
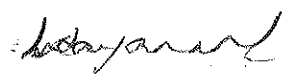
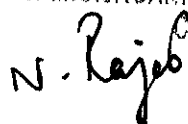



FORM A
Format of covering letter of the Annual Audit report to be filed with
The Stock Exchanges

1	Name of the company	Prime Urban Development India Limited
2	Annual financial statements for the year ended	31st March 2014
3	Type of Audit observation	No qualification
4	Frequency of observation	Whether appeared first time repetitive/ Since how long period Nil
5	To be signed by	
	CEO/Managing Director	 DIN no. 00032088
	CFO/DGM (F)	
	Auditor of the company	For M.S. JAGANNATHAN & VISVANATHAN Chartered Accountants FRN 0012090  Partner
	Audit Committee Chairman	 DIN no. 0006433

PRIME URBAN DEVELOPMENT INDIA LIMITED
77th ANNUAL REPORT 2013-14

BOARD OF DIRECTORS

PURUSOTTAM DAS PATODIA
Chairman & Managing Director

MANOJ KUMAR PATODIA
Vice Chairman & Managing Director

ANUJ PATODIA
Managing Director

N.K. BAFNA
Independent Director

BANWARILAL SINGHAL
Independent Director

VENKAT RAMASWAMY
Independent Director

AUDITORS

M.S.JAGANNATHAN & VISVANATHAN
Chartered Accountants, Coimbatore

LEGAL ADVISORS

RAMANI & SHANKAR
Advocates, Coimbatore

BANKERS

CENTRAL BANK OF INDIA

REGISTERED OFFICE

110, Avinashi Road
Gandhinagar Post
Tirupur-641 603
India

PRIME URBAN DEVELOPMENT INDIA LIMITED



PRIME URBAN DEVELOPMENT INDIA LIMITED

(A Government Recognised Export House)
Regd. Office: 110 Avinashi Road, Gandhinagar P.O., TIRUPUR-641 603
CIN: L70200TZ1936PLC000001
Email id : uday@ptionline.com Website : www.ptionline.com
Phone : 0421 4307800 Fax : 0421 2471463

NOTICE

NOTICE is hereby given that the SEVENTY SEVENTH Annual General Meeting of the Members of PRIME URBAN DEVELOPMENT INDIA LIMITED will be held at the Registered Office of the Company at 110 Avinashi Road, TIRUPUR-641 603, Tamilnadu on Thursday, the 14th August 2014 at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the company for the year ended 31st March 2014 including the audited Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss Account for the year ending 31st March 2014, together with the Reports of the Directors and the Auditors' Report thereon.
2. To appoint Auditors M/s M.S. Jagannathan & Visvanathan, Chartered Accountants, Coimbatore for a period of three years at the ensuing Annual General Meeting and to be ratified their appointment every year in the Annual General Meeting and fix their remuneration.

AS SPEICAL BUSINESS

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

Appointment of Independent Directors of the company

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Banwarilal Singhal (holding DIN 00006433), Director of the company be and is hereby appointed as an Independent Director of the company at the ensuing Annual General Meeting to hold office for five consecutive years for a term up to 31st March 2019".

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

Appointment of Independent Directors of the company

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N.K. Bafna (holding DIN 00019372), Director of the company be and is hereby appointed as an Independent Director of the company at the ensuing Annual General Meeting to hold office for five consecutive years for a term up to 31st March 2019".

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

Appointment of Independent Directors of the company

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Venkat Ramaswamy (holding DIN00008509), Director of the company be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term up to 31st March 2019".

Place: Mumbai
Date: 09.05.2014

By Order of the Board
Manoj Kumar Patodia
Vice Chairman and Managing Director



NOTES FOR THE MEMBERS' ATTENTION

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The instrument appointing proxy should however be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
3. The Register of Members and Share Transfer Books of the company will remain closed from 8th August 2014 to 14th August 2014 (both days inclusive)
4. Pursuant to Section 205A of the Companies Act, 1956 and Section 124 of the Companies Act 2013, all unclaimed/unpaid dividends up to the Financial Year ended 31st March 2006 which were remaining unpaid or unclaimed for a period of seven years have been transferred by the Company to the Investors Education and Protection Fund of the Central Government (the "Fund"). The dividends remaining unpaid or unclaimed for the Financial Year ended 31st March 2007 and thereafter shall similarly on expiry of the prescribed period of seven years also be transferred to the fund.

