies/Corporate-Social-Responsibility-Policy.pdf>

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

### **NOMINATION AND REMUNERATION POLICY**

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

### **PARTICULARS OF EMPLOYEES**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided under "**Annexure VI**", which is annexed to this Report.

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

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion & Analysis Report as required under Regulation 34 of the SEBI Listing Regulations is annexed to this Report as "**Annexure VII**".

### **INTERNAL FINANCIAL CONTROLS**

Your Company has put in place adequate policies and procedures to ensure that the system of internal financial control is commensurate with the size and nature of the Company's business. A regular audit and review processes ensure that the controls are reinforced on an ongoing basis. Such controls have been assessed during the year taking into consideration the essential components of internal financial controls. Based on the assessment carried out by the Company, the internal financial controls were adequate and effective and no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed, during the year ended March 31, 2018.

### **UNCLAIMED AND UNPAID DIVIDENDS**

As on March 31, 2018, amounts of Rs. 3,90,445/- and Rs. 3,78,611/- are lying in the unpaid equity dividend account of the Company in respect of the dividend for the Financial Year 2015-16 and 2016-17 respectively. Members who have not yet received/claimed their dividend entitlements are requested to contact the Company or the Registrar and Share Transfer Agents of the Company.

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

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





### **PERFORMANCE EVALUATION**

Pursuant to the provisions of Sections 134(3)(p), 149(8) and Schedule IV of the Act and Regulation 17(10) of SEBI Listing Regulations and in accordance with the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India, the Directors have carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board. The performance was evaluated based on inputs received from all the directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman.

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

### **OTHER DISCLOSURES**

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

### **ACKNOWLEDGEMENTS**

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

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

**For and on behalf of the Board**

**Place : Mumbai  
Date : May 21, 2018**

**Purusottamdas Patodia  
Chairman and Managing Director**

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Annexure - I**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2018**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate	410	42%
2	Textiles	131	58%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	ATL Textile Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603 Tamil nadu	U65910TZ1996PLC007068	Subsidiary	100%	2(87)(iii)
2	Manoj Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603 Tamil nadu	U01712TZ1996PLC006934	Subsidiary	100%	2(87)(iii)
3	Pee Dee Yarn Processors Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603 Tamil nadu	U17111TZ1995PLC006750	Subsidiary	100%	2(87)(iii)
4	Patodia Developers Pvt. Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603 Tamil nadu	U70101TZ2008PTC014230	Subsidiary	100%	2(87)(iii)
5	Srivarsha Realtors Pvt. Ltd. 110, Avanashi Road, Gandhinagar Post, Tirupur- 641603 Tamil nadu	U45400TZ2008PTC014205	Subsidiary	100%	2(87)(iii)
6	New Line Buildtech Pvt. Ltd. Shiv Sushil Bhawan, D - 219, Vivek Vihar -1, New Delhi, Central Delhi - 110095	U70104DL2006PTC153985	Subsidiary	100%	2(87)(iii)



IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	69,06,914	-	69,06,914	25.92%	69,06,914	-	69,06,914	25.92%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	1,20,19,350	-	1,20,19,350	45.11%	1,20,19,350	-	1,20,19,350	45.11%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>1,89,26,264</b>	<b>-</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	3,750	-	3,750	0.01%	3,750	-	3,750	0.01%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>3,750</b>	<b>-</b>	<b>3,750</b>	<b>0.01%</b>	<b>0.00%</b>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	11,46,450	18,900	11,65,350	4.37%	10,62,384	18,900	10,81,284	4.06%	-0.32%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	23,61,460	11,89,540	35,51,000	13.33%	25,19,160	11,60,690	36,79,850	13.81%	0.48%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	20,59,129	1,95,860	22,54,989	8.46%	20,72,248	1,20,210	21,92,458	8.23%	-0.23%
c) Others (specify)									
Non Resident Indians	74,071	-	74,071	0.28%	73,926	-	73,926	0.28%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	72,344	-	72,344	0.27%	70,301	-	70,301	0.26%	-0.01%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Directors and Relatives	50,413	-	50,413	0.19%	50,413	-	50,413	0.19%	0.00%
Hindu Undivided Families	5,45,419	-	5,45,419	2.05%	5,65,354	-	5,65,354	2.12%	0.07%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>63,09,286</b>	<b>14,04,300</b>	<b>77,13,586</b>	<b>28.95%</b>	<b>64,13,786</b>	<b>12,99,800</b>	<b>77,13,586</b>	<b>28.95%</b>	<b>0.00%</b>
<b>Total Public (B)</b>	<b>63,13,036</b>	<b>14,04,300</b>	<b>77,17,336</b>	<b>28.97%</b>	<b>64,17,536</b>	<b>12,99,800</b>	<b>77,17,336</b>	<b>28.97%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>2,52,39,300</b>	<b>14,04,300</b>	<b>2,66,43,600</b>	<b>100.00%</b>	<b>2,53,43,800</b>	<b>12,99,800</b>	<b>2,66,43,600</b>	<b>100.00%</b>	<b>0.00%</b>

### (ii) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anjana Syntex Company Limited	56,60,655	21.25%	0	56,60,655	21.25%	0	0.00%
2	Pat Credit Limited	60,09,675	22.56%	0	60,09,675	22.56%	0	0.00%
3	Purusottamdas Patodia	20,58,020	7.72%	0	20,58,020	7.72%	0	0.00%
4	Manoj Kumar Patodia	10,46,918	3.93%	0	10,46,918	3.93%	0	0.00%
5	Anuj Patodia	5,72,753	2.15%	0	5,72,753	2.15%	0	0.00%
6	Indira Devi Patodia	2,39,650	0.90%	0	2,39,650	0.90%	0	0.00%
7	Nandita Patodia	12,50,750	4.69%	0	12,50,750	4.69%	0	0.00%
8	Meenal Patodia	17,24,915	6.47%	0	17,24,915	6.47%	0	0.00%
9	Classic Yarn Processors Limited	3,49,020	1.31%	0	3,49,020	1.31%	0	0.00%
10	P D Patodia	13,908	0.05%	0	13,908	0.05%	0	0.00%
	<b>Total</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0</b>	<b>1,89,26,264</b>	<b>71.03%</b>	<b>0</b>	<b>0.00%</b>



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

Sl. No.	Particulars	Shareholding at the beginning of the year (As on 31.03.2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Purusottamas Patodia				
	At the beginning of the year	20,58,020	7.72%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	20,58,020	7.72%	-	-
2	Manoj Kumar Patodia				
	At the beginning of the year	10,46,918	3.93%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	10,46,918	3.93%	-	-
3	Anuj Patodia				
	At the beginning of the year	5,72,753	2.15%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	5,72,753	2.15%	-	-
4	Meenal Patodia				
	At the beginning of the year	17,24,915	6.47%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	17,24,915	6.47%	-	-
5	Nandita Patodia				
	At the beginning of the year	12,50,750	4.69%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	12,50,750	4.69%	-	-
6	Indira Devi Patodia				
	At the beginning of the year	2,39,650	0.90%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	2,39,650	0.90%	-	-
7	P D Patodia				
	At the beginning of the year	13,908	0.05%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	13,908	0.05%	-	-

## PRIME URBAN DEVELOPMENT INDIA LIMITED

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

Sl. No.	Shareholder's Names	Shareholding at the beginning of the year (As on 31.03.2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Polisetty Gnaa Dev				
	At the beginning of the year	9,28,731	3.49%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	715 (Sale of Shares on 14.04.2017)	0.00%	9,28,016	3.48%
		2,000 (Sale of Shares on 30.06.2017)	0.01%	9,26,016	3.48%
		17,703 (Acquisition of Shares on 22.09.2017)	0.07%	9,43,719	3.54%
		4,086 (Acquisition of Shares on 16.03.2018)	0.02%	9,47,805	3.56%
	At the end of the year	9,47,805	3.56%	-	-
2	Renaissance Asset Management Company Pvt. Ltd				
	At the beginning of the year	6,60,000	2.48%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	6,60,000	2.48%	-	-
3	Manek Bhanshali				
	At the beginning of the year	3,76,000	1.41%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	3,76,000	1.41%	-	-
4	Subodh Begani				
	At the beginning of the year	3,13,134	1.18%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	34,050 (Sale of Shares on 14.07.2017)	0.13%	2,79,084	1.05%
	At the end of the year	2,79,084	1.05%	-	-
5	Everfresh Enterprises LLP				
	At the beginning of the year	1,88,000	0.71%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	1,88,000	0.71%	-	-
6	Suresh Sanwamal Todi				
	At the beginning of the year	1,56,840	0.59%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	16,010 (Acquisition of Shares on 23.06.2017)	0.06%	1,72,850	0.65%
		16,010 (Sale of Shares on 23.06.2017)	0.06%	1,56,840	0.59%
		21,000 (Sale of Shares on 14.07.2017)	0.08%	1,35,840	0.51%
	At the end of the year	1,35,840	0.51%	-	-



7	Manisha Devi Agarwal				
	At the beginning of the year	1,34,799	0.51%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	2,000 (Sale of Shares on 01.12.2017)	0.01%	1,32,799	0.50%
		10,300 (Sale of Shares on 08.12.2017)	0.04%	1,22,499	0.46%
		200 (Sale of Shares on 15.12.2017)	0.00%	1,22,299	0.46%
		2,500 (Sale of Shares on 29.12.2017)	0.01%	1,19,799	0.45%
		17,250 (Sale of Shares on 05.01.2018)	0.06%	1,02,549	0.38%
		5,000 (Sale of Shares on 12.01.2018)	0.02%	97,549	0.37%
		2,500 (Sale of Shares on 19.01.2018)	0.01%	95,049	0.36%
		13,000 (Sale of Shares on 09.02.2018)	0.05%	82,049	0.31%
		8,000 (Sale of Shares on 16.02.2018)	0.03%	74,049	0.28%
		6,200 (Sale of Shares on 23.02.2018)	0.02%	67,849	0.25%
		9,000 (Sale of Shares on 02.03.2018)	0.03%	58,849	0.22%
	At the end of the year	58,849	0.22%	-	-
8	Jehangir Kaikhoshru S. Nicholson				
	At the beginning of the year	1,20,210	0.45%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	1,20,210	0.45%	-	-
9	Satish Chandra Katyal				
	At the beginning of the year	79,115	0.30%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	79,115	0.30%	-	-
10	Bhadravati Chandulal Thakker				
	At the beginning of the year	78,240	0.29%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	78,240	0.29%	-	-
11	Udayan Govindbhai Desai				
	At the beginning of the year		0.00%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	75,650 (Acquisition of Shares on 01.09.2017)	0.28%	75,650	0.28%
	At the end of the year	75,650	0.28%	-	-

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 31.03.2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Purusottamdas Patodia				
	At the beginning of the year	20,58,020	7.72%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	20,58,020	7.72%	-	-
2	Manoj Kumar Patodia				
	At the beginning of the year	10,46,918	3.93%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	10,46,918	3.93%	-	-
3	Anuj Patodia				
	At the beginning of the year	5,72,753	2.15%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	5,72,753	2.15%	-	-
4	T. Paul Sugumaran				
	At the beginning of the year	2,500	0.01%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	2,500	0.01%	-	-
5	Banwarilal Singhal				
	At the beginning of the year	36,213	0.14%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	36,213	0.14%	-	-





<b>V. INDEBTEDNESS</b>				
Indebtedness of the Company including interest outstanding/accrued but not due for payment.				Rs. in Lakhs
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	518.14	515.97	-	1,034.11
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-		-	-
<b>Total (i+ii+iii)</b>	<b>518.14</b>	<b>515.97</b>	<b>-</b>	<b>1,034.11</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,515.94	1,250.00	-	2,765.94
* Reduction	(12.07)	(0.18)	-	(12.25)
<b>Net Change</b>	<b>1,503.87</b>	<b>1,249.82</b>	<b>-</b>	<b>2,753.69</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,022.01	1,765.79	-	3,787.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,022.01</b>	<b>1,765.79</b>	<b>-</b>	<b>3,787.80</b>

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>						
A Remuneration to Managing Director, Whole-time Directors and/or Manager:						Rs. in Lakhs
SN.	Particulars of Remuneration					Total Amount
Name	Mr. Purusottamdas Patodia	Mr. Manoj Kumar Patodia	Mr. Anuj Patodia	Mr. T. Paul Sugumaran		
Designation	Chairman and Managing Director	Vice-Chairman and Managing Director	Managing Director	Whole-time Director		
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.00	31.20	30.00	23.96	127.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7.69	6.04	8.20	14.74	36.67
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Employer PF Contribution	5.04	3.59	3.45	-	12.08
	Pension Contribution	-	0.15	0.15	-	0.30
	<b>Total (A)</b>	<b>54.73</b>	<b>40.98</b>	<b>41.80</b>	<b>38.70</b>	<b>176.21</b>
		Ceiling as per the Companies Act, 2013		The remuneration paid to Managing Directors are within the ceiling prescribed under Companies Act, 2013		

## PRIME URBAN DEVELOPMENT INDIA LIMITED

B. Remuneration to other Directors						Rs. in Lakhs
SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. N.K. Bafna	Mr. Banwarilal Singhal	Mr. Venkatchalam Ramaswamy	Mrs. Ryna Zaiwalla Karani	
1	Independent Directors					
	Fee for attending board committee meetings	1.20	1.00	0.10	0.75	3.05
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>1.20</b>	<b>1.00</b>	<b>0.10</b>	<b>0.75</b>	<b>3.05</b>
2	Other Non-Executive Directors					-
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>1.20</b>	<b>1.00</b>	<b>0.10</b>	<b>0.75</b>	<b>3.05</b>
	<b>Total Managerial Remuneration (A+B)</b>					<b>179.26</b>

B. Remuneration to other Directors					Rs. in Lakhs
SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount	
		Name	Mr. S. Udayananda		Mr. Krunal Shah
		Designation	CFO		CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		9.66	7.68	17.34
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		3.18	3.00	6.18
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5	Others, please specify		-	-	-
	<b>Total</b>		<b>12.84</b>	<b>10.68</b>	<b>23.52</b>

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



**Annexure II**  
**Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

To  
The Members,  
**PRIME URBAN DEVELOPMENT INDIA LIMITED.**  
110, AVANASHI ROAD GANDHI NAGAR POST  
TIRUPUR TN 641603

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

Based on my verification of the Company's Books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure 'I'** for the Financial Year ended on 31st March, 2018 according to the provisions of:
  - i. The Companies Act, 2013 and the Rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment (**Not Applicable to the Company during the period under Audit**)
  - v. The following Regulations and Guidelines prescribed under the SEBI Act, 1992 are as follows:-
    - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (b) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable as the Company has not made any further issue of Shares**)
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999. Now known as SEBI (Share based employees Benefits) Regulations, 2014 (**The Company has not introduced any such scheme during the financial year under review**)
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**The Company has not issued any Debt Securities during the financial year under review**)

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted or propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**

(g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back or propose to buy-back any of its securities during the Financial Year under review)**

During the Financial Year 2017-18, the Company had no under construction Project at its site at Tirupur (Coimbatore - Tamil Nadu). Hence during the Financial Year 2017- 18 there was no construction activity carried out by the Company and accordingly none of the following specific laws were applicable to the Company.

- Other law specifically applicable to the Company are:
  - (a) Tamil Nadu Public Building Licensing Act, 1965;
  - (b) Tamil Nadu Lift Act, 1997;
  - (c) Tamil Nadu District Municipalities Building Rules, 1972;
  - (d) Town Planning Act, 1971;
  - (e) Multi-storeyed Public Building Rules, 1973;
  - (f) District Municipalities Building Rules, 1972;
  - (g) Real Estate (Regulation and Development) Act 2016;

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

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

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

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

### **I further report that**

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

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

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

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

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



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

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

1. The Company has acquired 58,02,925 Equity shares of Rs.10 each (100 % of the paid up equity share capital) of New Line Buildtech Private Limited ("NLBPL") at a price of Rs 70.71/- aggregating to Rs 41,04,49,107/- by virtue of the said acquisition New Line Buildtech Private Limited ("NLBPL") has become wholly owned Subsidiary of the Company .

The Company is holding 58,02,925 Equity shares in the following names:

- |    |   |                           |
|----|---|---------------------------|
| a) | Prime Urban Development India Limited   | : 58,02,919 Equity shares |
| b) | Purusottamdas Potodia ; registered owner<br>Prime Urban Development India Limited; beneficial owner | : 01 Equity share         |
| c) | Manoj Kumar Potadia ; registered owner<br>Prime Urban Development India Limited; beneficial owner   | : 01 Equity share         |
| d) | Anuj Patodia ; registered owner<br>Prime Urban Development India Limited; beneficial owner          | : 01 Equity share         |
| e) | Beni Prasad Sharma ; registered owner<br>Prime Urban Development India Limited; beneficial owner    | : 01 Equity share         |
| f) | Nandita Patodia ; registered owner<br>Prime Urban Development India Limited; beneficial owner       | : 01 Equity share         |
| h) | Meenal Patodia ; registered owner<br>Prime Urban Development India Limited; beneficial owner        | : 01 Equity share         |

The Company has complied provisions of section 89 of Companies Act 2013, relating to Declaration in respect of beneficial ownership in any share.

2. Mrs. Ryna Zaiwalla Karani was appointed as an Additional Director of the Company and was designated as Non - Executive Independent Director through Circular Resolution w.e.f. 13th April, 2017 in place of Dr. Vaijayanti Pandit Women Director who had resigned w.e.f 23rd January 2017. The Circular Resolution for appointment of Mrs. Ryna Zaiwalla Karani was taken on record by the Board of Directors in its Meeting held on 24th May, 2017.

For S.K.JAIN & Co.

Dr. S. K. Jain  
Practicing Company Secretary  
Membership No.1473  
COP No. 3076

**Place:** Mumbai  
**Date:** 21/05/2018

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **ANNEXURE - I**

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

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended 31st March, 2017.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, and Stakeholder Relationship Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of Annual General Meetings held during the Financial Year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Intimations received from directors under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report.
11. Closure of Register of Members.

For S.K.JAIN & Co.

Dr. S. K. Jain  
Practicing Company Secretary  
Membership No.1473  
COP No. 3076

**Place:** Mumbai  
**Date:** 21/05/2018



## ANNEXURE – II

### List of applicable laws to the Company

- i. Transfer of Property Act, 1882
- ii. The Payment of Bonus Act, 1965
- iii. The Payment of Gratuity Act, 1972
- iv. The Employees Provident Fund and Miscellaneous Provision Act, 1952
- v. The Professional tax Act, 1975
- vi. The Goods and Services Act

For S.K.JAIN & Co.

Dr. S. K. Jain  
Practicing Company Secretary  
Membership No.1473  
COP No. 3076

**Place:** Mumbai  
**Date:** 21/05/2018

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## ANNEXURE - III

### Registered Office:

110, Avanashi Road, Gandhi Nagar Post  
Tirupur 641 603

### Corporate Office:

106, 10<sup>th</sup> Floor, 228,  
Mittal Chambers,  
Nariman Point,  
Mumbai - 400 021

For S.K.JAIN & Co.

Dr. S. K. Jain  
Practicing Company Secretary  
Membership No.1473  
COP No. 3076

**Place:** Mumbai  
**Date:** 21/05/2018

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

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

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

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

The Company has not entered into any contracts or arrangements or transactions with its related parties which are not on arm's length basis during the financial year 2017-18.

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

	(1)	(2)
a Name(s) of the Related Party and Nature of Relationship	<b>Mrs. Indira Devi Patodia</b> (a) Spouse of Mr. Purusottamdas Patodia, Chairman & Managing Director of the Company. (b) Mother of Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director of the Company and Mr. Anuj Patodia, Managing Director of the Company.	<b>M/s. Prime Hitech Textiles LLP (LLP)</b> Mr. Manoj Kumar Patodia, Vice Chairman and Managing Director of the Company and Mr. Anuj Patodia, Managing Director of the Company are designated partners of LLP.
b Nature of contracts / arrangements/ transactions	Mrs. Indira Devi Patodia is employed as Sales Executive in the Company.	Room given on rental basis by the Company to Prime Hitech Textiles LLP.
c Duration of the contracts / arrangements / transactions	Ongoing	Ongoing
d Salient terms of the contracts or arrangements or transactions including the value, if any	Salary paid by the Company to Mrs. Indira Devi Patodia, Sales Executive at the rate of Rs. 13,916/- per month. Total payment for year ended 31st March, 2018 is Rs. 1,66,992/-.	Rent received from M/s. Prime Hitech Textiles LLP, at a rent of Rs. 1,000 per month. Total rent received for the year ended 31st March, 2018 is Rs. 12,000/-.
e Date(s) of approval by the Board, if any	Refer Note below	
f Amount paid as advance, if any	-	-

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





		(3)	(4)
a	Name(s) of the Related Party and Nature of Relationship	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company
b	Nature of contracts / arrangements/ transactions	Work Order towards Labour charges to carryout Civil work of Brickwork, Plastering, Tile Laying, Debris cleaning work and all Miscellaneous work at Club House-The Onyx Project-Tirupur.	Work Order for Supplying and Laying of Civil work, Electrical, Plumbing, Tile, Glass False ceiling work as per villa owner Term Sheet at THE ONYX Project-Tirupur.
c	Duration of the contracts / arrangements / transactions	Valid upto March 30, 2018	Valid upto March 15, 2018
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Work Order towards Labour charges to carryout Civil work of Brick work, Plastering, Tile Laying, Debris cleaning work and all Miscellaneous work at Club House-The Onyx project-Tirupur for the work value of Rs. 10,97,283/-.	Work Order for Supplying and Laying of Civil work, Electrical, Plumbing, Tile, Glass False ceiling work as per villa owner Term Sheet at THE ONYX Project-Tirupur for the work value of Rs. 44,82,953/-.
e	Date(s) of approval by the Board, if any	Refer Note below	
f	Amount paid as advance, if any	75% of Mobilization advance paid along with work order.	50% of Mobilization advance paid along with work order.