Shareholders, who have so far not encashed the dividend warrant(s) for the Financial Year ended 31st March 2007 or for any financial years subsequent thereto, are requested to immediately forward the same to the company for revalidation.

Also note that no claim shall lie against the said Fund or the company in respect of any amounts which were unclaimed and unpaid for a period of 7 (seven) years from the date that they first became due for payment and no payment shall be made in respect of any such claim.

5. Members are requested to notify change of address, if any, with Pin Code quoting reference to their folio number immediately to the Registrar.
6. Shareholders are requested to note the Company's Registrars and Share Transfer Agents for physical shares. M/s SKDC Consultants Limited (SKDC), Ganapathy Towers 3rd Floor, 1391/1 Sathy Road, Ganapathy, Coimbatore-641 006. SKDC is also having a depository interface of the company with both NSDL and CDSL.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are requested to submit the PAN 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.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.

PRIME URBAN DEVELOPMENT INDIA LIMITED

9. Electronic copy of the Annual Report for 2013-14 is being sent to all the 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 email address, physical copies of the Annual report is being sent in the permitted mode.
10. In compliance with the provisions of Section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their vote electronically instead of casting their vote at a meeting. Please note that the voting through electronic means is optional for the members.
11. The voting through electronic means will commence on Saturday, the 9th August 2014 at 10.00 a.m. and will end on Saturday, the 9th August 2014 at 5.30 p.m. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter.
12. The Company has appointed Mr. S. Rengasamy, Practising Company Secretary to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
13. The procedure and instructions for voting through electronic means, please refer the instructions in the Postal Ballot Form.
14. In support of the "Green Initiative" announced by the Government of India, electronic copy of the Annual Report and notice inter alia indicating the process and manner of e-voting along with attendance slip and proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company / Depository Participants unless members has requested for a hard copy of the same.

Place: Mumbai
Date: 09.05.2014

By Order of the Board
Manoj Kumar Patodia
Vice Chairman and Managing Director



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013

RESOLUTION AT ITEM NO.3

Mr. Banwarilal Singhal aged about 67 years is a Non Executive Independent Director of the company. He joined the Board of Directors of the company on 15.05.1988. Mr. Banwarilal Singhal is Chairman of the Audit Committee and Nomination and Remuneration Committee. He is a member of Stakeholders Grievance Committee of the Board of Directors of the company.

He is a Chartered Accountant. He is having versatile experience stretching to over four decades in the field of Taxation, Accounts, Auditing and Corporate Management. He is holding 37,213 of equity shares. The list of companies in which Directorship held with other companies is as under:

Public Companies	Private companies
GTN Textiles Limited	Priti Credit Private Limited
GTN Industries Limited	BLS Securities Private Limited
GTN Enterprises Limited	
Patspin India Limited	
ATL Textile Processors Limited	
Partner in Firms	Other position-Trustee
B L Singhal & Co., Chartered Accountants	Madanlal Patodia Charitable Trust Gayatri Singhal Foundation

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Banwarilal Singhal being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31.03.2019.

In the opinion of the Board, Mr. Banwarilal Singhal fulfils the conditions specified in the Companies Act 2013 and rules made thereunder for his appointment as an Independent Director of the company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Banwarilal Singhal as an Independent Director. Accordingly the Board recommends the resolution relating to appointment of Mr. Banwarilal Singhal as an Independent Director for the approval of the shareholders of the company. The said Independent director is not liable to retire by rotation.

Except Mr. Banwarilal Singhal, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.3. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with Stock Exchange.

RESOLUTION AT ITEM NO.4

Mr. N.K. Bafna aged about 75 years is a Non Executive Independent Director of the company. He joined the Board of Directors of the company on 26.08.1994. Mr. N.K. Bafna is Chairman of the Stakeholders Grievance Committee and is a member of Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the company.

He is a Chartered Accountant. He is having rich experience stretching to over four decades in the field of Taxation, Accounts, Auditing and Corporate Management. He does not hold by himself or for any other person on a beneficial basis, any shares in the company. The list of companies in which Directorship held with other companies is as under:

Public Companies	Private companies
Patspin India Limited	Nil
National Collateral Management Services Limited	
GTN Textiles Limited	
Partner in Firms	Other position-Trustee
Lodha & Company, Chartered Accountants	Bafna Public Charitable Foundation

PRIME URBAN DEVELOPMENT INDIA LIMITED

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. N.K. Bafna being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31.03.2019.

In the opinion of the Board, Mr. N.K. Bafna fulfils the conditions specified in the Companies Act 2013 and rules made thereunder for his appointment as an Independent Director of the company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. N.K. Bafna as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr. N.K. Bafna as an Independent Director for the approval of the shareholders of the company. The said Independent director is not liable to retire by rotation.

Except Mr. N.K. Bafna, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.4. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with Stock Exchange.

RESOLUTION AT ITEM NO.5

Mr. Venkat Ramaswamy, aged about 48 years is a Non Executive Independent Director of the company. He joined the Board of Directors of the company on 26.07.2011. Mr. Venkat Ramaswamy is a member of Remuneration Committee of the Board of Directors of the company.

He is having experience in the field of Venture capital, Private Equity advisory and Fund raising. The list of companies in which Directorship held with other companies is as under:

Public Companies	Private companies
Edelweiss Financial Services Limited	Ivy Financial Services Private Limited
Edelweiss Tokio Life Insurance company Ltd.	Edelweiss Capital (Singapore) Pte Ltd.
Edelweiss Alternative Asset Advisors Ltd.	
Edelweiss Finance and Investment Limited	
Partner in Firms	
ECap Partners	

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Venkat Ramaswamy being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term up to 31.03.2019.

In the opinion of the Board, Mr. Venkat Ramaswamy fulfils the conditions specified in the Companies Act 2013 and rules made thereunder for his appointment as an Independent Director of the company. .

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Venkat Ramaswamy as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr. Venkat Ramaswamy as an Independent Director for the approval of the shareholders of the company. The said Independent director is not liable to retire by rotation.

Except Mr. Venkat Ramaswamy, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.5. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with Stock Exchange.

Place: Mumbai
Date: 09.05.2014

By Order of the Board
Manoj Kumar Patodia
Vice Chairman and Managing Director



DIRECTORS' REPORT

To the Members

Your Directors are presenting their Seventy Seventh Annual Report and the Audited Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS AT A GLANCE

Year ended 31st March	2014	2013
	₹. in lacs	₹. in lacs
Turnover and other Income	6,565.96	2,456.44
EBIDTA	356.92	12.22
Interest	309.02	166.64
Depreciation and Amortization	19.38	20.56
Profit/(Loss) before taxes	28.52	(174.98)
Exceptional items	(59.38)	---
Current Taxation	(38.99)	---
Deferred taxation benefit/(Expenses)	---	---
Profit/(Loss) after tax	(69.85)	(174.98)
Surplus from previous year brought forward	474.74	649.72
Transferred to General Reserve	---	---
Amount available for appropriation	404.89	474.74

DIVIDEND

Your Directors do not recommend a Dividend for the year ended 31st March 2014 to conserve funds.

REVIEW OF OPERATIONS

Your company has two reportable segments, the Realty and Textiles.

Realty Segment

Favourable socio-economic changes are driving the demand for premium housing in the country. The construction industry has significantly contributed as a part economic development. Increased industrialisation, mass urbanisation, economic growth, and aspirations of the people for improved quality of life-styles; the real estate industry is not only reaching the wider audiences but also meeting customers' new demands for their life-styles. The real estate market also is growing gradually every year.

As the shareholders are aware the prestigious multi-storied apartment project "Prime Enclave Vistas" has shown a new era of living concept in Tirupur and the life style of the city is taken to the modern concept of living. The construction of Emerald, Opal and Jade blocks of Apartments are under progress.

Under a joint collaboration with FDI Investors, the construction of independent luxury villas is in progress for the signature land- mark project "THE ONYX". The independent luxury villa is designed by international architects with an array of customer designed plans and styles.