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

		(5)	(6)
a	Name(s) of the Related Party and Nature of Relationship	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company
b	Nature of contracts / arrangements/ transactions	Letter of Intent for Civil Works of residential project situated in T.S. No. 1/3,2,3,4 Ward C-Block 4 of Tirupur Corporation-Tirupur District.	Work Order for Dismantling of Drench RCC Slab, Dismantling of old Building, Filing, Levelling and Site cleaning work at the Company's Land area-Tirupur.
c	Duration of the contracts / arrangements / transactions	Completion of work within 180 days from the date of payment of Mobilization advance.	Valid upto March 15, 2018
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Letter of Intent for Civil Works of residential project situated in T.S. No. 1/3,2,3,4 Ward C-Block 4 of Tirupur Corporation-Tirupur District for the work value of Rs. 1,32,31,758/-.	Work Order for Dismantling of Drench RCC Slab, Dismantling of old Building, Filing, Leveling and Site cleaning work at the Company's Land area-Tirupur for the work value of Rs. 13,69,230/-.
e	Date(s) of approval by the Board, if any	Refer Note below	
f	Amount paid as advance, if any	Mobilization advance of Rs. 10,00,000/- (Rupees Ten Lakhs only) paid in two instalments.	-

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

		(7)	(8)
a	Name(s) of the Related Party and Nature of Relationship	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company
b	Nature of contracts / arrangements/ transactions	Work Order for Civil Work of RR Masonry, Filing, Construction of Drainage at Villa Back side 30 Feet-Tirupur.	Work order towards Labour charges of Tile breaking & Laying work, Plastering and wall tile acid wash work, debris cleaning work at Common Swimming pool-The ONYX project Tirupur.
c	Duration of the contracts / arrangements / transactions	Valid upto April 30, 2018	Valid upto April 30, 2018
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Work Order for Civil Work of RR Masonry, Filing, Construction of Drainage at Villa Back side 30 Feet-Tirupur for the work value of Rs. 18,95,838/-.	Work order towards Labour charges of Tile breaking & Laying work, Plastering and wall tile acid wash work, debris cleaning work at Common Swimming pool-The ONYX project Tirupur for the work value of Rs. 1,74,860/-.
e	Date(s) of approval by the Board, if any	Refer Note below	
f	Amount paid as advance, if any	-	-

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

		(9)	(10)
a	Name(s) of the Related Party and Nature of Relationship	<b>M/s. Srivarsha Realtors Private Limited,</b> Wholly Owned Subsidiary of the Company	<b>M/s. Newline Buildtech Private Limited,</b> Wholly Owned Subsidiary of the Company
b	Nature of contracts / arrangements/ transactions	Work order towards Labour charges to carry out Civil for west side compounding wall.	Purchase of Development Rights from New Line Buildtech Pvt. Ltd
c	Duration of the contracts / arrangements / transactions	Valid upto March 30, 2018	One Time Transaction
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Work order towards Labour charges to carry out Civil for west side compounding wall for the work value of Rs. 71,52,435/- .	Rs. 36,95,40,912/- paid to New Line Buildtech Private Limited for purchase of Development Rights from New Line Buildtech Private Limited
e	Date(s) of approval by the Board, if any	Refer Note below	
f	Amount paid as advance, if any	Mobilization advance of Rs. 30,00,000/- (50% of Advance) paid along with work order.	-

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

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

**Date: May 21, 2018**  
**Place: Mumbai**

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



#### Annexure - IV

### Annual Report on Corporate Social Responsibility (“CSR”) Activities

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

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

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

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

- i. Mr. Banwarilal Singhal - Chairman (Non- Executive Director/Independent)
- ii. Mr. Purusottamdas Patodia - Member ( Chairman and Managing Director)
- iii. Mr. Manoj Kumar Patodia - Member (Vice Chairman and Managing Director)
- iv. Mr. Anuj Patodia - Member (Managing Director)

**3. Average net profit of the Company for last three financial years:** For the last three financial years, the Company has incurred Average Net Loss of Rs. 1,024.82 Lakhs.

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

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

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

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

\*Give details of implementing agency

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

Not Applicable

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

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

**Purusottamdas Patodia**  
Chairman and Managing Director

**Banwarilal Singhal**  
Chairman - CSR Committee

Place: Mumbai  
Date: May 21, 2018

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Annexure - V PRIME URBAN DEVELOPMENT INDIA LIMITED Remuneration Policy for Directors, Key Managerial Personnel and Other Employees**

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

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

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

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

This policy is intended to ensure that:

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

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

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

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

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

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

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

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

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

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

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



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

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

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

The Nomination and Remuneration Committee shall ensure that –

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

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

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

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

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

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

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

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

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

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

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

### **6.3 Evaluation:**

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

### **6.4 Removal:**

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

### **6.5 Retirement:**

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

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

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

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



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

**Remuneration**

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

**Minimum Remuneration**

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

**Provisions for Excess Remuneration**

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

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

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

**Profit Linked Commission**

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

**Stock Options**

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

**8. Amendments to the Policy**

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

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Annexure VI

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

- a) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary and Managing Director during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

Sr. No.	Name of Director/KMP and designation	Remuneration of Director/KMP for Financial Year 2017-18 (Rs. in Lakhs)	%increase/ (decrease) in Remuneration for Financial year 2017-18	Ratio of remuneration of each Director to median remuneration of employees
1	Purusottamdas Patodia Chairman and Managing Director	54.73	(1.14%)	4.61
2	Manoj Kumar Patodia Vice Chairman and Managing Director	40.98	(0.19%)	3.45
3	Anuj Patodia Managing Director	41.80	(0.57%)	3.52
4	T. Paul Sugumaran Whole-time Director	38.70	25.65%	3.26
5	S. Udayananda Chief Financial Officer	12.84	10.31%	1.08
6	Krunal Shah Company Secretary	10.68	9.88%	0.91

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

In the financial year 2017-18, there was an increase of 11.20% in the median remuneration of employees.

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

There were 13 Permanent employees on the rolls of Company as on 31st March, 2018.

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

The average percentage increase made in the salaries of employees other than the managerial personnel for the financial year i.e. 2017-18 was 10.79% whereas the increase in the managerial remuneration for the same financial year was Nil

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

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





## Annexure-VII

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Indian Economy

Indian economy at the start of 2017-18 felt the continuing effects of demonetization which were further compounded by the implementation of GST in the 2nd quarter. This coupled with high Non-Performing Assets accumulated with Public sector banks worsened the liquidity in the economy. However, in October government announced a mammoth recapitalization plan of Rs 2.11 lakh crore for public-sector banks. This is expected to improve the liquidity position going ahead. Despite these issues India's GDP recovered and is estimated to have increased at 6.6% in 2017-18 and is expected to grow 7.3% in 2018-19.

Inflation, especially retail inflation that hit a 17-month high of 5.21% in December 2017, moderated a bit in January 2018 to 5.07%. Further moderation in retail inflation continued in the following months. In March, the CPI stood at 4.28% compared to 4.44% in February.

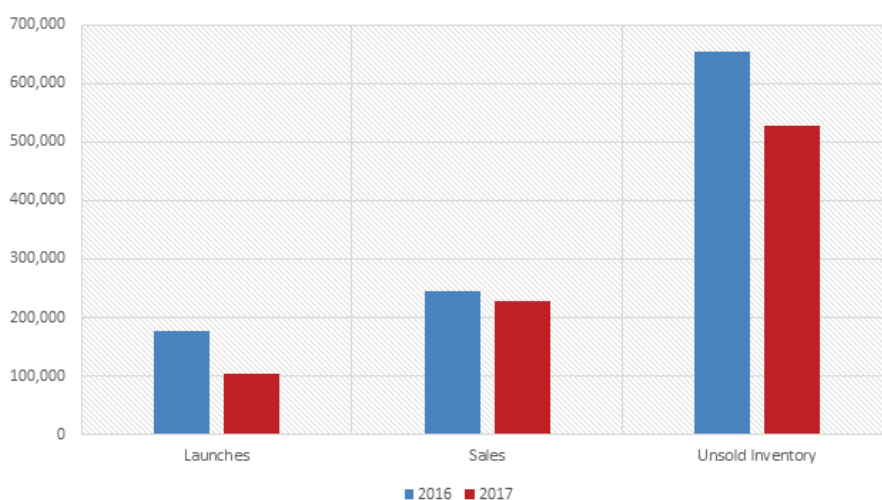
With the improvement in the economic scenario in the latter part of the year and with India rising 30 places in the World Bank's ease of doing business report, there have been an increase in investments in various sectors of the economy. The M&A activity in India increased 53.3% to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion.

#### Indian Real Estate

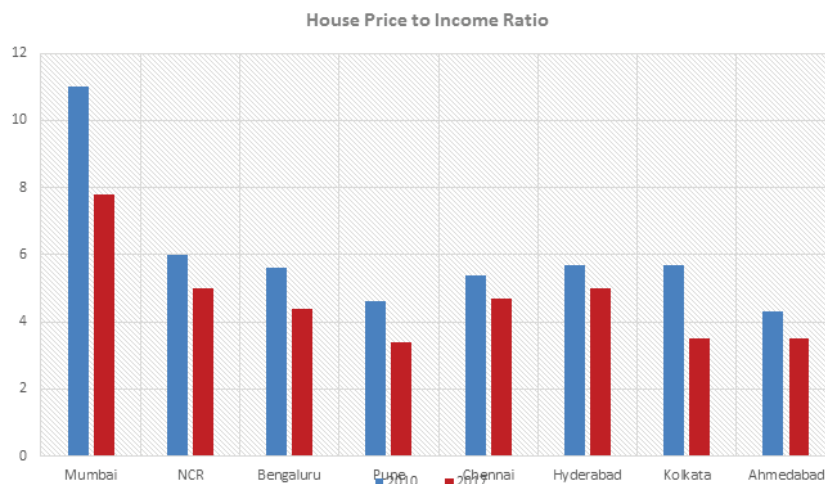
The Indian residential market has breached new lows in terms of supply and sales for every successive year of this decade. Despite the massive need for housing that India is facing, huge unsold inventories caused by a prolonged focus of the developers on the wrong apartment ticket sizes have resulted in the poor performance of the residential real estate industry. The government aggressively tried to push a culture of transparency through measures such as demonetizations, Goods and Services Tax (GST) and the Real Estate (Regulation and Development) Act, 2017 (RERA) which are expected to alter the course of the industry in the long term.

NCR and Mumbai saw sales numbers increased by 21% and 19% YoY respectively during H2 2017 but this can be attributed to the extremely low sales during H2 2016 caused by the demonetization drive carried out by the government.

Indian Market Snapshot (No of Units)



## PRIME URBAN DEVELOPMENT INDIA LIMITED



As seen in the above figure the affordable housing drive promoted by the government has started to yield results as the house price to income ratio has progressively decreased from 2010 to 2017 in the major metropolitan cities in India.

Private equity and debt investments in India's real estate sector grew 12 per cent year-on-year to US\$ 4.18 billion across 79 transactions in 2017. In 2017, M&A deals worth US\$ 3.26 billion were made in India's real estate sector. Private equity investments in Indian retail assets increased 15 per cent in CY 2017 to reach US\$ 800 million. India is expected to witness an upward rise in the number of real estate deals in 2018, on the back of policy changes that have made the market more transparent.

The real estate sector has started showing signs of improvement in FY18 as can be seen from the data on Housing sales. As per the latest available data the Housing sales in the month of April have increased by a good 25% as compared to the previous month in the country's 7 major cities as per a report published by a known property consultant (ANAROCK).

### Investment Destination

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private equity investments in real estate are estimated to grow to US\$ 100 billion by 2026 with tier 1 and 2 cities being the prime beneficiaries. India stood third in the US Green Building Council's (USGBC) ranking of the top 10 countries for Leadership in Energy and Environmental Design (LEED) certified buildings, with over 752 LEED-certified projects across 20.28 million gross square meters of space. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.67 billion in the period April 2000-December 2017.

### Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- In February 2018, creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore (US\$ 9.27 billion).
- Under the Pradhan Mantri Awas Yojana (PMAY) Urban 1,427,486 houses have been sanctioned in 2017-18. In March 2018, construction of additional 3,21,567 affordable houses was sanctioned under the scheme.



- Subsidy eligibility under Pradhan Mantri Awas Yojana (PMAY) covers up to Rs. 12 lakh of home loan—reduces effective home loan rates to 0.30% for mid-income affordable housing.
- Homebuyers can withdraw from their accumulated EPF corpus for both the down payment on their house as well as paying their home loan EMIs.
- Increased tax incentive reduces effective home loan yields to 0.30% for a 8.35% home loan.
- 100% tax exemption on profits from construction of affordable housing will attract organized developers and increase supply.
- PMAY projects to be out of purview of GST. Service tax exemption on construction of affordable housing projects will lead to reduction in prices, increasing affordability.
- The 7th pay commission increases the annual payout to 10mn government employees to up to Rs. 1 Tn per annum. Increased disposable income will have positive impact on the housing sector.

#### **Budget 2018-19 proposals for Real estate**

- Lower allocation for CLSS-MIG (Credit Linked Subsidy Scheme) component an indication of lower than expected demand for the subvention scheme. Allocation to MIG CLSS reduced from Rs 1000 crore in FY18 to Rs 900 crore in FY19 and revised estimate for 2017-18 at Rs 600 crore.
- Government will also establish a dedicated Affordable Housing Fund (AHF) in National Housing Bank, funded from priority sector lending shortfall and fully serviced bonds authorized by the Government of India.
- Long term capital gains on sale of REIT/Invits units will be applicable at 10% (in line with equity). However minimum long term holding period remains unchanged at 3 years. Marginally negative for the asset class.
- Government allows calculation of property gains taxes on properties transacted lower than circle rates if the value is within 5% range. Lowers tax incidence for transaction taking place at marginally lower than circle rate.
- Government will tax conversion of inventory into capital asset as business profit/gains. Fair market value of the inventory on the date of conversion to be considered as full value of consideration and holding period of capital asset will be considered from the date of conversion.
- Profits arising from a construction contract or a contract for providing services shall be determined based on percentage of completion method.

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

A robust establishment of skill-based manufacturing industries has led to fast paced urbanization in south India, housing around 102.8mn people in just urban areas (27.3% of India's total urban population). Tamil Nadu, Andhra Pradesh, Karnataka and Kerala house close to 50% of the total number of SEZs in the country. Together with industrial growth, IT remains the dominant driver for the real estate market.

The growth potential in southern India is humongous. Tamil Nadu contributes approximately 10.93% to India's overall GDP and ranks 2nd among the 36 Indian States & Union Territories in terms of GDP contribution. Contribution of the southern states of India is nearly 31% of the GDP of India. The Real Estate sector in the South is also picking up on account of growth in sectors like Auto, Consumer goods, Power consumption & Cement in the recent past.

#### **About Tirupur – Our core market:**

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

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

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

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

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

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

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

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

Known as the Detroit of India for contributing around 60% of the country's automobile exports, Chennai - the capital of Tamil Nadu - is also well-known for its port-centric businesses, engineering, manufacturing establishments and IT-ITeS companies. Chennai's economy is currently the 4th largest in India. According to Forbes Magazine, the city features in the top 10 fastest-growing cities in the world. Chennai also has a presence of numerous Fortune 500 companies, which leads to a massive employment generation.

Chennai residential real estate snapshot New unit launches in Chennai stood at 4,418 in 2017, with around 45,000 under-construction units. Old Mahabalipuram Road, Perumbakkam, Porur, East Coast Road (ECR) and Pallikaranai are among the most preferred micro markets, with residential property prices hovering in the range of INR 3,500 to INR 8,300/sf. Between 2013-2017, around 1.2 lakh units have been added to Chennai's residential market in Chennai.

Of the four zones (Central, West, North and South), South Chennai surpassed the others to emerge as the most rapidly-growing market, accounting for 65% of the city's total housing supply since 2013. On this front, South Chennai is followed by West Chennai with a contribution of 27%.

The presence of IT-ITeS establishments, SEZs and manufacturing units have been the primary growth stimulators for the southern region. In addition, rapidly developing infrastructure is boosting the residential real estate market along the Old Mahabalipuram Road (OMR), Thoraipakkam - Pallavaram Road (TPR) and Grand Southern Trunk (GST) Road.

Chennai has the lowest unsold inventory among top 7 cities in India, with its unsold stock of 27,000 units (as of Q4 2017) worth INR 17,500 crore. The estimated period for the unsold inventory in primary sales to get fully absorbed is approximately 32 months, compared to top metros of NCR and MMR which are likely to take 75 months and 61 months, respectively. South Chennai tops the unsold inventory chart, accounting for 69% of total unsold units in the city. However, this supply was unleashed to cater to the massive existing demand in this region, and absorption will be rapid.

The mid-income housing segment, consisting of units priced at between INR 40 - 80 lakh, accounts for 44% of the overall available inventory. This segment currently dominates the primary sales residential market in Chennai, followed by the affordable housing segment (units priced below INR 40 lakh) which accounts for 29% of the existing primary market supply. The considerable traction being seen in the affordable and mid-range housing segment is primarily due to the various schemes and incentives offered by the Government to promote its Housing for All mission.



Chennai's residential real estate market took a major body-blow from the floods in 2015 and the political instability in the consecutive years. As a result, it witnessed reduced new launches in 2017. With restricted supply and stable demand, absorption improved in 2017, and unsold inventory consequently decreased by 24% in Q4-2017 vis-à-vis Q4-2016. Despite the current sluggishness of the Indian residential property market, Chennai's housing sector market is gradually gaining new momentum on the back of continuous infrastructure upgrades and inward migration of working population responding to the increasing employment opportunities

#### **Project Wise Details**

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

- **Prime Enclave Vistas** – Prime Enclave Vistas is our Apartment project which is setup amidst serene landscape surrounded by nature. The Project was conceived with a single objective to develop a unique residential project in Tirupur, which shall be the first of its kind. The project is designed to match the tastes and mind-set of an elite class of masses, who aspire to live ahead of the times. We have a total of 376 units in this project and we are happy to state that all the units have been sold and handover to the Association formed by the flat owners have been completed.
- **The Onyx (Villas)** – The Onyx is our Villa Project in Tirupur. The Project consists of luxurious Villas amidst breathtaking, lush landscape and an array of recreation. We have currently constructed 14 Villas. However, looking at the current market conditions we are looking to explore alternate business opportunities for the remaining land parcel.
- **Developed Lands** – The Company has taken up Developed Land Projects and successfully completed sale of Lands measuring over 143,000 sq. ft. of Land in FY17-18. We have 93,000 sq. ft. land available to sell and are targeting to sell the same within this financial year 2018-19.

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

#### **Disclaimers:**

Certain statements in the “Management Discussion and Analysis” may not be based on historical information or facts and may be “forward looking statements” within the meaning of applicable securities laws and regulations, including but not limited to those relating to general business plans and strategy of the Company, its future outlook and growth prospects, future developments in its businesses, its competitive and regulatory environment and management’s current views and assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, competitors actions, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. Company assumes no responsibility to publicly amend, modify or revise any statement, on basis of any subsequent development, information or events, or otherwise. The “Management’s Discussion and Analysis” does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company’s securities.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**



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

#### **REPORT ON CORPORATE GOVERNANCE**

**YEAR ENDED ON 31ST MARCH 2018**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI Listing Regulations"), inter alia mandates corporate governance related practices and requirements, which listed companies are required to adopt. This Report outlines the governance practices followed by the Company in compliance with the requirements prescribed under the SEBI Listing Regulations.

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

The Company firmly believes and has consistently practiced good corporate governance. Transparency and accountability are the two basic facets of corporate governance. The Company's philosophy on Corporate Governance is reflected in its continued commitment to ensure fairness, transparency, accountability and integrity across all its business operations. The Company constantly strives towards betterment of these aspects and thereby generating long term value and trust for its stakeholders.

The Company has established procedures and systems to ensure regular dissemination of information to the Board of Directors of the Company ("Board") to ensure effective oversight of the Company's business activities. Your Company, through its Board, endeavours to strike and deliver the highest corporate governance standards for the benefit of its stakeholders. The Board is responsible for and committed to sound principles of corporate governance for the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of its stakeholders by critically evaluating the Company's strategic decisions, business operations, management policies and its effectiveness. The Company believes that empowerment, combined with accountability, provides an impetus to performance and improves effectiveness, thereby enhancing stakeholder's value.

As a part of the Company's vision towards competitive, profitable and responsible growth, it keeps the Company's governance practices under continuous review in order to align them to best practices across the globe.

#### **BOARD OF DIRECTORS**

The Board of Directors of the Company ("Board") has an optimum combination of Executive and Non-Executive Directors, fifty percent being Non-Executive Independent Directors. The Board also comprises of one women Director.

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

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

During the financial year 2017-18, six meetings of the Board of Directors were held on the following dates:

24th May, 2017, 21st June, 2017, 11th August, 2017, 11th August, 2017, 17th November, 2017 and 2nd February, 2018.

The minimum information required to be placed before the Board under Part A of Schedule II of SEBI Listing Regulations, 2015 (to the extent applicable), is placed before the Board at their meetings.

The details of Directorship and Membership/Chairmanship of the Committees of the Board held by the Directors as on 31st March, 2018 and their attendance at the meetings (including meetings attended through electronic mode) during the year are as follows:



Name of the Director	Category	No. of Board Meetings held during the financial year 2017-18	No. of Board Meetings attended by the Director during the financial year 2017-18	Attendance at the last AGM	No. of Directorship in other public limited companies#	No. of Committee position held including the company*		Relationship with other Directors interse
						Chairman of the Committee	Member	
Mr. Purusottamdas Patodia	Executive Chairman/ Promoter	6	6	Yes	2	0	1	Father of Mr. Manoj Kumar Patodia and Mr. Anuj Patodia.
Mr. Manoj Kumar Patodia	Executive Vice-Chairman /Promoter	6	6	Yes	5	0	2	Son of Mr. Purusottamdas Patodia and brother of Mr. Anuj Patodia
Mr. Anuj Patodia	Managing Director/ Promoter	6	6	Yes	9	0	0	Son of Mr. Purusottamdas Patodia and brother of Mr. Manoj Kumar Patodia
Mr. T. Paul Sugumaran	Whole Time Director	6	4	Yes	0	0	0	Not related to any other Director of the Company
Mr. N. K. Bafna	Non Executive Director/ Independent	6	6	Yes	1	1	3	
Mr. Banwarilal Singhal	Non Executive Director/ Independent	6	5	Yes	4	4	3	
Mr. Venkatchalam Ramaswamy	Non Executive Director/ Independent	6	1	No	4	0	2	
Mrs. Ryna Zaiwalla Karani	Non Executive Director/ Independent	6	6	Yes	6	4	5	

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

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

As on 31<sup>st</sup> March, 2018, the number of directorship/committee membership/ chairmanship of all the Directors is within the respective limits prescribed under Companies Act, 2013 and that of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The shareholding of the Non-Executive Directors of the Company as on 31<sup>st</sup> March, 2018 is as follows:

Sr. No.	Name of the Director	No. of equity shares held as on 31 <sup>st</sup> March, 2018
1	Mr. Banwarilal Singhal	36,213
2	Mr. N.K. Bafna	NIL
3	Mr. Venkatchalam Ramaswamy	NIL
4	Mrs. Ryna Zaiwalla Karani	NIL

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

The Familiarisation Program aims to provide insight to the Independent Directors in order to enable them to understand the business of the Company in depth, to acclimatize them with the processes and functionalities of the Company and to assist them in understanding their role and responsibilities. The Independent Directors are also updated as and when required, of their role, rights and responsibilities under applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and Secretarial Standards.

Presentations are regularly made to the Board of Directors and Audit Committee inter-alia, covering the Company's strategy, business model, operations, markets, products, finance, risk management framework, financial performance, budget and control process and for such other areas as may be considered necessary. The Independent Directors have the freedom to interact with the Company's management.

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

### **MEETING OF INDEPENDENT DIRECTORS**

As stipulated under the Code for Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 2<sup>nd</sup> February, 2018.

The meeting was attended by all the Independent Directors of the Company except Mr. Venkatchalam Ramaswamy.

### **AUDIT COMMITTEE**

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control system;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;





15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee, if any.

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

**Composition and Attendance at Meetings:**

As on 31st March, 2018, the composition of the Audit Committee has been as under:

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

All Members of the Audit Committee possess accounting and financial management knowledge.

During the financial year 2017-18, four meetings of Audit Committee were held on the following dates: 24<sup>th</sup> May, 2017, 11<sup>th</sup> August, 2017, 17<sup>th</sup> November, 2017 and 2<sup>nd</sup> February, 2018.

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

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

Mr. Banwarilal Singhal, Chairman of the Audit Committee was present at the last Annual General Meeting held on 11th August, 2017.

**NOMINATION AND REMUNERATION COMMITTEE**

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

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

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### Composition and Attendance at Meetings:

As on 31st March, 2018, the composition of Nomination and Remuneration Committee has been as under:

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

During the financial year 2017-18, one meeting of Nomination and Remuneration Committee was held on 24th May, 2017.

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

Name of the Members	Designation	Category	No. of Meeting (s) Held	No. of Meeting(s) Attended
Mr. Banwarilal Singhal	Chairman	Non-Executive Director/Independent	1	1
Mr. N. K. Bafna	Member	Non-Executive Director/Independent	1	1
Mr. Venkatchalam Ramaswamy	Member	Non-Executive Director/Independent	1	1

### PERFORMANCE EVALUATION

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

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

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

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

### Details of remuneration paid to the Directors during the Financial Year 2017-18:

Name of the Director	Sitting Fees* (Rs.)	Remuneration (Rs.)	Total (Rs.)	No. of Stock Options
Mr. Purusottamdas Patodia	Nil	54,73,116	54,73,116	Nil
Mr. Manoj Kumar Patodia	Nil	40,98,228	40,98,228	Nil
Mr. Anuj Patodia	Nil	41,80,769	41,80,769	Nil
Mr. T. Paul Sugumaran	Nil	38,70,000	38,70,000	Nil
Mr. N.K. Bafna	1,20,000	Nil	1,20,000	Nil
Mr. Banwarilal Singhal	1,00,000	Nil	1,00,000	Nil
Mr. Venkatchalam Ramaswamy	10,000	Nil	10,000	Nil
Mrs. Ryna Zaiwalla Karani	75,000	Nil	75,000	Nil

\* includes fees paid for board and committee meetings



### Non- Executive Directors

The Non-Executive Directors of the Company are not paid any remuneration except by way of sitting fees for attending meetings of Board of Directors and its Committee(s). The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the financial year 2017-18.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

### Composition and Attendance at Meeting

As on 31st March, 2018, the composition of Stakeholders' Relationship Committee has been as under:

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

During the financial year 2017-18, four meetings of Stakeholders' Relationship Committee were held on the following dates: 24<sup>th</sup> May, 2017, 11<sup>th</sup> August, 2017, 17<sup>th</sup> November, 2017 and 2<sup>nd</sup> February, 2018.

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

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

During the year under review, 13 (Thirteen) complaints/ correspondences were received by the Company and S. K. D. C. Consultants Limited, Registrar and Share Transfer Agent. The shareholder's complaints / correspondences were resolved and there were no pending complaints or unattended correspondences as on 31st March, 2018.

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The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the SEBI Listing Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent is also submitted to the Stock Exchanges on a half yearly basis.

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

Mr. Krunal Shah, Senior Manager - Legal and Company Secretary,  
Prime Urban Development India Limited,  
106, 10th Floor, Mittal Chamber,  
Nariman Point, Mumbai - 400 021.

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

The terms of reference of CSR Committee includes the following:

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

### **Composition and Attendance at Meeting**

As on 31<sup>st</sup> March, 2018, the composition of Corporate Social Responsibility Committee has been as under:

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

During the financial year 2017-18, no meeting of Corporate Social Responsibility Committee was held.

The Corporate Social Responsibility Policy as approved by the Board of Directors of the Company is made available on the website of the Company at the link <http://www.ptionline.com/new-investors/policies/Corporate-Social-Responsibility-Policy.pdf>

### **GENERAL BODY MEETINGS**

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

AGM No.	Year	Day, Date and Time	Venue
80 <sup>th</sup> AGM	2016-17	Friday, August 11, 2017 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu
Adjourned 80 <sup>th</sup> AGM	2016-17*	Thursday, September 7, 2017 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu
79 <sup>th</sup> AGM	2015-16	Wednesday, August 10, 2016 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu
78 <sup>th</sup> AGM	2014-15	Thursday, August 13, 2015 at 3.00 p.m.	110, Avanashi Road, Gandhinagar Post, Tirupur – 641 603, Tamil Nadu

\*Adjourned 80th Annual General Meeting.

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

AGM No.	AGM Date	Special Resolutions passed
80 <sup>th</sup> AGM	11 <sup>th</sup> August, 2017	Appointment of Mrs. Ryna Zaiwalla Karani (DIN: 00116930) as an Independent Director of the Company.
Adjourned 80 <sup>th</sup> AGM	7 <sup>th</sup> September, 2017	NA
79 <sup>th</sup> AGM	10 <sup>th</sup> August, 2016	i. Adoption of new set of Articles of Association of the Company. ii. Approval for keeping the Statutory Registers and other secretarial records at a place other than Registered Office of the Company.
78 <sup>th</sup> AGM	13 <sup>th</sup> August, 2015	i. Re-appointment of Mr. Purusottamdas Patodia, as Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016. ii. Re-appointment of Mr. Manoj Kumar Patodia, as Vice-Chairman and Managing Director of the Company for a period of three years w.e.f. April 1, 2016. iii. Re-appointment of Mr. Anuj Patodia, as Managing Director of the Company for a period of three years w.e.f. April 1, 2016. iv. Appointment of Mr. T. Paul Sugumaran as Whole Time Director of the Company for a period of 3 years w.e.f. June 1, 2015. v. Appointment of Dr. Vijayanti Pandit as Independent Director of the Company for a period of 5 (five) years. vi. Approval of Related Party Transactions.

**POSTAL BALLOTS****Special Resolution passed through Postal Ballot:**

No postal ballot was conducted during the financial year 2017-18. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

**DISCLOSURES****Vigil Mechanism/Whistle Blower Policy**

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

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

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

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

**Related Party Transactions**

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

The Policy on Related Party Transaction is posted on the website of the Company at the link <http://www.ptonline.com/new-investors/policies/Policy-on-Transactions-with-Related-Parties.pdf>.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Policy on Material Subsidiaries**

As on March 31, 2018, the Company had 6 subsidiaries. The Company does not have any material non-listed Indian Subsidiary Company as defined in Regulation 24 of the SEBI Listing Regulations. However, a policy on material subsidiaries has been formulated and the same is available on website of the Company at the link <http://www.ptonline.com/new-investors/policies/Policy-on-Material-Subsidiaries.pdf>.

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

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

### **Disclosure of Commodity price risks and commodity hedging activities**

The Company is not dealing in commodities and hence disclosure relating to commodity price risks and commodity hedging activities is not required.

### **Code of Conduct**

The Company has framed and adopted the Code of Conduct for all its Board Members and Senior Management Personnel. The Code of Conduct for Board Members and the Senior Management Personnel is posted on the website of the Company at the link <http://www.ptonline.com/new-investors/policies/Code-of-Conduct-for-Board-Members-and-SMP.pdf>.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2017-18. A declaration to this effect in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

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

### **CEO/CFO Certification**

As required under Regulation 17(8) of the SEBI Listing Regulations, the Chairman & Managing Director and the Chief Financial Officer of the Company have certified regarding the Financial Statements for the year ended March 31, 2018, which is annexed to this Report.

### **Management Discussion and Analysis Report**

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

### **Means of Communication and Shareholder Information**

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at [www.ptonline.com](http://www.ptonline.com) containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the policies approved by the Company, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual financial results, notices of Board Meetings and Annual General Meetings, are normally published in Business Line (English) and Malai Murasu (Tamil) newspapers.

Further, the Company disseminates to the Stock Exchange (i.e. BSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large.



## General Shareholder Information

### Annual General Meeting

Date and Time	Wednesday August 8, 2018 at 3.00 p.m.
Venue	Hotel Viswa's Opp. to Prime Enclave Vistas Apartments, 112/1, Asher Nagar, Avinashi Road, Tirupur - 641 603, Tamilnadu
Financial year	The financial year of the Company is from April 1 to March 31 of the following year
First Quarter Results	By second week of August, 2018
Second Quarter Results	By second week of November, 2018
Third Quarter Results	By second week of February, 2019
Fourth Quarter/Annual Results	By end of May, 2019
Date of Book Closure	Thursday August 2, 2018 to Wednesday August 8, 2018 (both days inclusive)
Dividend Payment Date	During the Financial Year under review, no dividend was declared.

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

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

### Stock Code

BSE Limited : 521149

International Securities Identification Number ("ISIN") : INE419E01024

### Listing Fees:

Listing fees for the Stock exchange for the year 2017-18 has been paid.

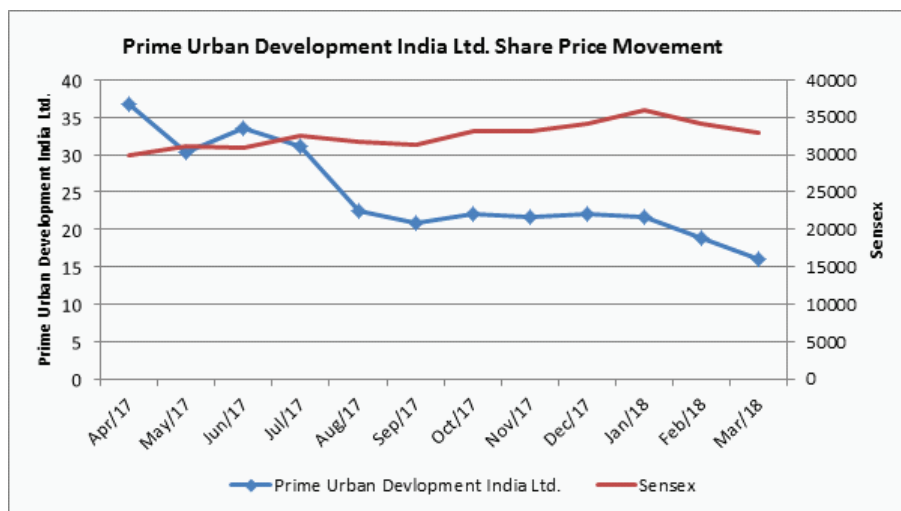
### Market Price Data during Financial Year 2017-18:

Month	BSE	
	High (Rs.)	Low (Rs.)
April 2017	45.00	34.25
May 2017	37.75	23.65
June 2017	34.55	25.10
July 2017	38.35	30.05
August 2017	31.80	21.10
September 2017	28.60	20.15
October 2017	24.50	20.70
November 2017	26.45	19.70
December 2017	25.70	20.30
January 2018	28.00	20.50
February 2018	23.50	18.10
March 2018	18.95	12.15

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

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended 31st March, 2018 (based on month end closing):

## PRIME URBAN DEVELOPMENT INDIA LIMITED



### Registrar and Share Transfer Agents

#### S.K.D.C. CONSULTANTS LIMITED

Kanapathy Towers, 3rd Floor,

1391/A-1, Sathy Road,

Ganapathy Post, Coimbatore,

Tamil Nadu - 641 006

Tel: +91 422 4958995

Fax: +91 422 2539837

E-mail: info@skdc-consultants.com

### Share Transfer System

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 30 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

### Distribution of Shareholdings as on 31st March, 2018

Value (Rs.)	Number of Shareholders	%	Amount	%
UPTO 5,000	4888	94.82	47,57,134	8.93
5,001 – 10,000	131	2.54	9,61,816	1.80
10,001 – 20,000	52	1.01	7,07,420	1.33
20,001 – 30,000	26	0.50	6,44,404	1.21
30,001 – 40,000	10	0.19	3,50,890	0.66
40,001 – 50,000	10	0.19	4,47,148	0.84
50,001 – 1,00,000	10	0.19	7,34,458	1.38
1,00,001 and above	28	0.54	4,46,83,930	83.85
<b>Total</b>	<b>5,155</b>	<b>100.00</b>	<b>5,32,87,200</b>	<b>100.00</b>





#### Categories of Shareholding as on 31st March, 2018

Category	No. of Shares	Shareholding %
<b>Promoters and their relatives/Promoter Group Companies</b>		
Individuals/HUF	69,06,914	25.92
Bodies Corporate	1,20,19,350	45.11
<b>Public Shareholders</b>		
Mutual Funds	3,750	0.01
Non Resident Indians - Repatriable	69,715	0.26
Non Resident Indians - Non Repatriable	4,211	0.02
Indian Companies	10,81,284	4.06
Indian Public	58,72,308	22.04
Clearing Members	70,301	0.26
Directors and Relative	50,413	0.19
Hindu Undivided Families	5,65,354	2.12
<b>Total</b>	<b>2,66,43,600</b>	<b>100.00</b>

#### Dematerialization of Shares and Liquidity

As on 31st March, 2018, a total of 2,53,43,800 equity shares aggregating to 95.12% of the issued, subscribed and paid-up equity share capital of the Company were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The break-up of equity shares held in Physical and dematerialised form as on March 31, 2018, is given below:

Category	No. of Shares	Percentage
NSDL	2,34,45,315	87.99
CDSL	18,98,485	7.13
Physical	12,99,800	4.88
<b>Total</b>	<b>2,66,43,600</b>	<b>100.00</b>

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

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

**Plant Location** : Not Applicable

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

**Company**  
Prime Urban Development India Limited

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

**Corporate Office:**  
106, 10th Floor, Mittal Chamber,  
Nariman Point, Mumbai - 400 021  
Tel: +91 22 61645000  
Fax: +91-22 61645070  
Website: www.ptlonline.com

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **Unclaimed and Unpaid Dividends**

As on 31st March, 2018, amounts of Rs. 3,90,445/- and Rs. 3,78,611/- are lying in the unpaid equity dividend account of the Company in respect of the dividend for the Financial Year 2015-16 and 2016-17 respectively. Members who have not yet received/claimed their dividend entitlements are requested to contact the Company or the Registrar and Share Transfer Agents of the Company.

### **Electronic Service of Documents to Members at Registered Email Address:**

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members / Members for registering their email address and changes therein, as may be applicable. Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members / members whose shareholding is in dematerialized form and whose email Ids are registered with the Depository for communication purposes. As regards Members / Members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Members holding shares in physical form have to write to our RTA, M/s. S.K.D.C. Consultants Limited at their specified address, so as to update their registered email address from time to time.

It may be noted that the Annual Report of the Company will also be available on the Company's website [www.ptonline.com](http://www.ptonline.com) for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the member, any time, as a member of the Company.

### **Compliance with Mandatory and Non-Mandatory requirements of the SEBI Listing Regulations**

The Company has complied with mandatory requirements of the SEBI Listing Regulations to the extent applicable.

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

#### **(i) The Board**

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

#### **(ii) Shareholders' Rights**

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

#### **(iii) Modified Opinion(s) in Audit Report**

There are no modified opinion(s) on the financial statements for the year 2017-18. Standard practices and procedures are followed to ensure unmodified financial statements.

#### **(iv) Separate Posts of Chairman and CFO**

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

#### **(v) Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.



## DECLARATION

I, Purusottamdas Patodia, Chairman and Managing Director of Prime Urban Development India Limited, hereby declare that all the members of the Board of Directors of the Company and the Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2018.

For **Prime Urban Development India Limited**

Place: Mumbai  
Date: May 21, 2018

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

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **CEO/CFO CERTIFICATE**

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

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

- A. We have reviewed the financial statements and the cash flow statement of Prime Urban Development India Limited for the year ended March 31, 2018 and based on our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
- (1) that there are no significant changes in internal control over financial reporting during the year;
  - (2) that there are changes in accounting policies during the year on account of Ind-AS adoption and the same have been disclosed in the notes to the financial statement; and
  - (3) that there are no instances of significant fraud of which we have become aware.

**Place: Mumbai**  
**Date: May 21, 2018**

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

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



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

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

1. We have examined the compliance of conditions of Corporate Governance by **Prime Urban Development India Limited ("the Company")** for the year ended 31st March, 2018 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations")

**Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificate for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

6. Based on our examination of the relevant records and according to the information and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31st March, 2018.