The first Phase of construction of villas is under completion and to be handed over for occupation by the first half of this year. Further phases of constructions will be taken up in phased manner.

PRIME URBAN DEVELOPMENT INDIA LIMITED

Textile Segment

International Trade is inherent part of economic wellbeing. The textile industry is one part and is showing a momentum in growth and there is a good demand for exports especially in yarn and garment sector. Your Company has been doing yarn export trading business and has performed significant exports during the year. Your company has planned to perform on higher scale in Textiles trading in the coming years.

CONSOLIDATED FINANCIAL STATEMENTS

Audited Consolidated Financial Statements for the year ended March 31, 2014 form part of the Annual Report.

SUBSIDIARY COMPANIES

The Reports and Audited Accounts of the subsidiary companies along with the statement pursuant to Section 212 of the Companies Act, 1956, are not forming part of the Annual Report. The Ministry of Corporate Affairs, Government of India, New Delhi vide its circular No.2 of 2011 dated 8th February 2011 granted general exemption under section 212(8) of the Companies Act, 1956 from attaching the Balance Sheet and Profit and Loss Account and other documents of its subsidiaries and hence the same have not been attached for the Financial Year 2013-14.

The annual accounts of the subsidiaries will be made available at the registered office of the Company for inspection by any member of the company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

ENVIRONMENT AND POLLUTION CONTROL

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

FIXED DEPOSITS

There are no unpaid deposits. The aggregate amounts of deposits as at the year ended 31st March 2014 is Rs. 126.97 lacs.

LISTING PARTICULARS

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai. The company has paid the listing fees to Bombay Stock Exchange up to 2014-15.

DISCLOSURE OF PARTICULARS

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant information and data is given in Annexure A and B.

DEPOSITORY SYSTEM

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



TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act 1956 and 124(5) of the Companies At. 2013, an amount of Rs.1.13 lacs being unclaimed dividend 2005-06 was transferred during the year to the Investors Education and Protection Fund established by the Central Government.

PREFERENTIAL ISSUE OF SHARE WARRANTS

The Board of Directors of the Company in their meeting held on 10.09.2013 have accorded the issue of Preferential Share Warrants to the Promoters of the Company on private placement basis, for an allotment up to 39,00,000 shares at an exercise price of Rs.5 per share (including premium of Rs.3 per share) to raise reserves to meet the long term working capital requirements and for general corporate purposes.

COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules 2002, the Company has obtained a certificate from Practising Company Secretary and a copy of such certificate is annexed to this Report.

DIRECTORS

In accordance with the Companies Act 2013, Mr. Banwarilal Singhal, Mr. N.K.Bafna and Mr. Venkat Ramaswamy are to be appointed as Independent Directors for a period of five Consecutive years at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

AUDITORS

In accordance with the Companies Act 2013, the Statutory Auditors of the Company, Messrs M.S.Jagannathan & Visvanathan, Chartered Accountants, be appointed as Statutory Auditors of the Company for a period of three years at the conclusion of the ensuing Annual General Meeting and to be ratified every year for their re-appointment.

PARTICULARS OF EMPLOYEES

None of the employees of the company was in receipt of remuneration in excess of the limits prescribed under section 217(2)(A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 9.05.2014

Purusottam Das Patodia
Chairman and Managing Director

PRIME URBAN DEVELOPMENT INDIA LIMITED

Annexure-A Management's Discussion and Analysis

Overview

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

BUSINESS ANALYSIS

The Realty Division of the company has been developing various residential/commercial projects on its lands owned by the Company. With the realty business being the core activity of the company, the Division is expected to achieve new heights. The Company has been showing high level of professionalism in all its construction activities.

1. "Prime Enclave Vistas" the multi- storied prestigious residential complex is almost occupied and the construction of further apartments are under progress during the year. The construction of a commercial mall adjacent to the residential complex is yet to be taken up. The above projects are in a partnership firm in which the company holds a stake of 50%.
2. The construction of independent luxury villas which is a signature project in Tirupur is under progress. The project is designed with international standard for the luxury life style of living. There is a evinced good response from the prospective buyers.