We 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 L. U. Krishnan & Co.  
**Chartered Accountants**  
ICAI FRN 001527S

P.K. Manoj  
Partner  
M. No. 207550

Place: Mumbai  
Date : May 21, 2018

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Independent Auditor's Report

#### To the Members of Prime Urban Development India Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Prime Urban Development India Limited** ('the Company'), which comprise the Balance sheet as at 31st March 2018, the Statement of profit and loss (including other comprehensive income), Cash flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Mumbai).

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

#### Other Matter

We did not audit the financial statement of Mumbai branch included in the standalone financial statements of the company whose financial statements reflect total assets of Rs. 954.45 lakhs as at 31st March 2018 and the total revenue of Rs. 29.96 lakhs for the year ended on that date, as considered in the standalone financial statements of the Mumbai branch have been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, is based solely on the report of such branch auditor.

Our opinion is not modified in respect of these matters.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2018
- (ii) in the case of the Statement of Profit and Loss (comprising of other comprehensive income), of the loss for the year ended on that date;
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (iv) changes in equity for the year ended on that date.



#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The reports on the accounts of the Mumbai branch office of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report;
  - (d) The Balance sheet, the Statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (e) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - (f) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
    - (ii) In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For L.U.Krishnan & Co.  
FRN – 001527S  
Chartered Accountants

P.K.Manoj  
Partner  
Membership No.207550

Place : Mumbai  
Date : 21st May, 2018

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### “Annexure – A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even due date to the Standalone Ind AS financial statements of the Company for the year ended 31st March, 2018:

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

Name of the statute	Nature of dues	Amount Rupees in lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	551.09	A.Y 2009-10	Hon’ble High Court of Madras
CST Act, 1956	Central Sales Tax	4.67	F.Y. 1993-94	Sales Tax Appellate Tribunal

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

For L.U.Krishnan & Co.  
FRN – 001527S  
Chartered Accountants

P.K.Manoj  
Partner  
Membership No.207550

Place: Mumbai  
Date : 21st May, 2018





## **“Annexure – B” to the Independent Auditors’ Report of even date of Standalone Ind AS Financial Statements of Prime Urban Development India Limited**

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

We have audited the internal financial controls over financial reporting of Prime Urban Development India Limited (“the Company”) as on 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

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

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

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

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L.U.Krishnan & Co.  
FRN – 001527S  
Chartered Accountants

P.K.Manoj  
Partner  
Membership No.207550

Place: Mumbai  
Date : 21st May, 2018

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**BALANCE SHEET**

₹ in Lacs

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	3	712.39	889.17	3,170.43
Capital work-in-progress	3	-	45.63	-
Financial Assets				
(i) Investments in subsidiaries and associates	4(a)(i)	4,829.91	726.43	725.83
(ii) Other investments	4(a)(ii)	5.00	5.00	5.00
(iii) Other financial assets	4(b)	8.69	4.95	4.95
Deferred tax assets		14.57	5.72	5.88
Total Non-current Assets		<u>5,570.56</u>	<u>1,676.90</u>	<u>3,912.09</u>
<b>(2) Current assets</b>				
Inventories	5	3,339.37	1,207.74	1,164.49
Financial Assets				
(i) Investments	4(c)	961.38	1,193.35	1,175.06
(ii) Trade receivables	4(d)	613.86	516.71	10.41
(iii) Cash and cash equivalents	4(e)	209.37	46.28	48.69
(iv) Bank balances other than above	4(f)	7.69	13.52	9.61
(v) Loans to corporates	4(g,h)	283.91	942.31	758.28
Current Tax Assets (Net)	6	187.59	193.73	150.64
Other current assets	7	176.97	170.91	212.22
Total Current Assets		<u>5,780.14</u>	<u>4,284.55</u>	<u>3,529.40</u>
Total Assets		<u>11,350.70</u>	<u>5,961.45</u>	<u>7,441.49</u>
<b>II. EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	8(a)	532.87	532.87	532.87
(b) Other Equity	8(b)	1,180.94	2,659.41	4,429.16
Total Equity		<u>1,713.81</u>	<u>3,192.28</u>	<u>4,962.03</u>
<b>LIABILITIES</b>				
<b>1) Non-current liabilities</b>				
Financial Liabilities				
(a) Borrowings	9(a)	557.20	554.60	581.36
(b) Other financial liabilities	9(b)	1,270.11	1,270.11	1,270.11
Total Non-current liabilities		<u>1,827.31</u>	<u>1,824.71</u>	<u>1,851.47</u>
<b>2) Current liabilities</b>				
Financial Liabilities				
Borrowings	10(a)	3,230.60	479.51	152.58
Trade payables	10(b)	4,451.48	285.02	216.35
Other financial liabilities	10(c)	76.84	52.57	48.65
(b) Other current liabilities	11(a)	25.86	14.48	32.75
(c) Provisions	11(b)	24.80	112.88	177.66
Total Current Liabilities		<u>7,809.58</u>	<u>944.46</u>	<u>627.99</u>
Total Equity and Liabilities		<u>11,350.70</u>	<u>5,961.45</u>	<u>7,441.49</u>
Significant Accounting Policies	<b>1 &amp; 2</b>			
Additional information to the financial statements	<b>21</b>			

As per our report of even date attached  
For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**  
Partner M.No.207550

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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



## STATEMENT OF PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Income</b>			
1 Revenue from operations	12	9,517.57	5,266.06
2 Other income	13	298.86	122.22
3 <b>Total Revenue</b>		<u>9,816.43</u>	<u>5,388.28</u>
<b>Expenses</b>			
(a) Cost of Land sold	14	115.40	38.26
(b) Purchases of Stock-in-Trade	15	10,010.59	3,166.19
(c) Changes in inventories of finished goods and Stock-in-Trade	16	(2,141.96)	(81.51)
(d) Employee benefits expense	17	278.50	262.82
(e) Finance costs	18	460.82	57.76
(f) Depreciation and amortisation expenses		32.44	32.15
(g) Other expenses	19	879.09	655.25
Total expenses (a to g)		<u>9,634.88</u>	<u>4,130.92</u>
5 <b>Profit/(-) Loss before exceptional and extraordinary items and tax</b>		181.55	1,257.36
6 Exceptional items	20	(1,115.46)	-
7 <b>Profit/(Loss) before extraordinary items and tax</b>		<u>(933.91)</u>	<u>1,257.36</u>
8 Extraordinary items		-	-
9 <b>Profit/(Loss) before tax</b>		<u>(933.91)</u>	<u>1,257.36</u>
10 Tax expense :			
(a) Current Tax		(122.28)	(282.50)
(b) MAT		8.54	0.16
(c) Deferred Tax		-	-
11 <b>Profit/(Loss) for the year</b>		<u>(1,047.65)</u>	<u>975.02</u>
Other Comprehensive Income			
12 <b>Items that will not be reclassified to Profit or Loss</b>			
Impact on remeasurement of post - employment benefit obligation		(16.54)	1.46
Total Comprehensive Income/(Loss) for the year		<u>(1,064.19)</u>	<u>976.48</u>
13 Earnings Per Equity Share :			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		0.25	3.66
Basic/Diluted Earnings Per Share after exceptional/extraordinary items (Face value of Rs. 2 each)		(3.93)	3.66
<b>Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
Additional information to the financial statements	<b>21</b>		

As per our report of even date attached

For **L.U.Krishnan & Co**

Chartered Accountants

FRN 001527S

**Manoj Kumar Patodia**

Vice Chairman & Managing Director

(DIN No.: 00026455)

For and on behalf of the Board

**Purusottam Das Patodia**

Chairman & Managing Director

(DIN No.: 00032088)

**P.K.Manoj**

Partner M.No.207550

Place : Mumbai

Date : 21.05.2018

**S.Udayananda**

DGM(Finance) and CFO

**Krunal Shah**

Sr.Manager(Legal) & Company Secretary

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**CASH FLOW STATEMENT**

₹ in Lacs

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before tax exceptional items and after other comprehensive income	165.01	1,258.82
Adjustments for:		
Depreciation and amortisation expenses	32.44	32.15
(Profit) / Loss on sale of property, plant and equipment (net)	1.92	-
Interest income	(140.98)	(110.67)
Dividend receipts	(29.34)	(4.80)
Finance Cost	452.33	41.32
Operating profit before working capital changes	<u>481.38</u>	<u>1216.82</u>
Changes in Working Capital:		
Increase / (Decrease) in trade payables	4,166.47	68.84
Increase / (Decrease) in provisions	(88.08)	(64.78)
Increase / (Decrease) in other financial liabilities	24.27	3.92
Increase / (Decrease) in short term borrowings	2,751.09	326.93
Increase / (Decrease) in other current liabilities	11.37	(18.27)
(Increase) / Decrease in margin money and unpaid dividend	5.83	(3.91)
(Increase) / Decrease in trade receivables	(97.15)	(506.30)
(Increase) / Decrease in inventories	(2,131.63)	(43.25)
(Increase) / Decrease in short term loans and advances	658.40	(184.03)
(Increase) / Decrease in other financial assets	(3.74)	-
(Increase) / Decrease in other current assets	(6.06)	41.31
<b>Cash Generated from Operations</b>	<u>5,772.15</u>	<u>837.28</u>
Taxes paid (net of refunds)	<u>(116.45)</u>	<u>(325.43)</u>
<b>Net cash generated from operations before exceptional items</b>	<u>5,655.70</u>	<u>511.85</u>
Exceptional items	<u>(1,115.46)</u>	<u>-</u>
<b>Net cash generated from operating activities</b>	<u>4,540.24</u>	<u>511.85</u>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of property, plant and equipment/intangible assets	<u>(103.97)</u>	(369.33)
Sale of property, plant and equipment/intangible assets	6.00	0.49
Increase in capital work-in-progress	-	(45.63)
Dividend received	29.34	4.80
Interest received	140.98	110.66
Sale/ (Purchase) of non-current investments	<u>(3,871.50)</u>	<u>(18.90)</u>
<b>Net cash from investing activities</b>	<u>(3,799.15)</u>	<u>(317.91)</u>
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	<u>(452.33)</u>	(41.32)
Dividend Paid	<u>(128.27)</u>	(128.27)
Repayment of Long Term borrowings	<u>2.60</u>	(26.76)
<b>Net cash used in Financing Activities</b>	<u>(578.00)</u>	<u>(196.35)</u>
<b>Net increase in cash and Cash equivalents</b>	<u>163.09</u>	(2.41)
<b>Cash and Bank balances at the beginning of the year</b>	<u>46.28</u>	48.69
<b>Cash and Bank balances at the end of the year</b>	<u>209.37</u>	46.28
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet	217.06	59.80
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	-	13.52
Unpaid dividend	7.69	-
<b>Net Cash and Cash equivalents at the year end</b>	<u>209.37</u>	<u>46.28</u>

As per our report of even date attached

For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**  
Partner M.No.207550

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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



## Note No. 1 & 2

### Significant Accounting Policies

#### 1. Company overview

The Prime Urban Development India Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at 110, Avinashi Road, Gandhinagar Post, Tirupur Tamil Nadu. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange.

The Company is having business of Realty and textile.

#### 2. Significant Accounting Policies:

##### 2.01. Basis of Accounting:

###### (i) Compliance with Ind AS :

The financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) Amendment Rules, 216 and other relevant provisions of the Act.

###### (ii) Historical Cost Convention :

The financial statements have been prepared on an accrual basis and under the historical cost convention except for the following :

1. certain financial assets and liabilities that are measured at fair value;
2. assets held for sale – measured at lower of cost to sell;
3. defined benefit plans – plan assets measured at fair value;

###### (iii) Classification of assets and liabilities :

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

###### (iv) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### 2.02 : 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.

##### 2.03: Property, Plant and Equipment:

The Company has elected to continue with the carrying value of all its Property, Plant and Equipment under the Indian GAAP as on 31st March, 2016, as the deemed cost for the purpose of transition to Ind AS.

All other items of property, plant and equipment are measured at cost less accumulated 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.

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it becomes available for use, their cost is re-classified to appropriate caption and are subjected to depreciation.

##### 2.04: Impairment of Assets :

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 2.05: Depreciation:

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

### 2.06: Revenue Recognition:

#### a) Real Estate projects:

Revenue from real estate projects is recognized when significant risks and rewards of ownership have been transferred and it is probable that the economic benefits will flow to the company. Losses expected in bringing a contract to completion are recognized in the income statement as soon as they are forecast.

- i) Sale of undivided share of land under group housing is recognized upon transfer of all significant risks and rewards of ownership as per terms of the contracts executed with the buyers and is net of all costs.
- ii) Revenue from executor firms/AOP in which the company is a partner member is recognized upon the said entity recognizing their respective revenues.
- iii) Revenue from contractual projects is recognized on the basis of completion of a physical proportion of the contract work based on executed agreements entered into by the company or by firms in which the company is a partner.
- iv) Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards of ownership, no continuing management involvement and effective control are retained and the amount of revenue can be reliably measured. The transfer of risks and rewards vary depending on the individual terms of the contracts of sale.

- b) **Textile:** Revenue from sale of goods are recognised on transfer of significant risk and rewards of ownership to the buyer which generally coincides with shipment. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates if any

#### c) Other Income:

Dividend income on investments is recognized when the right to receive dividend is established.

Interest Income is recognized on a time proportionate basis taking into account the amount invested and the rate of interest.

### 2.07: Valuation of Inventories:

Costs of materials are determined using specific identification method.

Cost of reality inventory at value converted the land into stock-in-trade and other residential unit and land at specific identification method and other cost on specific identification method.

### 2.08: Borrowing Cost:

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

### 2.09: 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, and Employees State Insurance are recognized in the Statement of Profit and Loss.

#### 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.

### 2.10: Foreign Currency Transactions:

#### Initial recognition :

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the rates that closely approximate the rate at the date of the transaction.

**Measurement :**

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

**Treatment of exchange difference:**

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

**2.11: Taxation:**

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

**2.12: Lease Rentals:**

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

**2.13: Provisions and Contingent Liabilities :**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably.

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**2.14: Earnings Per Share policy:**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus elements in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

**2.15: Cash and Cash equivalents policy:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.16: Financial assets/liabilities policy:****A. Financial assets :****Classification and Measurement**

All the financial assets are initially measured at fair value. Transactions costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of financial assets depends on the classification i.e financial assets carried at amortised cost or fair value (either through other comprehensive income or through profit and loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc which are classified as financial assets carried at amortised cost.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

A gain or loss on a financial asset that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is recognized using the effective interest rate method.

### **Impairment of financial assets**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the company provides for lifetime expected credit losses recognized from initial recognition of the receivables.

### **De-recognition of financial assets**

A financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset or Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## **B. Financial liabilities**

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

The Company's financial liabilities include trade and other payables.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

### **De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the term of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognized in the statement of profit or loss.

## **2.17: Exceptional Items:**

When an item of income or expense within profit or loss from ordinary is of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the year, the nature and amount of such items is disclosed as exceptional items.

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As per our report of even date annexed

For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**  
Partner M.No.207550

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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



## Standalone Statement of Changes in Equity for the Year Ended 31st March, 2018

	Balance as at April 01, 2016	Changes in Equity Share Capital during the Year	Balance as at April 01, 2017	Changes in Equity Share Capital during the Period	Balance as at March 31, 2018
<b>EQUITY SHARE CAPITAL</b>					
Paid up Capital (Equity shares of Rs.2/- each issued, subscribed & fully paid up)	532.87	0	532.87	0	532.87

₹ in Lacs

<b>OTHER EQUITY</b>									
Particulars	Securities Premium Reserve	Business Reconstruction Reserve	General Reserve	Retained Earnings	Other Comprehensive Income/(Expenses)	Total			
<b>Balance as at April 01, 2016</b>	117.00	2,903.97	1,250.71	157.48	-	4,429.16			
<b>Profit for the Year</b>	-	-	-	975.02	-	975.02			
Transfer from Retained Earnings	-	-	700.00	(700.00)	-	-			
Transfer to/from Business Reconstruction Reserve	-	-	-	-	-	-			
Reduction due to a portion of land sold/transfer	-	(2,617.96)	-	-	-	(2,617.96)			
Other comprehensive income for the year	-	-	-	-	1.46	1.46			
Dividend and dividend tax for the year 2015-2016	-	-	-	(128.27)	-	(128.27)			
<b>Balance as at March 31, 2017</b>	117.00	286.01	1,950.71	304.23	1.46	2,659.41			
Profit/(loss) for the Year	-	-	-	(1,047.65)	-	(1,047.65)			
Reduction due to a portion of land sold/transfer	-	(286.01)	-	-	-	(286.01)			
Dividend and dividend tax for the year 2016-2017	-	-	-	(128.27)	-	(128.27)			
Other Comprehensive Income the year	-	-	-	-	(16.54)	(16.54)			
<b>Balance as at March 31, 2018</b>	117.00	-	1,950.71	(871.69)	(15.08)	1,180.94			

₹ in Lacs

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to Standalone Financial Statements for the Year Ended 31st March, 2018**

Note 3: Property, plant and equipment

₹ in Lacs

Particulars	Freehold Land	Buildings	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
Year Ended March 31, 2016						
Gross carrying amount	14,541.06	32.84	136.80	149.67	14,860.37	
Balance as at 01.04.2015	81.86	0.44	4.07	90.50	176.87	
Additions	(11,626.18)	-	-	(28.90)	(11,655.08)	
Disposals						
Transfers						
Closing Gross Carrying Amount	2,996.74	33.28	140.87	211.27	3,382.16	
Accumulated Depreciation						
Accumulated Depreciation 01.04.2015	-	13.26	123.55	74.76	211.57	
Depreciation charge during the year	-	0.56	6.11	20.95	27.62	
Disposals	-	-	-	(27.46)	(27.46)	
Closing Accumulated Depreciation	-	13.82	129.66	68.25	211.73	
Net Carrying Amount 31.03.2016	2,996.74	19.46	11.21	143.02	3,170.43	
Year Ended March 31, 2017						
Gross Block 01.04.2016	2,996.74	33.28	140.87	211.27	3,382.16	-
Additions	169.29	185.62	3.36	11.06	369.33	45.63
Disposals	(2,618.44)	-	-	-	(2,618.44)	-
Closing Gross Carrying Amount	547.59	218.90	144.23	222.33	1,133.05	45.63
Accumulated Depreciation						
Accumulated Depreciation 01.04.2016	-	13.82	129.66	68.25	211.73	-
Depreciation charge during the year	-	0.58	5.13	26.44	32.15	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	-	14.40	134.79	94.69	243.88	-
Net Carrying Amount as on 31-03-2017	547.59	204.50	9.44	127.64	889.17	45.63
Year Ended March 31, 2018						
Balance as at 1 April, 2017	547.59	218.90	144.23	222.33	1,133.05	45.63
Additions	45.63	84.34	5.68	13.96	149.61	
Disposals	(286.01)	-	-	(21.48)	(307.49)	
Transfers	-	-	-	-	-	(45.63)
Closing Gross Carrying Amount	307.21	303.24	149.91	214.81	975.17	-
Accumulated Depreciation						
Opening Accumulated Depreciation	-	14.40	134.79	94.69	243.88	-
Depreciation charge during the year	-	0.71	4.61	27.14	32.46	-
Disposals	-	-	-	(13.56)	(13.56)	-
Closing Accumulated Depreciation	-	15.11	139.40	108.27	262.78	-
Net Carrying Amount as on 31-03-2018	307.21	288.13	10.51	106.54	712.39	-



## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No of shares		No of shares		No of shares	
<b>Note 4 : Financial Assets</b>						
<b>4(a) Non-current Investments - Un-quoted</b>						
(i) Subsidiaries - Trade						
(1) Equity Shares fully paid up :						
ATL Textile Processors Limited	10,37,450	514.45	10,37,450	514.45	10,37,450	514.45
Manoj Yarn Processors Limited	50,900	5.09	50,900	5.09	50,900	5.09
PeeDee Yarn Processors Limited	10,900	1.09	10,900	1.09	10,900	1.09
Patodia Developers Private Limited	10,000	1.00	10,000	1.00	10,000	1.00
Srivarsha Realtors Private Limited	10,000	0.60	10,000	0.60	-	-
Newline Buildtech Private Limited ( * Note below)	58,02,925	4,103.48	-	-	-	-
(Shares are of face value of Rs. 10/- each)						
(* Note : Pledged against Loan from NBFC)						
		4,625.71		522.23		521.63
(ii) Investment in Partnership firms / AOP						
Prime Newline AOP		202.20		202.20		202.20
Prime Developers		1.00		1.00		1.00
Prime Mall Developers		1.00		1.00		1.00
Aggregate amount of Unquoted investments		204.20		204.20		204.20
Investments in subsidiaries and associates		4,829.91		726.43		725.83
(2) Other entities - Non-Trade						
Tirupur Infrastructure Development Company Limited	500	5.00	500	5.00	500	5.00
(500 shares of Rs.1000 each)						
		5.00		5.00		5.00
Sub-total (b) (i) + (ii)		4,834.91		731.43		730.83

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2018 / 31.03.2017		
	Total Capital ₹ in Lacs	Share of Profit or Loss	
<b>Prime Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	
2 Prime Hitech Textiles LLP	1.00	50.00%	
	2.00	100.00%	
<b>Prime Mall Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	66.66%
2 Pudumjee Plant Laboratories Limited	1.00	25.00%	33.34%
3 Indraneel Properties Ltd (w.e.f 4.11.2017)	-	25.00%	-
	2.00	100.00%	100.00%
<b>Prime Newline - AOP :</b>			
1 Prime Urban Development India Limited	202.20	75.00%	75.00%
2 Newline Buildtech Private Limited	67.40	25.00%	25.00%
	269.60	100.00%	100.00%

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to the Financial Statements**

₹ in Lacs

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
<b>4(b) Other financial assets</b>						
(i) Security Deposits		8.69		4.95		4.95
Sub-total		<u>8.69</u>		<u>4.95</u>		<u>4.95</u>
<b>4(c) Current Investments (Unquoted )</b>						
Investments in Birla Mutual funds - ABSL Fund	763,750 units	765.19	2,01,160 units	201.76		-
Balance in Partners' Current account		196.19		991.59		1,175.06
Sub-total		<u>961.38</u>		<u>1,193.35</u>		<u>1,175.06</u>

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>4(d) Trade receivables</b>			
Unsecured, considered good	613.86	516.71	10.41
Unsecured, considered doubtful	10.16	10.16	10.16
	<u>624.02</u>	<u>526.87</u>	<u>20.57</u>
Less : Allowances for bad and doubtful debts	(10.16)	(10.16)	(10.16)
Sub-total	<u>613.86</u>	<u>516.71</u>	<u>10.41</u>
<b>4(e) Cash and Cash Equivalants</b>			
Cash and Cash equivalents			
(i) Cash on hand	3.37	3.40	2.48
(ii) Balances with bank in current accounts	74.16	42.88	46.21
(iii) Fixed Deposits in Bank	131.84	-	-
	<u>209.37</u>	<u>46.28</u>	<u>48.69</u>
<b>4(f) Bank Balances Other than above</b>			
Unpaid dividend account	7.69	3.92	-
In Deposits under lien	-	9.60	9.61
	<u>7.69</u>	<u>13.52</u>	<u>9.61</u>
<b>4(g) Loans :</b>			
(Unsecured and considered good unless otherwise stated)			
- Corporates	275.00	923.38	749.61
	<u>275.00</u>	<u>923.38</u>	<u>749.61</u>
<b>4(h) (ii) Loans :</b>			
- Subsidiaries	8.91	18.93	8.57
- Associates	-	-	0.10
	<u>8.91</u>	<u>18.93</u>	<u>8.67</u>
Sub-total	<u>283.91</u>	<u>942.31</u>	<u>758.28</u>
<b>Note-5 Inventories</b>			
Valued at Cost or Net realisable value whichever is lower			
(i) Finished goods - Garments	-	3.00	15.88
(ii) Stock in Trade - Yarn	84.82	243.00	148.61
(iii) Realty Inventory	3,254.55	961.74	1,000.00
Sub-total	<u>3,339.37</u>	<u>1,207.74</u>	<u>1,164.49</u>



## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Note-6 Current Tax Assets (Net)</b>			
Advance tax	966.18	900.79	615.64
Less: Provisions for Taxation	<u>778.59</u>	<u>707.06</u>	<u>465.00</u>
	<u>187.59</u>	<u>193.73</u>	<u>150.64</u>
<b>Note-7 Other current assets</b>			
Interest accrued on deposits	0.94	0.05	0.06
Prepayments	6.75	9.18	3.01
Refund due or balances with government authorities	84.85	53.95	-
Advances to suppliers	84.25	103.78	209.15
Advances to employees	<u>0.18</u>	<u>3.95</u>	<u>-</u>
Sub-total (f)	<u>176.97</u>	<u>170.91</u>	<u>212.22</u>

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Rupees in lacs	Number	Rupees in lacs	Number	Rupees in lacs
<b>Note 8 - : Equity Share Capital and Other Equity</b>						
<b>Note 8(a) : Equity Share Capital</b>						
Authorised						
Equity Shares of Rs.2 each	6,25,00,000	1,250.00	6,25,00,000	1,250.00	6,25,00,000	1,250.00
Preference Shares of Rs.100 each	7,50,000	750.00	7,50,000	750.00	7,50,000	750.00
Issued						
Equity Shares of Rs.2 each	2,66,44,300	532.89	2,66,44,300	532.89	2,66,44,300	532.89
Subscribed and paid up:						
Equity Shares of Rs.2 each	2,66,43,600	532.87	2,66,43,600	532.87	2,66,43,600	532.87
	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>

Note (a) : Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	Number	Amount in lacs	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	2,66,43,600	532.87	2,66,43,600	532.87	2,66,43,600	532.87
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Less: Any other movement	-	-	-	-	-	-
Shares outstanding at the end of the year	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>

Note (b) - Details of Shareholders holding more than 5% of Equity Shares in the Company :

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

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

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

Note (e) Dividends proposed by the Board of Directors, if any is subject to approval of the Shareholders in the Annual General Meeting, except in case of interim Dividend.

Note (f): In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Note-8</b>			
<b>Note-8(b) Other Equity</b>			
(i) Securities Premium Reserve	117.00	117.00	117.00
(ii) Business Reconstruction Reserve	-	286.01	2,903.97
(iii) General Reserve	1,950.71	1,950.71	1,250.71
(iv) Retained Earnings	(886.77)	305.69	157.48
	<u>1,180.94</u>	<u>2,659.41</u>	<u>4,429.16</u>
<b>(i) Securities Premium Reserve</b>			
Beginning and end of the Year	117.00	117.00	117.00
	<u>117.00</u>	<u>117.00</u>	<u>117.00</u>
<b>(ii) Business Reconstruction Reserve :</b>			
Beginning of the year	286.01	2,903.97	11,628.67
Add: Transfer from General Reserve			2,901.43
Less: Reduction due to a portion of land sold/Transfer	(286.01)	(2,617.96)	(11,626.13)
End of the Year	<u>(0.00)</u>	<u>286.01</u>	<u>2,903.97</u>
<b>(iii) General Reserve:</b>			
Beginning of the Year	1,950.71	1,250.71	2,252.14
Add : Transfer from Statement of Profit and Loss	-	700.00	1,900.00
Less: Transfer to Business Reconstruction Reserve			(2,901.43)
End of the Year	<u>1,950.71</u>	<u>1,950.71</u>	<u>1,250.71</u>
<b>(iv) Retained Earnings</b>			
Beginning of the year	305.69	157.48	603.34
Add : Profit/(Loss) after Tax	(1,064.19)	976.48	1,454.14
	<u>(758.50)</u>	<u>1,133.96</u>	<u>2,057.48</u>
Less: Dividend and dividend tax paid	(128.27)	(128.27)	-
	<u>(886.77)</u>	<u>1,005.69</u>	<u>2,057.48</u>
Less: Transfer to General Reserve	-	(700.00)	(1,900.00)
End of the year	<u>(886.77)</u>	<u>305.69</u>	<u>157.48</u>
Total	<u>1,180.94</u>	<u>2,659.41</u>	<u>4,429.16</u>
<b>Note-9</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
<b>9(a) Other financial borrowings</b>			
<b>Secured</b>			
Deferred payment liabilities			
Hire-purchase loan	41.41	38.63	65.04
<b>Un-secured</b>			
Loans and Advances from related parties	515.79	515.97	516.32
	<u>557.20</u>	<u>554.60</u>	<u>581.36</u>
Nature of Security :			
Hire purchase loans are secured against vehicles acquired.			
Terms of Repayment :			
Hire purchase loan liabilities and terms to pay last instalment due is on 05.07.2022 and rate of interest is 11% per annum.			



## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
9(b) Other financial liabilities			
Due to a Partnership firm in which Company is a partner	1,270.11	1,270.11	1,270.11
	<u>1,270.11</u>	<u>1,270.11</u>	<u>1,270.11</u>
<b>Note-10</b>			
<b>Current Liabilities</b>			
<b>10(a) Current Borrowings</b>			
<b>Secured</b>			
(i) From Bank			
Central Bank of India - Cash Credit	-	1.98	11.08
Central Bank of India - Packing Credit	680.60	477.53	141.50
(ii) From Others			
NBFC	1,300.00	-	-
<b>Un-secured</b>			
From			
Corporates	1,250.00	-	-
Total Current Borrowings (a)	<u>3,230.60</u>	<u>479.51</u>	<u>152.58</u>
Nature of Security :			
<b>a</b> Working capital loans from Bank are secured against hypothecation of current assets Company and secured by way of second charge over building of the Company and further guaranteed by three of the Directors of the Company			
<b>b</b> Secured Loan from others are secured against the 58,02,925 of Rs. 10 each Equity Shares in Newline Buildtech Pvt Ltd which is a subsidiary of the Company ( Ref Note No. 4(a)(i))			
<b>10(b) Trade payable</b>			
i. Due to suppliers and service providers	168.65	285.02	216.35
( Also refer Note No. 21.04 regarding due to MSME)			
ii. Due to a Subsidiary Company	3,967.46	-	-
iii. Due to a AOP in which Company is a Member	315.37	-	-
Sub-total (b)	<u>4,451.48</u>	<u>285.02</u>	<u>216.35</u>
<b>10(c) Other Financial Liabilities</b>			
(i) Current maturities of finance lease obligations	21.44	34.95	33.95
(ii) Interest accrued but not due on borrowings	34.01	-	-
(iii) Unclaimed dividend (shall transfer when due to IEPF, still not due for transfer)	7.69	3.92	-
(iv) Security Deposit	13.70	13.70	14.70
Sub-total (c)	<u>76.84</u>	<u>52.57</u>	<u>48.65</u>

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

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>11 Other Current Liabilities</b>			
Advance from customers	3.50	7.74	19.90
Statutory dues payable	22.36	6.74	12.85
	<u>25.86</u>	<u>14.48</u>	<u>32.75</u>
Provisions			
Provision for employee benefits	24.80	3.77	3.14
Others	0.00	109.11	174.52
Sub-total (b)	<u>24.80</u>	<u>112.88</u>	<u>177.66</u>
Total	<u>7809.58</u>	<u>944.46</u>	<u>627.99</u>

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Note-12</b>		
<b>Revenue from operations :</b>		
<b>Textile Segment :</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	5,545.80	3,228.52
Garment Sales	3.10	-
sub-total - textile	<u>5,548.90</u>	<u>3,228.52</u>
<b>Realty Segment :</b>		
Gain on Sale of Land (net of cost)	286.99	1,770.52
Sale of Land	3,568.69	-
Sale of Land - converted in to stock in trade	29.85	165.11
sub-total - realty	<u>3,885.53</u>	<u>1,935.63</u>
<b>Other Operating Revenue :</b>		
Export Incentive	67.56	84.51
Net gain on foreign currency transaction	15.37	16.56
Incidental Income	0.21	0.84
sub-total - Other operating revenue	<u>83.14</u>	<u>101.91</u>
Total	<u>9,517.57</u>	<u>5,266.06</u>
<b>Note-13</b>		
<b>Other Income :</b>		
Interest income	140.98	110.66
Commission receipts	-	4.10
Dividend income	29.34	4.80
Liabilities no longer payable written back	125.59	2.44
Miscellaneous income	2.95	0.22
Total	<u>298.86</u>	<u>122.22</u>
<b>Note-14</b>		
<b>Cost of Land</b>		
Cost of Land held as Stock in Trade	10.33	38.26
Road Laying expenses	87.90	-
Cost of Villa incurred	17.17	-
	<u>115.40</u>	<u>38.26</u>
<b>Note-15</b>		
<b>Purchase of Stock-in-Trade :</b>		
Purchase of Traded Goods - Cotton yarn	5,166.65	3,166.19
Cost of Purchases - Realty	4,843.94	-
	<u>10,010.59</u>	<u>3,166.19</u>





## Notes to the Financial Statements

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Note-16</b>		
<b>Changes in Stock of Finished Goods and Stock-in-Trade</b>		
Opening balance:		
Finished Goods	3.00	15.88
Stock in Trade	243.00	148.61
(A)	<u>246.00</u>	<u>164.49</u>
Less :		
Closing balance:		
Finished Goods	-	3.00
Stock in Trade	84.82	243.00
Realty Inventory	<u>2,303.14</u>	<u>-</u>
(B)	<u>2,387.96</u>	<u>246.00</u>
Net Value (A) -(B)	<u>(2,141.96)</u>	<u>(81.51)</u>
<b>Note-17</b>		
<b>Employee benefits expense</b>		
Salaries, Wages, Bonus and others	247.58	234.34
Contribution to Provident and other Funds	20.99	18.65
Staff welfare Expenses	9.93	9.83
Total	<u>278.50</u>	<u>262.82</u>
<b>Note-18</b>		
<b>Finance cost</b>		
Interest on Borrowings	452.33	41.32
Interest others	8.49	16.44
Total	<u>460.82</u>	<u>57.76</u>
<b>Note-19</b>		
<b>Other expenses</b>		
Insurance	8.27	7.24
Rates and taxes	18.67	13.15
Sitting Fees	3.05	2.90
Electricity	8.68	4.32
Rent	42.38	37.06
Repairs - Building	49.46	1.98
Repairs - others	24.84	17.45
Communication Expenses	16.27	17.71
Travelling and Conveyance	64.92	160.31
Sales Commission	38.62	24.95
Freight and Forwarding	134.62	65.57
Donation	2.40	0.05
Legal and Professional fees	46.81	30.68
Auditors Remuneration	1.10	1.59
Loss on Sale of property, plant and equipment	1.92	-
Share of Loss in Partnership Firm	7.24	25.45
Share of Loss in Association of Persons (AOP)	168.95	45.80
Bank Charges	25.68	16.23
Miscellaneous expenses	<u>215.21</u>	<u>182.81</u>
	<u>879.09</u>	<u>655.25</u>
<b>Note-20</b>		
<b>Exceptional Items</b>		
Share of Loss in Partnership firm/AOP	1,360.11	-
Insurance claim receipts (net)	(244.65)	-
	<u>1,115.46</u>	<u>-</u>

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Notes No. 21

#### Additional information to financial statements

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

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1st 2016 with a transition date of July 1st, 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standard. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2018, be applied retrospectively and availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying value of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity).

#### A. Optional Exemptions

##### (a) Deemed Cost

Ind AS 101 permits to measure all its property, plant & equipment at their previous GAAP carrying value i.e., being deemed cost represented by Gross Block reduced by accumulated depreciation on April 01, 2016.

##### (b) Investments in Subsidiaries and associate

The Company present separate financial statement wherein Ind AS 27 requires to measure its investments in subsidiaries and associate either at cost or in accordance with the Ind AS 109 Financial Instruments. The Company at first time adoption has measured such investment at cost in accordance with the Ind AS 27 Separate Financial Statements, wherein it has option to measure the investments in its separate opening Ind AS balance sheet at cost as determined in accordance with Ind AS 27 or deemed cost. The Company has adopted deemed cost being previous GAAP carrying amount as on date of transitions.

#### B. Mandatory Exceptions:

##### a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for the following items in accordance with Ind AS at the date of transition as there were not required under previous GAAP. Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

##### b) Transition to Ind AS – Reconciliations

The following reconciliations provide the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101.

- i. Reconciliation of Statement of Profit and Loss for the year ended 31.03.2017
- ii. Reconciliation of Equity as at April 1, 2016 and March 31, 2017

##### 21.02: Notes to the first time adoption:

#### a. Proposed Dividend

Under the previous GAAP, dividend proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements was considered as subsequent events. Accordingly, provision for proposed dividend including dividend distribution tax was recognized as liability. Under Ind AS, such dividend is recognized when the same is approved by shareholders in the general meeting.

#### b. Re-measurements of post-employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/loss was recognized in Profit and Loss. Under Ind AS, actuarial gain/losses on the net defined liability are recognized in other comprehensive income instead of Profit & Loss.



### c. Deferred taxes

Under previous GAAP, deferred taxes were recognized based on Profit & Loss approach i.e. on impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognized by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective base.

#### 21.03: Contingent liabilities and commitments:

₹ in Lacs

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Contingent liabilities (to the extent not provided for)</b>		
Disputed Tax Demands (Including Interest up to the date of demand)		
(i) Sales Tax The Sales tax liabilities of Rs.7.22 lacs are related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	7.22	7.22
(ii) Income Tax (Tax deposits Rs.207.48 lacs ; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
<b>b. Commitments</b>		
Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized-Rs. 585.66 lacs Previous year – 193.01)	694.23	499.17

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

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(i) Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii) Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii) The amount of interest due and payable for the year	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL

#### 21.05: Other Notes

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 21.06: Auditors Remuneration (excluding service tax/GST):

₹ in Lacs

Audit fees	1.05	1.05
Tax Audit fees	0.05	0.15
Other fees	--	0.39
<b>Total</b>	<b>1.10</b>	<b>1.59</b>

### 21.07: Employee Benefit Plans :

#### Defined contribution plans :

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

₹ in Lacs

Particulars		2017-2018	2016-2017
a.	Provident Fund Contribution	14.37	14.55
b.	Gratuity	6.49	4.10

#### a. Defined Benefit plan :

##### Gratuity:

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity plan") covering eligible employees. The Gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation under the respective scheme.

#### b. The disclosure in respect of the defined Gratuity Plan are given below:

₹ in Lacs

		31.03.2018	31.03.2017
01.	Assumptions		
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
02.	Changes in the present value of obligation		
	Present value of obligation as at beginning of year	36.95	35.56
	Interest Cost	2.96	2.84
	Current Service Cost	1.90	2.51
	Benefits paid	Nil	(1.77)
	Actuarial Loss/(Gain) on obligations	(17.67)	(2.20)
	Present value of obligations as at the end of year	59.47	36.95
03.	Changes in the fair value of plan assets		
	Fair value of plan assets at beginning of year	33.72	31.25
	Expected return on plan assets	2.78	2.61
	Contributions	1.67	1.64
	Benefits paid	Nil	(1.77)
	Actuarial Gain/(Loss) on Plan assets	Nil	Nil
	Fair value of plan assets at the end of year	38.17	33.72
04.	Fair value of plan assets		
	Fair value of plan assets at beginning of the year	33.72	31.25
	Actual return on plan assets	2.78	2.60
	Contributions	1.67	1.63
	Benefits paid	Nil	(1.77)
	Fair value of plan assets at the end of year	38.17	33.72
	Funded status	(21.31)	(3.23)
05.	Actuarial Gain/Loss recognized		
	Actuarial (gain) /Loss for the year – obligation	(17.67)	2.20
	Actuarial (gain)/Loss for the year – plan assets	Nil	Nil
	Total Loss/ (gain) for the year	17.67	(2.20)
	Actuarial Loss/(Gain) recognized in the year	17.67	(2.20)



06.	Amounts recognized in the balance sheet and Profit & Loss		
	Present value of obligations as at the end of the year	59.47	36.95
	Fair value of plan assets as at the end of the year	38.17	33.72
	Funded status	(21.31)	(3.23)
	Net Asset/(Liability) recognized in balance sheet	(21.31)	(3.23)
07.	Expenses charged in statement of Profit and Loss		
	Current Service cost	1.90	2.52
	Interest Cost	2.96	2.84
	Expected return on plan assets	(2.78)	(2.61)
	Net Actuarial loss/(gain) recognized in the year	17.67	(2.20)
	Expenses recognized in statement of Profit and Loss	19.75	0.56

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

**c. Sensitivity Analysis:**

₹ in Lacs

Impact on defined benefit obligation	As at 31 <sup>st</sup> March, 2018 Increase/(Decrease) in liability	As at 31 <sup>st</sup> March, 2017 Increase/(Decrease) in liability
+1.00% Change in rate of discounting	(1.43)	(0.87)
-1.00% Change in rate of discounting	1.56	0.92
+1.00% Growth in rate of Salary	0.45	0.22
-1.00% Growth in rate of Salary	(0.41)	(0.25)
+1.00% Change in Attrition Rate	0.28	0.29
-1.00% Change in Attrition Rate	(0.29)	(0.35)
Mortality Rate 10% up	0.02	(0.01)

**d. The Defined benefit obligation shall mature as follows:**

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Within 1 year	7.65	0.35
1-2 year	2.86	3.87
2-3 year	2.46	0.26
3-4 year	15.02	0.25
4-5 year	2.33	8.22
6-10 year	2.92	0.40