TOWARDS ENHANCEMENT OF STAKEHOLDER VALUE

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

Financial Review and Analysis

Highlights

Year ended 31st March	2014 ₹. in lacs	2013 ₹.in lacs
Turnover and other income	6,565.96	2,456.44
EBIDTA	356.92	12.22
Interest	309.02	166.64
Depreciation	19.38	20.56
Profit/(Loss) before Taxes	28.52	(174.98)
Exceptional items	(59.38)	--
Current tax	(38.99)	--
Profit/(Loss) after Current Tax	(69.85)	(174.98)
Deferred Tax	--	--
Profit/(Loss) after tax	(69.85)	(174.98)



Internal Control

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

The internal audit cell function adequately provides –

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

ANNEXURE – B

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

1. CONSERVATION OF ENERGY

(A) MEASURES TAKEN	Nil
(B) IMPACT OF THE ABOVE MEASURES	Does not arise
(C) ENERGY CONSUMPTION	Not applicable

2. TECHNOLOGY ABSORPTION

(A) PROCESSES FOR VALUE-ADDITION	Nil
(B) BENEFITS	Nil
(C) IMPORTED TECHNOLOGY/IMPORTS IN LAST FIVE YEARS :	None

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. Activity relating to Exports
Exports of value-added cotton yarns continue to be part of the business plans of the Company.
- B. Plans and initiatives taken to increase exports:
- a. Attending international trade fairs and customer meets.
 - b. To participate in various delegations organized by trade forums.

5. Total Foreign Exchange earning and outgo

Year ended on March 31	2014 ₹ in lacs	2013 ₹ in lacs
Total Foreign Exchange earnings	5,108.20	629.82
Total Foreign Exchange outgo	69.03	17.66

For and on behalf of the Board of Directors

Place : Mumbai
Date : 9.05.2014

Purusottam Das Patodia
Chairman and Managing Director

PRIME URBAN DEVELOPMENT INDIA LIMITED

PRIME URBAN DEVELOPMENT INDIA LIMITED

(Formerly Prime Textiles Limited)

REPORT ON CORPORATE GOVERNANCE

YEAR ENDED ON 31ST MARCH 2014

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

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

A. Mandatory Requirements

I. Company's Philosophy On Code of Corporate Governance

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

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

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

II. Board Of Directors

a. Composition of the Board

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

b. Board Meetings

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

c. Number of Board meetings held during the year

Five Board Meetings were held during the year 2013-14 and the gap between two consecutive meetings did not exceed four months. The dates on which the Board Meetings held were 17th May 2013, 2nd August 2013, 10th September 2013, 29th October 2013 and 6th February 2014



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

Name of Director	Category	No. of Board Meetings attended	Attended at the last AGM
Mr.Purusottam Das Patodia Chairman and Managing Director	Promoter Non Independent Executive	5	Yes
Mr.Manoj Kumar Patodia Vice Chairman & Managing Director	Promoter Non Independent Executive	5	Yes
Mr.Anuj Patodia Managing Director	Promoter Non Independent Executive	2	No
Mr. N.K. Bafna	Independent Non Executive	5	Yes
Mr. Banwarilal Singhal	Independent Non Executive	5	Yes
Mr.Venkat Ramaswamy	Independent Non Executive	5	No

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

Name of Director	No. of Directorship in Other companies		No. of Committee positions held in other companies	
	Chairman	Member	Chairman	Member
Mr.Purusottam Das Patodia	Nil	2	Nil	Nil
Mr.Manoj Kumar Patodia	Nil	6	Nil	Nil
Mr.Anuj Patodia	Nil	9	Nil	Nil
Mr.N.K. Bafna	Nil	3	1	5
Mr.Banwarilal Singhal	Nil	5	5	8
Mr.Venkat Ramaswamy	Nil	6	Nil	2

The Company did not have any pecuniary relationship with any of the Non-Executive Directors during the year 2013-14.

f. Information supplied to the Board

Among others, information supplied includes

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

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

PRIME URBAN DEVELOPMENT INDIA LIMITED

g. Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transaction or relationship between the company and its Directors for the year ended 31st March 2014 that may have a potential conflict with the interest of the company at large.

h. Code of Conduct for Directors and Senior Management Personnel

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

III. COMMITTEES OF THE BOARD

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

Audit Committee

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

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.



- d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow up thereon.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 12. To review the functioning of the Whistle Blower mechanism, in case the same is brought to force.
 13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee met 4 times during the year 2013-14 on 17th May 2013, 2nd August 2013, 29th October 2013, and 6th February 2014.

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

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

Investors' Grievances Committee

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

PRIME URBAN DEVELOPMENT INDIA LIMITED

The Committee met 4 times during the year 2013-14 on 17th May 2013, 2nd August 2013, 29th October 2013 and 6th February 2014. No investor grievance remained unattended/ pending for more than 15 days and no request for share transfers and dematerialization received during the financial year was pending for more than 15 days.

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

Names of Members	Category	Number of meetings attended
Mr.N.K.Bafna Committee Chairman	Independent, Non-Executive	4
Mr.Banwarilal Singhal	Independent, Non-Executive	4
Mr.Purusottam Das Patodia	Non-Independent, Executive	4
Mr.Manoj Kumar Patodia	Non-Independent, Executive	4

Remuneration Committee

The Remuneration Committee is a non-mandatory requirement.

The Remuneration Committee comprises three non-executive Directors, Mr.Banwarilal Singhal, Mr.N.K.Bafna and Mr. Venkat Ramaswamy. The Committee is responsible for recommending the contract terms, remuneration and other benefits for Company's Managing/Whole-time Directors. The Committee met once on 17th May 2013. The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below:

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

Remuneration Policy

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

Remuneration of Directors, Sitting fees, salary, perquisites

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

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



Table set below explain the details:

₹ in lacs

Name of Director	Sitting fees	Salary	Contn. to P.F.	Perks	Total
Mr. Purusottam Das Patodia	Nil	42.00	5.04	11.69	58.73
Mr. Manoj Kumar Patodia	Nil	31.20	3.68	8.31	43.19
Mr. Anuj Patodia	Nil	30.00	3.54	7.35	40.89
Mr. N.K.Bafna	1.00	-	-	-	1.00
Mr. Banwarilal Singhal	1.00	-	-	-	1.00
Mr.Venkat Ramaswamy	0.60	-	-	-	0.60
	2.60	103.20	12.26	27.35	145.41

Finance Committee

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

The Finance Committee comprises Mr.Purusottam Das Patodia, Chairman and Managing Director (Committee Chairman), Mr.Manoj Kumar Patodia, Vice Chairman and Managing Director and Mr. Anuj Patodia, Managing Director as its Members.

Special Committee

The Board has constituted a Special Committee with the terms of reference of to approve the quarterly financial results other than the Audit Committee and the Board need not approve the same before publishing the quarterly financial results. But the Board would have to approve the quarterly financial results in its next meeting. The Special Committee comprises Mr.B.L.Singhal (Committee Chairman), Mr.N.K.Bafna, Director and Mr.Purusottam Das Patodia, Chairman and Managing Director as its Members. The Committee did not meet during the financial year ended 31st March 2014 as the terms of reference were transacted by the Board of Directors.

IV. SUBSIDIARY COMPANIES

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

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

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

PRIME URBAN DEVELOPMENT INDIA LIMITED

V. MANAGEMENT

a. Management Discussion and Analysis

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

b. Disclosures by the Management to the Board

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

VI. GENERAL BODY MEETINGS

General Body Meetings during last three years

Date of the Meeting	09.09.2011	11.08.2012	02.08.2013	21.10.2013
Time of the Meeting	4.00 PM	4.00 PM	4.00 PM	4.00 PM
Nature of the Meeting	AGM	AGM	AGM	Notice Board
Special resolutions put through postal ballot	None	None	None	1
Voting pattern	NA	NA	NA	1,62,80,676 Were polled. Out of which, 1,799 were rejected, 1,75,030 were against, 1,61,03,847 were in favour
Person conducted postal ballot	NA	NA	NA	Mr. Rengasamy Practicing Company Secretary Coimbatore

Ensuing Annual General Meeting - Postal Ballots

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

VII. Disclosures

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

The Company has not entered into any materially significant related party transactions with its Promoters, Directors, or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note No.16 (10) to the financial statements in the Annual Report. The Audit Committee has reviewed the related party transactions as required under mandatory Clause 49 of the Listing Agreement and found them to be not materially significant.