**21.08: Segment Information :**

₹ in Lacs

1	Segment Revenue:	2017-2018	2016-2017
a.	Realty	3,885.74	1,936.46
b.	Textiles	5,631.82	3,329.60
2	Segment Results :		
a.	Realty	612.75	1,267.95
b.	Textiles	45.60	61.03
	Total	658.35	1,328.98
	Less : Interest	460.82	57.76
	Less : Exceptional items	1,115.46	--
	Less : Un-allocable expenditure	15.98	13.86
	Profit/(Loss) before extraordinary items	(933.91)	1,257.36
	Less : Extraordinary items	--	--
	Profit/(Loss) before tax	(933.91)	1,257.36
3	Carrying amount of Segment Assets		
a.	Realty	9,680.95	4,621.63
b.	Textiles	904.56	608.00
4	Carrying amount of Segment Liabilities		
a.	Realty	8,834.27	2,170.68
b.	Textiles	802.60	600.00
5	Cost incurred to acquire Segment Fixed Assets during the year		
a.	Realty	149.61	369.33
b.	Textiles	--	--
6	Depreciation and amortization expenses		
a.	Realty	32.46	32.15
b.	Textiles	--	--

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**21.09: Disclosure in respect of related parties pursuant to Ind AS 24**

List of Related Parties and nature of relationships:

	Wholly owned subsidiaries :	ATL Textile Processors Limited Manoj Yarn Processors Limited Pee Dee Yarn Processors Limited Patodia Developers Pvt Ltd Srivarsha Realtors Pvt Ltd Newline Buildtech Pvt Ltd (w.e.f.09.08.2017)
With whom transactions have been entered in to :		
(i)	Associates	Prime Developers Prime New line AOP Prime Mall Developers Prime Hitech Textiles LLP Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director Mr. S. Udayananda DGM (Finance) and CFO Mr. Krunal Shah Sr. Manager (Legal) and Company Secretary
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs.Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs. Meenal Patodia Wife of Mr.Anuj Patodia

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

₹ in Lacs

Nature of Transaction	Subsidiary Companies	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
Services received (Civil contracts)	198.26 (52.31)				198.26 (52.31)
Purchase of Development Rights from Newline Buildtech Pvt Ltd	3,965.00 (--)				3,965.00 (--)
Construction agreement for Villas with Prime Newline AOP		857.00 (--)			857.00 (--)
Rent received	-	0.24 (0.22)	--	--	0.24 (0.22)
Share of Profit/(Loss) from firms:-	-				
a. Prime Developers		(93.67)			(93.67)
b. Prime Newline AOP		(25.45) (1,442.62) (45.80)			(25.45) (1,442.62) (45.80)
Remuneration Paid	-	-	-	1.67 (1.67)	1.67 (1.67)
a. Mr. Purusottamdas Patodia			54.73 (55.36)		54.73 (55.36)
b. Mr. Manoj Kumar Patodia			40.98 (41.09)		40.98 (41.09)
c. Mr. Anuj Patodia			41.80 (42.10)		41.80 (42.10)
Total			137.52 (138.55)		137.52 (138.55)



Balance as on 31.3.2018

<b>Amount Payable:</b>					
ATL Textile Processors Ltd.	512.98 (512.98)				512.98 (512.98)
Pee Dee Yarn Processors Ltd	2.82 (2.99)				2.82 (2.99)
Prime Mall Developers		1,270.11 (1,270.11)			1,270.11 (1,270.11)
Srivarsha Realtors Pvt Ltd	8.08 (--)				8.08 (--)
Prime Newline AOP		315.38 (--)			315.38 (--)
Newline Buildtech Pvt Ltd	3,959.38 (--)				3,959.38 (--)
<b>Amount Receivable:</b>					
Manoj Yarn Processors Ltd.	8.91 (8.73)				8.91 (8.73)
Srivarsha Realtors Pvt Ltd	-- (10.20)				-- (10.20)
Prime Developers		196.19 (301.31)			196.19 (301.31)
Prime Newline AOP		-- (690.29)			-- (690.29)

(figures in bracket represent previous year's )

#### 21.10: Details of Lease arrangements :

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

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	<b>26.55</b> (27.28)	<b>5.11</b> (6.19)	<b>21.44</b> (21.09)
2. Between one year to five years	45.38 (58.73)	<b>3.97</b> (6.93)	<b>41.41</b> (51.80)
3. More than five years	Nil (Nil)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
<b>Total</b>	<b>71.93</b> (86.01)	<b>9.08</b> (13.12)	<b>62.85</b> (72.89)

(Figures in bracket are of previous year's)

- b. The Company has taken premise under cancellable operating lease. These lease agreement is normally renewed on expiry. The rental expenditure is accounted for in statement of Profit and Loss of the Company in accordance with Ind AS 17 on lease transactions.

#### 21.11: Earnings Per Share :

₹ in Lacs

Particulars		2017-2018	2016-2017
a.	Profit/(Loss) after tax excluding exceptional items	67.81	975.02
b.	Less : Exceptional items	(1,115.46)	--
c.	Profit/(Loss) after tax including exceptional items	(1,047.65)	975.02
d.	Number of Equity shares outstanding	266,43,600	266,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	0.25	3.66
	- EPS including exceptional items (c/d)	(3.93)	3.66
f.	Face value per share – in Rs.	2 per share	2 per share

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 21.12: Income tax/DT reconciliation note:

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

Timing difference comprises of :

₹ in Lacs

Deferred Tax Asset	31.03.2018	31.03.2017
1. Expenses covered by 43B	12.10	5.33
2. Carry forward Unabsorbed depreciation/Business Loss	821.80	821.80
3. Others	--	--
Total	834.90	827.13
Deferred Tax Liability		
1. Depreciation	1.71	67.37
Total	1.71	67.37
Net Deferred Tax Asset/(Liability)	832.19	759.76

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

#### Deferred Tax Assets/(Liability)

₹ in Lacs

Particulars	31.03.2018	31.03.2017	01.04.2016
Opening Balance	5.72	5.88	3.46
Recognized in Profit and Loss			
MAT Credit entitlement	8.85	(0.16)	2.42
Net Deferred Tax Assets/(Liability)	14.57	5.72	5.88

### 21.13: Exceptional Expenses:

During the year, Partnership entities in which company is a partner, decided to have their business re-organised and consequently charged off project costs incurred to their Profit and Loss account resulting significant losses to the entity. The share of loss of the Company in each firm and claim received during the year is detailed below:

	Rs. in lacs
Prime Newline AOP	1,273.68
Prime Developers	86.43
Sub-total of Share of Loss	1,360.11
Insurance Claim receipts	(244.65)
<b>Total Exceptional Items</b>	<b>1,115.46</b>

### 21.14: The reconciliation of Net Profit reported in accordance with Indian GAAP and as per Ind AS for the year ended 31st March, 2017, is given below:

During the year, Partnership entities in which company is a partner, decided to have their business re-organised and consequently charged off project costs incurred to their Profit and Loss account resulting significant losses to the entity. The share of loss of the Company in each firm and claim received during the year is detailed below:

	Rs. in lacs
Net Profit/(Loss) as per Indian GAAP	975.02
Impact on re-measurement of Employees Benefit – Gratuity	1.46
Total Comprehensive income	976.48

### 21.15: Capital Management Note:

#### Risk Management Note:

The Company's aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### 21.16: The Comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued financial statements for the year ended 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor (M/s. M.S.Jagannathan & Visvanathan), who expressed an unmodified opinion vide reports dated 24th May, 2017 and 6th May, 2016.





## Independent Auditors' Report on Consolidated Financial Statements

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

We have audited the accompanying consolidated financial statements of Prime Urban Development India Limited ("the Holding Company") and its subsidiaries and associate's (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated cash flow statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group, and its associates and joint ventures are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group, and its associate companies and joint ventures covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements/consolidated financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, as at 31 March 2018, and their consolidated loss (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Other Matters

We did not audit the financial statements of subsidiary's and associate's included in the consolidated year to date results, whose financial statements reflect total assets of Rs.597.26 lakhs as at 31st March, 2018 as well as the total revenue of Rs.272.10 lakhs and net loss of Rs.484.14 lakhs for the year ended 31st March, 2018. These financial statements and other financial information have been audited by other auditor's whose reports have been furnished to us, by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act based on our audit and on the consideration of the reports of the other auditors on separate financial statements/consolidated financial statements and other financial information of the subsidiaries and associates, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor;
  - (c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act, none of the Directors of the Group companies covered under the Act, are disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiaries covered under the Act and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements/consolidated financial statements as also the other financial information of the subsidiaries and associates:
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
    - (ii) The Group has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

For L.U.Krishnan & Co.  
FRN – 001527S  
Chartered Accountants

P.K.Manoj  
Partner  
Membership No.207550

Place : Mumbai  
Date : 21st May, 2018



**Annexure - A to the Independent Auditors Report of even date to the members of  
Prime Urban Development India Limited on the consolidated financial statements  
for the year ended 31st March, 2018.**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Prime Urban Development India Limited ("the Holding Company") and its subsidiary companies and its associates which are companies incorporated in India and firms, as of that date.

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

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

**Auditors' Responsibility**

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

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

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

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

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

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

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

**Opinion**

In our opinion and based on the consideration of the reports of subsidiaries, which are companies covered under the act, the Holding Company and its subsidiary companies and associates, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For L.U.Krishnan & Co.  
FRN – 001527S  
Chartered Accountants

P.K.Manoj  
Partner  
Membership No.207550

Place: Mumbai  
Date : 21st May, 2018

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**CONSOLIDATED BALANCE SHEET**

₹ in Lacs

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, plant and equipments	3	752.85	942.44	3,196.15
(b) Capital work-in-progress	3	-	45.63	-
		<u>752.85</u>	<u>988.07</u>	<u>3,196.15</u>
<b>(c) Financial Assets</b>				
(i) Other investments	4(a)	6.00	6.00	6.00
(ii) Other financial assets	4(b)	13.56	8.56	8.08
(iii) Long-term loans and advances	4(c)	73.00	238.45	421.25
(iv) Deferred tax asset		14.51	5.48	-
		<u>107.07</u>	<u>258.49</u>	<u>435.33</u>
Total Non-current assets		<u>859.92</u>	<u>1,246.56</u>	<u>3,631.48</u>
<b>(2) Current assets</b>				
(a) Inventories	5	3,338.35	3,242.55	3,118.62
<b>(b) Financial Assets</b>				
(i) Current investments	4(d)	765.19	201.76	-
(ii) Trade receivables	4(e)	912.69	715.93	304.60
(iii) Cash and cash equivalents	4(f)	235.57	86.20	249.15
(iv) Bank balances other than above	4(g)	19.62	13.52	9.61
(v) Loans to corporates	4(h)	275.00	923.38	749.61
(vi) Loans to others	4(i)	-	-	0.10
Current Tax Assets (Net)	6	196.25	198.21	5.88
Other current assets	7	310.08	360.40	409.91
Total Current Assets		<u>6,052.75</u>	<u>5,741.95</u>	<u>4,847.48</u>
Total Assets		<u>6,912.67</u>	<u>6,988.51</u>	<u>8,478.96</u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	8(a)	532.87	532.87	532.87
(b) Other Equity	8(b)	840.40	2,657.34	4,432.44
Total Equity		<u>1,373.27</u>	<u>3,190.21</u>	<u>4,965.31</u>
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
<b>(a) Financial Liabilities</b>				
Borrowings	9(a)	41.41	38.63	65.04
Other financial liabilities	9(b)	1,270.11	1,270.11	1,270.11
		<u>1,311.52</u>	<u>1,308.74</u>	<u>1,335.15</u>
<b>(2) Current liabilities</b>				
<b>(a) Borrowings</b>				
Trade payables	10(a)	3,903.26	1,878.33	1,640.63
Other financial liabilities	10(b)	191.15	366.56	239.71
Other financial liabilities	10(c)	79.76	73.09	55.09
(b) Other current liabilities	11(b)	28.91	58.69	65.31
(c) Provisions	11(a)	24.80	112.89	177.76
		<u>4,227.88</u>	<u>2,489.56</u>	<u>2,178.50</u>
Total		<u>6,912.67</u>	<u>6,988.51</u>	<u>8,478.96</u>
<b>Significant Accounting Policies</b>		<b>1&amp;2</b>		
<b>Additional information to financial statements</b>		<b>21</b>		

As per our report of even date attached

For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**  
Partner M.No.207550

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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



## STATEMENT OF CONSOLIDATED PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Income</b>			
1 Revenue from operations	12	9,773.14	5,688.42
2 Other income	13	316.03	127.08
3 <b>Total Revenue (1 + 2)</b>		<u>10,089.17</u>	<u>5,815.50</u>
<b>Expenses</b>			
(a) Cost of Land sold	14	47.43	38.26
(b) Purchase of Stock-in-trade	15	9,981.61	3,462.26
(c) Changes in inventories of finished goods and Stock-in-trade	16	(2,055.01)	31.35
(d) Employee benefits/expense	17	301.36	273.43
(e) Finance cost	18	1,074.39	119.78
(f) Depreciation and amortisation expenses		35.78	36.11
(g) Other expenses	19	664.66	602.00
Total expenses (a to g)		<u>10,050.22</u>	<u>4,563.19</u>
5 <b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		38.95	1,252.31
6 Exceptional expenses	20	(1,456.58)	-
7 <b>Profit/(Loss) before extraordinary items and tax</b>		<u>(1,417.63)</u>	<u>1,252.31</u>
8 Extraordinary items		-	-
9 <b>Profit/(Loss) before tax</b>		<u>(1,417.63)</u>	<u>1,252.31</u>
Profit/(Loss) of the Group		<u>(1,417.63)</u>	<u>1,252.31</u>
10 Tax expense :			
(a) Current Tax		(122.28)	(282.68)
(b) MAT		8.54	0.33
(c) Deferred Tax		(0.42)	(0.29)
11 <b>Profit/ (Loss) for the year</b>		<u>(1,531.79)</u>	<u>969.67</u>
<b>Other Comprehensive Income</b>			
12 <b>Items that will not be reclassified to Profit or Loss</b>			
Impact on remeasurement of post of employment obligation		(16.54)	1.46
Total Comprehensive Income / (Loss) for the Year		<u>(1,548.33)</u>	<u>971.13</u>
13 Earnings Per Equity Share :			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		(0.31)	3.64
Basic/Diluted Earnings Per Share after exceptional/extraordinary items		(5.75)	3.64
(Face value of Rs. 2 each)			
<b>Significant Accounting Policies</b>	<b>1&amp;2</b>		
<b>Additional information to financial statements</b>	<b>21</b>		

As per our report of even date attached

For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**

Partner M.No.207550

Place : Mumbai

Date : 21.05.2018

**Manoj Kumar Patodia**

Vice Chairman & Managing Director  
(DIN No.: 00026455)

**S.Udayananda**

DGM(Finance) and CFO

For and on behalf of the Board

**Purusottam Das Patodia**

Chairman & Managing Director  
(DIN No.: 00032088)

**Krunal Shah**

Sr.Manager(Legal) & Company Secretary

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**

₹ in Lacs

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before tax exceptional items and after other comprehensive income	22.41	1,253.77
Adjustments for:		
Depreciation and amortisation expenses	35.78	36.11
Unrealised Profit on Intra group transactions	(2.47)	-
Bad debts written off	36.13	-
(Profit)/ Loss on sale of property, plant and equipment (net)	2.06	4.81
Interest income	(145.31)	(115.01)
Dividend Income	(29.34)	(4.80)
Finance Cost	1,065.88	109.07
Operating profit before working capital changes	985.14	1,283.95
Changes in Working Capital:		
Increase / (Decrease) in trade payables	(175.41)	126.85
Increase / (Decrease) in provisions	(88.09)	(64.87)
Increase / (Decrease) in other financial liabilities	6.66	18.00
Increase / (Decrease) in short term borrowings	2,024.93	237.70
Increase / (Decrease) in other current liabilities	(29.78)	(6.62)
(Increase) / Decrease in margin money and unpaid dividend	(6.10)	(3.91)
(Increase) / Decrease in trade receivables	(232.89)	(411.33)
(Increase) / Decrease in inventories	(95.80)	(123.93)
(Increase) / Decrease in short term loans and advances	648.38	(173.67)
(Increase) / Decrease in other financial assets	(5.00)	(0.48)
(Increase) / Decrease in other current assets	50.33	49.51
(Increase) / Decrease in long term loans and advances	165.45	182.80
<b>Cash Generated from Operations</b>	<b>3,247.82</b>	<b>1,114.00</b>
Taxes paid (net of refunds)	(121.24)	(480.45)
<b>Net cash generated from operations before exceptional items</b>	<b>3,126.58</b>	<b>633.55</b>
Exceptional items	(1,456.58)	-
<b>Net cash generated from operating activities</b>	<b>1,670.00</b>	<b>633.55</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of property, plant and equipment/intangible assets	(106.22)	(409.52)
Sale of property, plant and equipment/intangible assets	17.61	4.35
Movement in Capital Reserve due to acquisition of subsidiary	148.13	-
Increase in Capital work-in-progress	-	(45.63)
Interest received	145.31	115.01
Dividend received	29.34	4.80
Sale/ (Purchase) of non-current investments	(563.43)	(201.76)
<b>Net cash from investing activities</b>	<b>(329.26)</b>	<b>(532.75)</b>
<b>C. Cash flow from Financing Activities</b>		
Finance Cost	(1,065.88)	(109.07)
Dividend Paid	(128.27)	(128.27)
Proceeds from Long Term borrowings	2.78	(26.41)
<b>Net cash used in Financing Activities</b>	<b>(1,191.37)</b>	<b>(263.75)</b>
<b>Net increase in cash and Cash equivalents</b>	149.37	(162.95)
Cash and Cash Equivalents at the beginning of the year	86.20	249.15
<b>Cash and Cash equivalents at the end of the year</b>	<b>235.57</b>	<b>86.20</b>
<b>Reconciliation of Cash and Bank balances with the Balance sheet</b>		
Cash and Cash equivalents as per Balance Sheet	255.19	99.72
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	-	9.60
Unpaid dividend	7.69	3.92
Other Deposits	11.93	-
<b>Net Cash and Cash equivalents at the year end</b>	<b>235.57</b>	<b>86.20</b>

As per our report of even date attached

For **L.U.Krishnan & Co**

Chartered Accountants

FRN 001527S

**P.K.Manoj**

Partner M.No.207550

Place : Mumbai

Date : 21.05.2018

**Manoj Kumar Patodia**

Vice Chairman & Managing Director

(DIN No.: 00026455)

**S.Udayananda**

DGM(Finance) and CFO

For and on behalf of the Board

**Purusottam Das Patodia**

Chairman & Managing Director

(DIN No.: 00032088)

**Krunal Shah**

Sr.Manager(Legal) & Company Secretary



## Note 1 & 2

### Significant Accounting Policies (Consolidated financial statements)

#### 1. a. Group overview

The consolidated financial statements comprise financial statements of Prime Urban Development India Limited, Parent Company and its subsidiary and its associate (hereinafter referred as "the Group")

The Prime Urban Development India Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at 110, Avinashi Road, Gandhinagar Post, Tirupur Tamil Nadu. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange.

The Company is having business of Realty and textile.

#### b. Group Structure:

	Nature of holding	Name of the Company/Firm/AOP	Percentage of Holding
(i)	Wholly owned subsidiaries	ATL Textile Processors Limited Manoj Yarn Processors Limited Pee Dee Yarn Processors Limited Patodia Developers Pvt Ltd Srivarsha Realtors Pvt Ltd Newline Buildtech Pvt Ltd (w.e.f. 9.8.2017)	100% 100% 100% 100% 100% 100%
(ii)	Associates	Prime Developers Prime New line AOP	50% 75%

## 2 Significant Accounting Policies:

### 2.01: Basis of Accounting:

#### (i) Compliance with Ind AS :

The financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

#### (ii) Historical Cost Convention :

The financial statements have been prepared on an accrual basis and under the historical cost convention except for the following :

1. certain financial assets and liabilities that are measured at fair value;
2. assets held for sale – measured at lower of cost to sell;
3. defined benefit plans – plan assets measured at fair value;

#### (iii) Classification of assets and liabilities :

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

#### (iv) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### 2.02: 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.

## **PRIME URBAN DEVELOPMENT INDIA LIMITED**

### **2.03: Consolidation procedure:**

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

Financial statements of both parent company, its subsidiaries and the firm in which the parent company has substantial interest, have been drawn up to 31st March 2018, the reporting date.