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

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



A Code of Conduct

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

B Risk Management Framework

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

e) Details of Shareholdings of Non-Executive Directors

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

VIII. Means of Communication

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

IX. General Shareholders' Information

Annual General Meeting

Date of Book Closure	: 8 th August'14 to 14 th August'14 (both days inclusive)
Day & Date	: Thursday, 14th August 2014
Time	: 11 noon.
Venue	: Registered Office, 110, Avinashi Road, Gandhinagar P.O., Tirupur 641 603 in Tamil Nadu State.

Listing on Stock Exchanges : The Company is listed on Bombay Stock Exchange Ltd. The annual listing fee has been paid and there is no outstanding payment towards the Exchanges, as on date.

Stock Code : Bombay Stock Exchange Ltd. – 521149

Financial Calendar (tentative)

First Quarter Results:	: Third week of August, 2014
Second Quarter/Half-Yearly Results	: Fourth week of October, 2014
Third Quarter Results:	: Fourth week of January 2015
Annual Audited Results:	: Fourth week of May 2015.

Registered Office

Prime Urban Development India Limited,
110, Avinashi Road, Gandhinagar P.O., Tirupur 641 603 (Tamil Nadu) Tel. : 0421-4307800 Fax : 0421-2471463
e-mail : uday@ptlonline.com Homepage : www.ptlonline.com

PRIME URBAN DEVELOPMENT INDIA LIMITED

Registrar and Transfer Agents

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

Share transfer system

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

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

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

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

X. Market Price Data

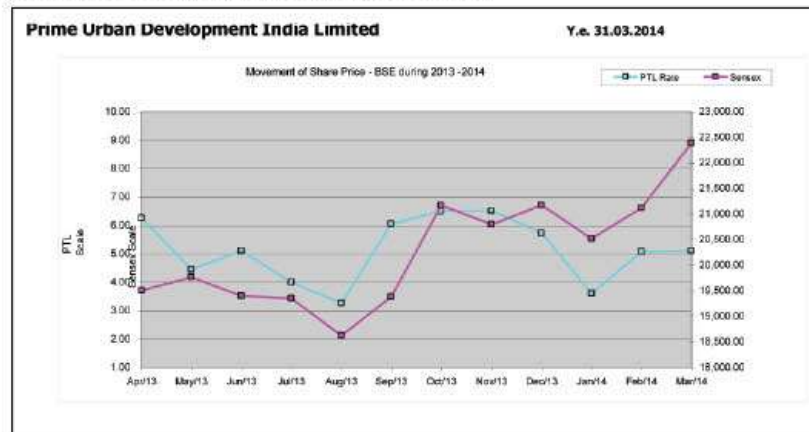
The High and Low prices of the Company's share (of face value of Rs.2 per share) from April 2013 to March 2014 [Source: BSE Website]:-

Month	Month's High ₹ P.	Month's Low ₹ P.
April 2013	6.37	5.55
May 2013	6.03	4.45
June 2013	5.10	4.23
July 2013	4.85	3.99
August 2013	3.80	3.26
September 2013	6.04	3.42
October 2013	7.24	6.04
November 2013	7.21	6.51
December 2013	6.80	5.72
January 2014	5.50	3.55
February 2014	5.61	3.43
March 2014	5.50	5.00

XI. Distribution of Shareholding as on 31st March 2014

Shares	Shareholders	Percentage	Shares held	Percentage
Upto 500	3,428	76.83	1,213,672	5.34%
501-1000	503	11.28	420,218	1.85%
1001-2000	226	5.07	343,409	1.51%
2001-3000	90	2.02	231,916	1.02%
3001-4000	45	1.01	155,245	0.68%
4001-5000	37	0.83	177,825	0.78%
5001-10000	47	1.05	348,112	1.53%
10001 above	85	1.91	19,853,203	87.29%
Grant Total	4,461	100.00	22,743,600	100.00%