### **2.04: Provisions and Contingent Liabilities :**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably.

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### **2.05: Other Significant Accounting Policies:**

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

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As per our report of even date annexed  
For **L.U.Krishnan & Co**  
Chartered Accountants  
FRN 001527S

**P.K.Manoj**  
Partner M.No.207550

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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



## Consolidated Statement of Changes in Equity for the Year Ended 31st March, 2018

₹ in Lacs

EQUITY SHARE CAPITAL	Balance as at April 01, 2016	Changes in Equity Share Capital during the Year	Balance as at April 01, 2017	Changes in Equity Share Capital during the Period	Balance as at March 31, 2018
Paid up Capital (Equity shares of Rs. 2/- each issued, subscribed & fully paid up)	532.87	0	532.87	0	532.87

### OTHER EQUITY

Particulars	Capital Reserve	Securities Premium Reserve	Business Reconstruction Reserve	General Reserve	Retained Earnings	Other Comprehensive Income/expences	Total
<b>Balance as at April 01, 2016</b>	-	117.00	2,903.97	1,250.71	160.76	-	4,432.44
<b>Profit for the Year</b>	-	-	-	-	969.67	-	969.67
Transfer from Retained Earnings	-	-	-	700.00	(700.00)	-	-
Transfer to/from Business Reconstruction Reserve	-	-	-	-	-	-	-
Reduction due to a portion of land sold/transfer	-	-	(2,617.96)	-	-	-	(2,617.96)
Other comprehensive income for the year	-	-	-	-	-	1.46	1.46
Dividend and dividend tax for the year 2015-2016	-	-	-	-	(128.27)	-	(128.27)
<b>Balance as at March 31, 2017</b>	-	117.00	286.01	1,950.71	302.16	1.46	2,657.34
Profit/(Loss) for the Year	-	-	-	-	(1,531.79)	-	(1,531.79)
Reduction due to a portion of land sold/transfer	-	-	(286.01)	-	-	-	(286.01)
Unrealised Gain on Intra-group transactions	-	-	-	-	(2.47)	-	(2.47)
Dividend and dividend tax for the year 2016-2017	-	-	-	-	(128.27)	-	(128.27)
Other Comprehensive Income for the year	-	-	-	-	-	(16.53)	(16.53)
Capital Reserve for the year	148.13	-	-	-	-	-	148.13
<b>Balance as at March 31, 2018</b>	148.13	117.00	-	1,950.71	(1,360.37)	(15.07)	840.40

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to Consolidated Financial Statements for the Year Ended 31st March, 2018**

Note 3: Property, plant and equipment

₹ in Lacs

Particulars	Freehold Land	Buildings	Machinery	Furniture and fixtures	Vehicles	Total	Capital Work in Progress
<b>Year Ended March 31, 2016</b>							
Gross carrying amount							
Balance as at 01.04.2015	14,569.05	32.80	-	173.99	149.67	14,925.51	-
Additions	81.86	0.44	-	4.51	90.51	177.32	-
Disposals	(11,643.79)	-	-	-	(28.90)	(11,672.69)	-
Transfers	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>3,007.12</b>	<b>33.24</b>	<b>-</b>	<b>178.50</b>	<b>211.28</b>	<b>3,430.14</b>	<b>-</b>
<b>Accumulated Depreciation</b>							
Accumulated Depreciation 01.04.2015	-	13.23	-	143.95	74.77	231.95	-
Depreciation charge during the year	-	0.56	-	7.98	20.95	29.49	-
Disposals	-	-	-	-	(27.45)	(27.45)	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>13.79</b>	<b>-</b>	<b>151.93</b>	<b>68.27</b>	<b>233.99</b>	<b>-</b>
<b>Net Carrying Amount 31.03.2016</b>	<b>3007.12</b>	<b>19.45</b>	<b>-</b>	<b>26.57</b>	<b>143.01</b>	<b>3,196.15</b>	<b>-</b>
<b>Year Ended March 31, 2017</b>							
Balance as on 01.04.2016	3,007.12	33.24	-	178.50	211.28	3,430.14	-
Additions	169.29	185.62	40.19	3.36	11.06	409.52	45.63
Disposals	(2,627.12)	-	-	-	-	(2,627.12)	-
Transfers	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>549.29</b>	<b>218.86</b>	<b>40.19</b>	<b>181.86</b>	<b>222.34</b>	<b>1,212.54</b>	<b>45.63</b>
<b>Accumulated Depreciation</b>							
Accumulated Depreciation 01.04.2016	-	13.79	-	151.93	68.27	233.99	-
Depreciation charge during the year	-	0.58	2.63	6.44	26.46	36.11	-
Disposals	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>14.37</b>	<b>2.63</b>	<b>158.37</b>	<b>94.73</b>	<b>270.10</b>	<b>-</b>
<b>Net Carrying Amount as on 31-03-2017</b>	<b>549.29</b>	<b>204.49</b>	<b>37.56</b>	<b>23.49</b>	<b>127.61</b>	<b>942.44</b>	<b>45.63</b>
<b>Year Ended March 31, 2018</b>							
Del Cost as at 1 April, 2017	549.29	218.86	40.19	181.86	222.34	1,212.54	45.63
Additions	45.63	82.90	3.69	5.67	13.96	151.85	-
Disposals	(287.67)	0	0	(27.83)	(21.48)	(336.98)	-
Transfers	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>307.25</b>	<b>301.75</b>	<b>43.88</b>	<b>159.70</b>	<b>214.82</b>	<b>1,027.41</b>	<b>(45.63)</b>
<b>Accumulated Depreciation</b>							
Opening Accumulated Depreciation	-	14.37	2.63	158.37	94.73	270.10	-
Depreciation charge during the year	-	0.71	3.22	4.70	27.14	35.77	-
Disposals	-	-	-	(17.75)	(13.56)	(31.31)	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>15.08</b>	<b>5.85</b>	<b>145.32</b>	<b>108.31</b>	<b>274.56</b>	<b>-</b>
<b>Net Carrying Amount as on 31-03-2018</b>	<b>307.25</b>	<b>286.68</b>	<b>38.03</b>	<b>14.38</b>	<b>106.51</b>	<b>752.85</b>	<b>-</b>



## Notes to the Financial Statements (consolidated)

₹ in Lacs

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No of shares		No of shares		No of shares	
<b>Note 4 : Financial Assets</b>						
<b>4(a) Non-current Investments - Un-quoted</b>						
(1) Equity shares fully paid up Other entities - Non-Trade Tirupur Infrastructure Development Company Limited (500 shares of Rs.1000 each)	500	5.00	500	5.00	500	5.00
(2) Investment in Partnership firm Prime Mall Developers		1.00		1.00	-	1.00
Aggregate amount of Unquoted investments		6.00		6.00		6.00
Sub-total		6.00		6.00		6.00

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2018 / 31.03.2017		
	Total Capital ₹ in Lacs	Share of Profit	Share of Loss
<b>Prime Mall Developers :</b>			
1 Prime Urban Development India Limited	1.00	50.00%	66.66%
2 Pudumjee Plant Laboratories Limited	1.00	25.00%	33.34%
3 Aristo Realty Developers Limited	-	25.00%	-
	<u>2.00</u>	<u>100.00%</u>	<u>100.00%</u>

₹ in Lacs

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>4(b) Other financial assets</b>				
Security Deposits		13.56	8.56	8.08
		<u>13.56</u>	<u>8.56</u>	<u>8.08</u>
<b>4(c) Loans</b>				
(i) Loans and advances to related parties		-	-	218.23
(ii) Other loans and advances		73.00	238.45	203.02
		<u>73.00</u>	<u>238.45</u>	<u>421.25</u>
<b>4(d) Current Investments (Unquoted)</b>				
Investments in Birla Mutual funds - Cash Plus fund (No. of units 763,750, previous year 201,160 units)		765.19	201.76	-
		<u>765.19</u>	<u>201.76</u>	<u>-</u>
<b>4(e) Trade receivables (current)</b>				
Unsecured, considered good		912.69	715.93	304.60
Unsecured, considered doubtful		10.16	10.16	13.81
		<u>922.85</u>	<u>726.09</u>	<u>318.41</u>
Less : Allowances for bad and doubtful debts		(10.16)	(10.16)	(13.81)
		<u>912.69</u>	<u>715.93</u>	<u>304.60</u>
<b>4(f) Cash and cash equivalents</b>				
(i) Cash on hand		3.58	5.83	3.86
(ii) Balances with bank in current accounts		100.15	80.37	245.29
(iii) Fixed deposits with bank		131.84	-	-
		<u>235.57</u>	<u>86.20</u>	<u>249.15</u>
<b>4(g) Bank Balances other than above</b>				
In Deposits under lien		-	9.60	9.61
Unpaid Dividend accounts		7.69	3.92	-
Other Deposits		11.93	-	-
		<u>19.62</u>	<u>13.52</u>	<u>9.61</u>

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to the Financial Statements (consolidated)**

₹ in Lacs

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>4(h) Short-term loans and advances</b>				
Loans				
- Corporates		275.00	923.38	749.61
		<u>275.00</u>	<u>923.38</u>	<u>749.61</u>
<b>4(i) Loans</b>				
- Associates		-	-	0.10
		<u>-</u>	<u>-</u>	<u>0.10</u>
<b>Note 5 Inventories</b>				
Valued at Cost or Net realisable value whichever is lower				
(i) Finished goods		-	3.00	15.88
(ii) Stock in Trade - Yarn		84.82	234.00	148.61
(iii) Land		3,253.53	961.74	1,000.00
(iv) Project work in progress		-	2,034.81	1,954.13
	Sub-total (b)	<u>3,338.35</u>	<u>3,242.55</u>	<u>3,118.62</u>
<b>Note 6 Current Tax Assets (Net)</b>				
Advance income tax		974.84	905.27	470.88
Less: Provisions		778.59	707.06	465.00
<b>Current Tax Assets (Net)</b>		<u>196.25</u>	<u>198.21</u>	<u>5.88</u>
<b>Note 7 Other current assets</b>				
(i) Interest accrued and other receivables		4.69	19.59	22.29
(ii) Rent Deposit		0.05	-	-
(iii) Un amortized		126.01	187.25	197.01
(iv) Prepaid Expenses		6.75	8.49	3.01
(v) Balance with statutory authorities		87.88	36.25	24.48
(vi) Advances to suppliers		84.52	104.87	6.44
(vii) Advances to employees		0.18	3.95	156.68
		<u>310.08</u>	<u>360.40</u>	<u>409.91</u>

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Ru. in Lacs	Number	Ru. in Lacs	Number	Ru. in Lacs
<b>Note 8 Equity Share Capital and Other Equity</b>						
<b>Note 8 (a) : Equity Share Capital</b>						
Authorised						
Equity Shares of Rs.2 each	6,25,00,000	1,250.00	6,25,00,000	1,250.00	6,25,00,000	1,250.00
Preference Shares of Rs.100 each	7,50,000	750.00	7,50,000	750.00	7,50,000	750.00
Issued						
Equity Shares of Rs.2 each	2,66,44,300	532.89	2,66,44,300	532.89	2,66,44,300	532.89
Subscribed and paid up:						
Equity Shares of Rs.2 each	2,66,43,600	532.87	2,66,43,600	532.87	2,66,43,600	532.87
	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>	<u>2,66,43,600</u>	<u>532.87</u>

Note (a) : Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number	Amount in Lacs	Number	Amount in Lacs
Shares outstanding at the beginning of the year	2,66,43,600	532.87	2,66,43,600	532.87
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,66,43,600	532.87	2,66,43,600	532.87



## Notes to the Financial Statements (consolidated)

Note (b) - Details of Shareholders holding more than 5% of Equity Shares in the Company:

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

**Note (c)** - Terms/ Rights attached to Equity Shares:- The Company has only one class of equity shares having par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.

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

**Note (e)** Dividends proposed by the Board of Directors, if any is subject to approval of the Shareholders in the Annual General Meeting, except in case of interim Dividend.

**Note (f)**: In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

₹ in Lacs

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Note 8</b>				
<b>Note 8(b) : Other Equity</b>				
(i) Capital Reserve		148.13	-	-
(ii) Securities Premium Reserve		117.00	117.00	117.00
(iii) Business Reconstruction Reserve		-	286.01	2,903.97
(iv) General Reserve		1,950.71	1,950.71	1,250.71
(v) Retained Earnings		(1,375.44)	303.62	160.76
		<u>840.40</u>	<u>2,657.34</u>	<u>4,432.44</u>
<b>iv. Capital Reserve</b>				
Parent's Share in equity of Newline Buildtech Private Limited		4,251.21	-	-
Less : Cost of Investment		<u>4,103.48</u>	-	-
Capital Reserve		<b>147.73</b>	-	-
Parent's Share in equity of Srivarsha Realtors Private Limited		1.00	-	-
Less : Cost of Investment		<u>0.60</u>	-	-
Capital Reserve		<b>0.40</b>	-	-
<b>Total</b>		<b>148.13</b>	-	-
<b>ii. Securities Premium Account</b>				
Beginning of the Year		117.00	117.00	117.00
End of the Year		<u>117.00</u>	<u>117.00</u>	<u>117.00</u>
<b>iii. Business Reconstruction Reserve :</b>				
Beginning of the Year		286.01	2,903.97	11,628.67
Add: Transfer from General Reserve		-	-	2,901.43
Less: Reduction due to a portion of land Sold		<u>(286.01)</u>	<u>(2,617.96)</u>	<u>(11,626.13)</u>
End of the Year		<u>(0.00)</u>	<u>286.01</u>	<u>2,903.97</u>
<b>i. General Reserve:</b>				
Beginning of the Year		1,950.71	1,250.71	2,252.14
Add : Transfer from Statement of Profit and Loss		-	700.00	1,900.00
Less: Transfer to Business Reconstruction Reserve		-	-	<u>(2,901.43)</u>
End of the Year		<u>1,950.71</u>	<u>1,950.71</u>	<u>1,250.71</u>
<b>v. Retained Earnings</b>				
Beginning of the Year		303.62	160.76	612.23
Add : Profit/ (Loss) after Tax		<u>(1,548.33)</u>	<u>971.13</u>	<u>1,448.53</u>
		<u>(1,244.71)</u>	1,131.89	2,060.76
Less: Unrealised Gain on Intra - group transfers		(2.46)	-	-
Less: Dividend and Dividend Tax paid		<u>(128.27)</u>	<u>(128.27)</u>	-
		<u>(1,375.44)</u>	1,003.62	2,060.76
Less: Transfer to General Reserve		-	(700.00)	(1,900.00)
End of the Year		<u>(1,375.44)</u>	<u>303.62</u>	<u>160.76</u>
<b>Total</b>		<b>840.40</b>	<b>2,657.34</b>	<b>4,432.44</b>

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

**Notes to the Financial Statements (consolidated)**

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Note 9</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
9(a) Borrowings			
Secured			
Deferred payment liabilities			
Hire - purchase Loan	41.41	38.63	65.04
Sub-total (a)	<u>41.41</u>	<u>38.63</u>	<u>65.04</u>
Nature of Security :			
1. Hire purchase liabilities are secured against the vehicles acquired			
Terms of Repayment :			
1. Hire purchase loan liabilities and terms to pay last instalment due is on 05.07.2022 and rate of interest is 11 % per annum			
9(b) Other Non - Current financial liabilities			
Due to a Partnership firm in which Company is a partner	1,270.11	1,270.11	1,270.11
Sub-total (b)	<u>1,270.11</u>	<u>1,270.11</u>	<u>1,270.11</u>
<b>Note 10</b>			
<b>Current Liabilities</b>			
10(a) Current Borrowings			
Secured			
(i) From Bank			
Central Bank of India Cash Credit	-	1.98	152.58
Central Bank of India Packing Credit	680.60	477.53	-
(ii) From Others			
NBFC	1,300.00		
Un-secured			
From			
Corporates	1,922.66	1,275.00	1,239.96
Other Loans and Advances	-	123.82	248.09
Total current borrowings (a)	<u>3,903.26</u>	<u>1,878.33</u>	<u>1,640.63</u>
Nature of Security :			
a Working Capital loans from Banks are Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the building of the Company and further guaranteed by three of the Directors of the Company.			
b Secured Loan from others are secured against the 58,02,925 of Rs. 10 each Equity Shares in Newline Buildtech Pvt Ltd which is a subsidiary of the Company.			
10(b) Trade payable			
Due to suppliers and service providers (Also refer note no. 21.04 regarding due to MSME)	191.15	366.56	239.71
Sub-total (b)	<u>191.15</u>	<u>366.56</u>	<u>239.71</u>



## Notes to the Financial Statements (consolidated)

₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
10(c) Other Financial Liabilities			
(i) Current maturities of finance lease obligations	21.44	34.95	33.95
(ii) Interest accrued but not due on borrowings	34.01	-	-
(iii) Unclaimed dividends	7.69	3.92	-
(iv) Non recognised customer credit	-	18.20	7.43
(v) Due to Directors	2.40	2.00	-
(vi) Other payables			
Security Deposit and Retention money	13.60	13.70	13.60
Others	0.62	0.32	0.11
Sub-total (c)	<u>79.76</u>	<u>73.09</u>	<u>55.09</u>
Shall transfer when due to IEPF, still not due for transfer			
11(a) Provisions			
Provision for Employee Benefits - Gratuity	24.80	3.77	3.14
Others	0.00	109.12	174.62
Sub-total (d)	<u>24.80</u>	<u>112.89</u>	<u>177.76</u>
11(b) Other current Liabilities			
Advance from customers	3.75	44.05	49.70
Statutory dues payable	25.16	14.64	15.61
Sub-total (e)	<u>28.91</u>	<u>58.69</u>	<u>65.31</u>
Total	<u>4,227.88</u>	<u>2,489.56</u>	<u>2,178.50</u>

₹ in Lacs

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Note 12</b>		
<b>Revenue from operations :</b>		
<b>Textile Segment</b>		
Textiles - Sale of Traded Goods - Cotton Yarn	5,545.80	3,228.52
Garment Sales	3.10	-
	<u>5,548.90</u>	<u>3,228.52</u>
<b>Realty Segment</b>		
Gain on Sale of Land (Net of Cost)	286.99	1,770.51
Sale of Land - converted in to stock in trade	29.85	165.11
Sale of Phase II Land	3,568.69	-
Interest on Income Tax Refund	-	11.17
Revenue from operations of Entities	254.93	407.32
	<u>4,140.46</u>	<u>2,354.11</u>
<b>Other Operating Revenue :</b>		
Export Incentive	67.55	84.51
Net gain on foreign currency transaction	15.37	16.56
Incidental Income	0.86	4.72
	<u>83.78</u>	<u>105.79</u>
	<u>9,773.14</u>	<u>5,688.42</u>
<b>Note 13</b>		
<b>Other Income</b>		
Interest income	145.31	115.01
Commission receipts	-	4.10
Dividend income	29.34	4.80
Liabilities no longer payable written back	138.38	2.44
Miscellaneous Income	3.00	0.73
Total	<u>316.03</u>	<u>127.08</u>
<b>Note 14</b>		
<b>Cost of Land</b>		
Cost of Land held as Stock in Trade	47.43	38.26
	<u>47.43</u>	<u>38.26</u>

**PRIME URBAN DEVELOPMENT INDIA LIMITED**
**Notes to the Financial Statements (consolidated)**

₹ in Lacs

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Note 15</b>		
<b>Purchase of Stock-in-trade</b>		
Purchase of Traded goods - Cotton Yarn	5,166.65	3,166.18
Cost of Purchases Realty	57.93	-
Cost of revenue of Entities	727.59	296.08
Cost of Inventory sold by a Subsidiary Company	4,029.44	-
	<u>9,981.61</u>	<u>3,462.26</u>
<b>Note 16</b>		
<b>Changes in Stock of Finished Goods and Stock - in- trade</b>		
Opening balance:		
Finished Goods	3.00	15.88
Stock in Trade	243.00	148.61
Finished Apartments	86.95	199.81
	<u>332.95</u>	<u>364.30</u>
	(A)	
Less :		
Closing balance:		
Finished Goods	-	3.00
Stock in Trade	84.82	243.00
Realty Inventory	2,303.14	86.95
	<u>2,387.96</u>	<u>332.95</u>
	(B)	
Net Value	<u>(2,055.01)</u>	<u>31.35</u>
	(A)-(B)	
<b>Note 17</b>		
<b>Employee Benefits</b>		
Salaries, Wages, Bonus and others	270.44	244.95
Contribution to Provident and other Funds	20.99	18.65
Welfare Expenses	9.93	9.83
Total	<u>301.96</u>	<u>273.43</u>
<b>Note 18</b>		
<b>Finance cost</b>		
Interest on Borrowings	1,065.88	109.07
Other finance cost	8.51	10.71
Total	<u>1,074.39</u>	<u>119.78</u>
<b>Note 19</b>		
<b>Other Expenses</b>		
Insurance	8.27	7.24
Rates and taxes	20.15	15.50
Sitting Fees	3.05	2.90
Power and Fuel Consumed	8.68	4.32
Rent	42.90	37.18
Repairs - Building	28.52	1.98
Repairs - Others	24.87	17.97
Communication Expenses	16.76	18.89
Travelling and Conveyance	65.10	160.69
Sales Commission	38.62	24.95
Freight and Forwarding	134.62	65.57
Selling expenses	6.12	5.72
Donation	2.40	0.05
Legal and Professional fees	53.70	31.15
Auditors Remuneration	2.55	2.61
Bad and doubtful debts written off	36.13	-
Loss on Sale of Assets	2.06	4.81
Bank Charges	25.71	16.26
Pre-acquisition Loss of a Subsidiary	0.99	-
Miscellaneous expenses	143.46	184.21
	<u>664.66</u>	<u>602.00</u>
<b>Note 20</b>		
<b>Exceptional Expenses</b>		
Work-in-progress charged	1,701.23	-
Insurance claim receipts (Net)	(244.65)	-
	<u>1,456.58</u>	-





**Note No. 21: Additional information to financial statements for consolidated financial statements:**

**21.01: Members of the Group:**

Prime Urban Development India Limited's subsidiaries and associates are listed below:

Sl.No	Particulars	Nature	Proportion of ownership interest	Date of Incorporation/Acquisition
1	ATL Textile Processors Limited	Subsidiary	100%	22.03.1996
2	Manoj Yarn Processors Limited	Subsidiary	100%	08.02.1996
3	Pee Dee Yarn Processors Limited	Subsidiary	100%	06.12.1995
4	Patodia Developers Pvt Ltd	Subsidiary	100%	15.02.2008
5	Srivarsha Realtors Pvt Ltd	Subsidiary	100%	20.09.2016
6	Newline Buildtech Private Limited	Subsidiary	100%	09.08.2017
7	Prime Newline AOP	AOP	75%	23.07.2008
8	Prime Developers	Partnership Firm	50%	15.07.2004

**21.02: BASIS OF ACCOUNTING**

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standard as notified under the Companies (Indian Accounting standards), 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The consolidated financial statement of the group are prepared and presented on accrual basis and under the historical cost convention except the following material items that have been measured at fair value as required by the relevant Ind AS.

- Defined benefit and other long term employee benefits.

**21.03: Contingent liabilities and commitments**

₹ in Lacs

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Contingent liabilities (to the extent not provided for)</b>		
Disputed Tax Demands (Including Interest up to the date of demand)		
(i) Sales Tax The Sales tax liabilities of Rs.7.22 lacs is related to issue of 'C' form during 1997-98. Sales Tax Appellate Tribunal issued order in favour of Company and asked Department to verify the material facts of the case. Case not yet taken up by the department and another case regarding garment division tax set off.	7.22	7.22
(ii) Income Tax (Tax deposits Rs.207.48 lacs; pr.yr.207.48 lacs) The Income Tax liability for AY 2009-10 for Rs.551.09 lacs is under appeal before the Hon'ble Madras High Court and the High Court has given stay against the order of Income Tax Appellate Tribunal and collection of demand.	743.09	743.09
(iii) Service tax The service tax demand of Rs. 116.06 lacs and penalty of Rs. 116.09 lacs related to period from 15.5.2008 to 31.08.2008 related to a firm in which the Company is the partner is under appeal before CESTAT and Hon'ble Madras High Court has given stay against the order of the Commissioner of Central Excise, Customs and Service tax	232.18	232.18
<b>b. Commitments</b>		
Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized-Rs.585.66 lacs Previous year Rs.193.01)	694.23	499.17

## PRIME URBAN DEVELOPMENT INDIA LIMITED

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

₹ in Lacs

Particulars		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(i)	Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(ii)	Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iii)	The amount of interest due and payable for the year	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	NIL	NIL

### 21.05: General notes

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

### 21.06: Auditors Remuneration (excluding service tax/GST)

₹ in Lacs

Particulars	31.3.2018	31.3.2017
Audit fees	2.50	1.85
Tax Audit fees	0.05	0.32
Other fees	--	0.44
<b>Total</b>	<b>2.55</b>	<b>2.61</b>

### 21.07: Employee Benefit Plans :

#### Defined contribution plans :

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

₹ in Lacs

Particulars		2017-2018	2016-2017
a.	Provident Fund Contribution	14.37	14.55
b.	Superannuation/Gratuity	6.49	4.10

#### a. Defined Benefit plan :

##### Gratuity:

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity plan") covering eligible employees. The Gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation under the respective scheme.



b. The disclosure in respect of the defined Gratuity Plan are given below:

₹ in Lacs

	31.03.2018	31.03.2017
01. Assumptions		
Discount Rate	8%	8%
Salary Escalation	7%	7%
02. Changes in the present value of obligation		
Present value of obligation as at beginning of year	36.95	35.56
Interest Cost	2.96	2.84
Current Service Cost	1.90	2.51
Benefits paid	Nil	(1.77)
Actuarial Loss/(Gain) on obligations	(17.67)	(2.20)
Present value of obligations as at the end of year	59.47	36.95
03. Changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	33.72	31.25
Expected return on plan assets	2.78	2.61
Contributions	1.67	1.64
Benefits paid	Nil	(1.77)
Actuarial Gain/(Loss) on Plan assets	Nil	Nil
Fair value of plan assets at the end of year	38.17	33.72
04. Fair value of plan assets		
Fair value of plan assets at beginning of the year	33.72	31.25
Actual return on plan assets	2.78	2.60
Contributions	1.67	1.63
Benefits paid	Nil	(1.77)
Fair value of plan assets at the end of the year	38.17	33.72
Funded status	(21.31)	(3.23)
05. Actuarial Gain/Loss recognized		
Actuarial (gain) /Loss for the year – obligation	(17.67)	2.20
Actuarial (gain)/Loss for the year – plan assets	Nil	Nil
Total Loss/ (gain) for the year	17.67	(2.20)
Actuarial Loss/(Gain) recognized in the year	17.67	(2.20)
06. Amounts recognized in the balance sheet and Profit & Loss		
Present value of obligations as at the end of the year	59.47	36.95
Fair value of plan assets as at the end of the year	38.17	33.72
Funded status	(21.31)	(3.23)
Net Asset/(Liability) recognized in balance sheet	(21.31)	(3.23)
07. Expenses charged in statement of Profit and Loss		
Current Service cost	1.90	2.52
Interest Cost	2.96	2.84
Expected return on plan assets	(2.78)	(2.61)
Net Actuarial loss/(gain) recognized in the year	17.67	(2.20)
Expenses recognized in statement of Profit and Loss	19.75	0.56

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

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### c. Sensitivity Analysis:

₹ in Lacs

Impact on defined benefit obligation	As at 31 <sup>st</sup> March, 2018 Increase/(Decrease) in liability	As at 31 <sup>st</sup> March, 2017 Increase/(Decrease) in liability
+1.00% Change in rate of discounting	(1.43)	(0.87)
-1.00% Change in rate of discounting	1.56	0.92
+1.00% Growth in rate of Salary	0.45	0.22
-1.00% Growth in rate of Salary	(0.41)	(0.25)
+1.00% Change in Attrition Rate	0.28	0.29
-1.00% Change in Attrition Rate	(0.29)	(0.35)
Mortality Rate 10% up	0.02	(0.01)

### d. The Defined benefit obligation shall mature as follows:

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Within 1 year	7.65	0.35
1-2 year	2.86	3.87
2-3 year	2.46	0.26
3-4 year	15.02	0.25
4-5 year	2.33	8.22
6-10 year	2.92	0.40

### 21.08: Segment Information

₹ in Lacs

1	Segment Revenue:	2017-2018	2016-2017
a.	Realty	4,141.32	2,358.83
b.	Textiles	5,631.83	3,329.59
2	Segment Results :		
a.	Realty	1,083.71	1,325.60
b.	Textiles	45.60	61.03
	Total	1,129.31	1,386.63
	Less : Interest	(1,074.39)	(119.78)
	Less : Exceptional items	(1,456.58)	--
	Less : Un-allocable expenditure	(15.98)	(14.54)
	Profit/(Loss) before extra ordinary items	(1,417.63)	1,252.31
	Less : Extraordinary items		
	Profit/(Loss) before tax	(1,417.63)	1,252.31
3	Carrying amount of Segment Assets		
a.	Realty	6,002.11	6,375.20
b.	Textiles	905.00	608.00
4	Carrying amount of Segment Liabilities		
a.	Realty	4,736.80	3,200.22
b.	Textiles	803.00	600.00
5	Cost incurred to acquire Segment Fixed Assets during the year		
a.	Realty	151.85	409.52
b.	Textiles	--	--
6	Depreciation and amortization expenses		
a.	Realty	35.77	36.11
b.	Textiles	--	--


**21.09: Disclosure in respect of related parties pursuant to Ind AS 24:**

List of Related Parties and nature of relationships:

₹ in Lacs

With whom transactions have been entered into :		
(i)	Associates	Prime Mall Developers Prime Hitech Textiles LLP (Formerly Prime Hitech Admin Services LLP) Aadarsh Jann Aawaash Limited
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director Mr. S. Udayananda DGM (Finance) and CFO Mr. Krunal Shah Sr. Manager (Legal) and Company Secretary
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs. Indiradevi Patodia Wife of Mr. Purusottam Das Patodia Mrs. Nandita Patodia Wife of Mr. Manoj Kumar Patodia Mrs. Meenal Patodia Wife of Mr. Anuj Patodia

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

₹ in Lacs

Nature of Transaction	Associates	Key Managerial Personnel	Enterprises/ Relatives of Key Managerial Personnel	Total
Rent received	0.24 (0.22)	- (Nil)	Nil (Nil)	0.24 (0.22)
Interest paid	Nil (Nil)	5.59 (13.51)	7.25 (16.07)	12.84 (29.58)
Salary Paid	--	--	7.50 (2.70)	7.50 (2.70)
Remuneration Paid	--	--	1.67 (1.67)	1.67 (1.67)
a. Mr. Purusottam Das Patodia		54.73 (55.36)		54.73 (55.36)
b. Mr. Manoj Kumar Patodia		40.98 (41.09)		40.98 (41.09)
c. Mr. Anuj Patodia		41.81 (42.10)		41.81 (42.10)
Total		137.52 (138.55)		137.52 (138.55)
Balance as on 31.3.2018				
<b>Amount Payable:</b>				
Prime Mall Developers	1,270.11 (1,270.11)			1,270.11 (1,270.11)

(figures in bracket represent previous year's)

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### 21.11: Details of Lease arrangements

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

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	<b>26.55</b> (27.28)	<b>5.11</b> (6.19)	<b>21.44</b> (21.09)
2. Between one year to five years	45.38 (58.73)	<b>3.97</b> (6.93)	<b>41.41</b> (51.80)
3. More than five years	Nil (Nil)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
Total	<b>71.93</b> (86.01)	<b>9.08</b> (13.12)	<b>62.85</b> (72.89)

(Figures in bracket are of previous year's)

- a. The Company has taken premise under cancellable operating lease. These lease agreement is normally renewed on expiry. The rental expenditure is accounted for in statement of Profit and Loss of the Company in accordance with Ind AS 17 on lease transactions.

### 21.12: Earnings Per Share

₹ in Lacs

Particulars	2017-2018	2016-2017
a. Profit/(Loss) after tax excluding exceptional items	(83.33)	969.67
b. Less : Exceptional items	(1,456.58)	--
c. Profit/(Loss) after tax including exceptional items	(1,531.79)	969.67
d. Number of Equity shares outstanding	266,43,600	266,43,600
e. Basic/Diluted Earnings Per Share (EPS) :		
- EPS excluding exceptional items (a/d)	(0.31)	3.64
- EPS including exceptional items (c/d)	(5.75)	3.64
f. Face value per share – in Rs.	2 per share	2 per share

### 21.13: Income tax/DT reconciliation note:

#### Deferred Tax Asset/(Liability)

Timing difference comprises of :

₹ in Lacs

Deferred Tax Asset	31.03.2018	31.03.2017
1. Expenses covered by 43B	12.10	5.33
2. Carry forward Unabsorbed Depreciation /Business Loss	1,540.44	821.80
Total	1,552.55	827.13
Deferred Tax Liability		
1. Depreciation	3.77	67.37
Total	3.77	67.37
Net Deferred Tax Asset/(Liability)	1,548.77	759.76

As a matter of the commercial prudence, deferred tax asset due to timing difference is not provided in the accounts.

#### Deferred Tax Assets /(Liability)

₹ in Lacs

Particulars	31.03.2018	31.03.2017	01.04.2016
Opening Balance	5.48	--	--
Recognized in Profit and Loss			
MAT Credit entitlement	9.03	5.48	--
Net Deferred Tax Assets/(Liability)	14.51	5.48	--

**21.14: Exceptional Expenses:**

During the year, Partnership entities in which company is a partner, decided to have their business re-organised and consequently charged off project costs incurred to their Profit and Loss account resulting significant losses to the entity. The share of loss of the Company in each firm and claim received during the year is detailed below:

	<b>Rs. in lacs</b>
Prime Newline AOP	1,614.80
Prime Developers	<u>86.43</u>
Sub-total of Share of Loss	1,701.23
Insurance Claim receipts	<u>(244.65)</u>
<b>Total Exceptional Items</b>	<b>1,456.58</b>

**21.15: Capital Management Note:****Risk Management Note:**

The Company's aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**21.16: The reconciliation of Net Profit reported in accordance with Indian GAAP and as per Ind AS for the year ended 31st March, 2017, is given below**

	Rs. in lacs
Net Profit/(Loss) as per Indian GAAP	969.67
Impact on re-measurement of Employees Benefit – Gratuity	<u>1.46</u>
Total Comprehensive income	<u>971.13</u>

**21.17:** The Comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued financial statements for the year ended 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor (M/s. M.S.Jagannathan & Visvanathan), who expressed an unmodified opinion vide reports dated 24th May, 2017 and 6th May, 2016.

**PRIME URBAN DEVELOPMENT INDIA LIMITED**

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures PART "A" : Subsidiaries (Rs. in lacs)							
Sl. No		Name of the Subsidiaries					
		ATL Textile Processors Limited	Pee Dee Yarn Processors Limited	Manoj Yarn Processors Limited	Patodia Developers Private Limited	Srivarsha Realtors Private Limited	New Line Buildtech Private Limited
1	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
2	Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA	NA	NA	NA	NA	NA
3	Share Capital	103.74	5.09	5.09	1.00	1.00	580.29
4	Reserves and Surplus	417.91	(2.04)	(6.83)	(1.25)	1.00	3,186.09
5	Total Assets	521.78	4.11	8.21	0.21	62.22	4,037.67
6	Total Liabilities	0.06	1.06	9.95	0.46	60.22	271.28
7	Investments	-	0	4.00	-	-	-
8	Turnover/Other Income	0.50	0	0.10	-	223.81	4,033.69
9	Profit / (Loss) before taxation	0.34	(0.18)	(0.20)	(0.17)	1.34	(483.84)
10	Provision for taxation	(0.07)	-	-	-	(0.25)	-
11	MAT Credit Entitlement	0.07	-	-	-	0.25	-
12	Deferred Tax Liability	-	-	-	-	0.42	-
13	Profit / (Loss) after taxation	0.34	(0.18)	(0.20)	(0.17)	1.34	(483.84)
14	Proposed dividend	Nil	Nil	Nil	Nil	Nil	Nil
15	% of Share Holding	100%	100%	100%	100%	100%	100%

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

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

(Rs. In lacs)			
Sl. No	Name of Associates/Joint Venture	Prime Developers (Partnership Firm)	Prime Newline AOP (Association of Persons)
1	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018
2	Shares of Associate/Joint Ventures held by the Company on the year ended 31st March, 2018		
a	No. of shares	NA	NA
b	Amount of Investment in Associates/Joint Venture	1.00	202.20
c	Extent of Holding %	50%	75%
3	Description of how there is significant influence	NA	NA
4	Reason why the associate/Joint venture is not consolidated	NA	NA
5	Networth attributable to Shareholding as per latest audited balance sheet	197.19	(113.18)
6	Profit / (Loss) for the year		
a	Considered in consolidation	(93.67)	(1,923.50)
b	Not considered in consolidation	(93.67)	-

Place : Mumbai  
Date : 21.05.2018

**Manoj Kumar Patodia**  
Vice Chairman & Managing Director  
(DIN No.: 00026455)

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

For and on behalf of the Board  
**Purusottam Das Patodia**  
Chairman & Managing Director  
(DIN No.: 00032088)

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





## PRIME URBAN DEVELOPMENT INDIA LIMITED

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

### FORM No. MGT 11

#### Proxy Form

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

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

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

- Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Eighty First Annual General Meeting of the Company, to be held on Wednesday, August 8, 2018 at 3:00 p.m. at Hotel Viswa's, Opp. to Prime Enclave Vistas Apartments, 112/1, Asher Nagar, Avinashi Road, Tirupur-641 603, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
<b>Ordinary Business</b>	
1.	Adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 <sup>st</sup> March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Re-appointment of Mr. Manoj Kumar Patodia (DIN: 00026455) as a Director retiring by rotation.
3.	Ratification of appointment of M/s. L. U. Krishnan & Co., Chartered Accountants (Firm Registration No. 001527S) as Statutory Auditors of the Company and fixing their remuneration.
<b>Special Business</b>	
4.	Re-appointment of Mr. Purusottamdas Patodia (DIN: 00032088) as Chairman and Managing Director of the Company.
5.	Re-appointment of Mr. Manoj Kumar Patodia (DIN: 00026455) as Vice Chairman and Managing Director of the Company.
6.	Re-appointment of Mr. Anuj Patodia (DIN: 00026458) as Managing Director of the Company.
7.	Re-appointment of Mr. T. Paul Sugumaran (DIN: 01874775) as Whole time Director of the Company.
8.	Re-appointment of Mr. N. K. Bafna (DIN: 00019372) as an Independent Director of the Company.
9.	Re-appointment of Mr. Banwarilal Singhal (DIN: 00006433) as an Independent Director of the Company.
10.	Re-appointment of Mr. Venkatchalam Ramaswamy (DIN : 00008509) as an Independent Director of the Company.

Signed this \_\_\_\_\_ day of August, 2018  
Signature of the Shareholder \_\_\_\_\_  
Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

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

**PRIME URBAN DEVELOPMENT INDIA LIMITED**



**PRIME URBAN DEVELOPMENT INDIA LIMITED**

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

**EIGHTY FIRST ANNUAL GENERAL MEETING- WEDNESDAY,  
AUGUST 8, 2018 AT 3:00 P.M.**

**ATTENDANCE SLIP**

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

Sr. No.

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

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Eighty First Annual General Meeting of the Company being held on Wednesday August 8, 2018 at 3:00 p.m. at Hotel Viswa's, Opp. to Prime Enclave Vistas Apartments, 112/1, Asher Nagar, Avinashi Road, Tirupur-641 603, Tamil Nadu.

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

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

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

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN (Electronic voting Sequence Number)</b>	<b>USER ID</b>	<b>PASSWORD/ PIN</b>
<b>180619003</b>		



## PRIME URBAN DEVELOPMENT INDIA LIMITED

Corporate Identity Number (CIN): L70200TZ1936PLC000001  
Regd. Office: 110, Avanashi Road, Gandhinagar Post, Tirupur-641 603  
Web: www.ptlonline.com, Email id: companysecretary@ptlonline.com  
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### Form No. MGT-12

### Polling Paper

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

### BALLOT PAPER

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

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Eighty First Annual General Meeting (AGM) of the Company to be held on Wednesday August 8, 2018 at 3:00 p.m. in respect of businesses as stated in the Notice dated May 21, 2018, by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate boxes given below:

Sr. No.	Item No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1.	Adoption of Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.			
2.	Re-appointment of Mr. Manoj Kumar Patodia (DIN: 00026455) as a Director retiring by rotation.			
3.	Ratification of appointment of M/s. L. U. Krishnan & Co., Chartered Accountants (Firm Registration No. 001527S) as Statutory Auditors of the Company and fixing their remuneration.			
4.	Re-appointment of Mr. Purusottamdas Patodia (DIN: 00032088) as Chairman and Managing Director of the Company.			
5.	Re-appointment of Mr. Manoj Kumar Patodia (DIN: 00026455) as Vice Chairman and Managing Director of the Company.			
6.	Re-appointment of Mr. Anuj Patodia (DIN: 00026458) as Managing Director of the Company.			
7.	Re-appointment of Mr. T. Paul Sugumaran (DIN: 01874775) as Whole time Director of the Company.			
8.	Re-appointment of Mr. N. K. Bafna (DIN: 00019372) as an Independent Director of the Company.			
9.	Re- appointment of Mr. Banwarilal Singhal (DIN: 00006433) as an Independent Director of the Company.			
10.	Re-appointment of Mr. Venkatchalam Ramaswamy (DIN: 00008509) as an Independent Director of the Company.			

Place:

Date:

Signature of the shareholder.

## PRIME URBAN DEVELOPMENT INDIA LIMITED

### Important Communication to members

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

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

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

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



To

.....

.....

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*If undelivered please return to :*



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

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