XII. Performance of Company's Share Price to broad based BSE sensx



XIII. Shareholding Pattern as on 31st March 2014

Description of Investors	Number of shares held	Percentage of holding
Promoters	15,012,356	66.01
Directors and Relatives	50,413	0.22
Financial Institutions/Banks	3,750	0.02
Corporate Bodies	1,144,912	5.03
NRI and OCBS	64,707	0.28
Indian Public Individuals	6,467,462	28.44
Total	22,743,600	100.00

XIV. Dematerialization of Shares and Liquidity

93.57% (21,281,995 equity shares) of the Company's paid-up Equity capital has been dematerialized up to 31st March 2014. Trading in Equity Shares is permitted only in dematerialized form as notified by SEBI. The volumes traded in stock exchanges not high.

PRIME URBAN DEVELOPMENT INDIA LIMITED

XV Unclaimed Dividends

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

B. Non-Mandatory Requirements

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

The above report was adopted by the Board of Directors at their meeting held on 9th May 2014.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 09.05.2014

Purusottam Das Patodia
Chairman and Managing Director



CHIEF EXECUTIVE OFFICER (CEO)

Declaration by the CEO under Clause 49 of the Listing Agreement

To
The Board of Directors
Prime Urban Development India Limited
Tirupur

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

- A. I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2014 and based on my knowledge and belief, we state that:
- these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B. I, further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- C. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the company.
- D. I accept responsibility for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operational of internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- E. I have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
- significant changes, if any, in the internal control over financial reporting during the year
 - significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Place : Mumbai
Date : 09.05.2014

Purusottam Das Patodia
Chairman and Managing Director & CEO

CERTIFICATE BY CEO/DGM (Finance)

Declaration by the CEO under Clause 49 of the Listing Agreement

It is certified to the Board that:

- They have reviewed financial statements for the Year ended 31st March 2014 and that to the best of their knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
- There are, to the best of their knowledge and belief, no transactions entered into by the company during the year ended 31st March 2014 which are fraudulent, illegal or violative of the company's code of conduct.
- They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the Internal Control Systems of the Company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of Internal controls, if any, of which they are aware and the Audit Committee in case of any:
- They have indicated to the Auditors and the Audit Committee in case any:
 - Significant changes in internal control over financial reporting during the year
 - Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements and
 - instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having significant role in the company's internal control system over finance reporting.

Place : Mumbai
Date : 09.05.2014

Purusottam Das Patodia
Chairman and Managing Director & CEO

S.Udayananda
DGM (Finance)

PRIME URBAN DEVELOPMENT INDIA LIMITED

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

AUDITORS' CERTIFICATE

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

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by M/s. Prime Urban Development India Limited ('the Company') for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement with stock exchanges.

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

1. Our reliance upon the certificate received by the Company from its Registrar and Transfer Agent for the number of complaints received from the shareholders and the number of complaints resolved during the financial year and that there are no share transfers pending as at 31st March 2014;
2. Our having relied on the representation of the management that there were no transactions of material nature with the management or their relatives that may have a potential conflict with the interest of the Company at large as stated in the disclosure of the Company's report on Corporate Governance.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M.S.Jagannathan & Visvanathan
Chartered Accountants

N.Rajesh
Partner

Membership Number : 212417

Place: Mumbai
Date : 09.05.2014



**CS. S. RENGASAMY Bcom., F.C.S., B.G.L., C.A.I.I.B.,
Practising Company Secretary**

COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31st March 2014

CIN : L70200TZ1936PLC000001
Nominal Capital: Rs.20,00,00,000/-

To
The Members
PRIME URBAN DEVELOPMENT INDIA LIMITED
110, Avnashi Road,
TIRUPUR – 641 603.

Sirs,

I have examined the registers, records, books and papers of PRIME URBAN DEVELOPMENT INDIA LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2014 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- 1 The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
- 2 The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under.
- 3 The Company, being a public limited company has a paid up capital of Rs.4,54,87,200/- and listed with BSE Limited (Bombay Stock Exchange Ltd) Mumbai.
- 4 The Board of Directors duly met five times respectively on 17.5.2013, 2.8.2013, 10.9.2013, 29.10.2013 and 6.2.2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed in the Minutes Book maintained for the purpose.
- 5 The Company has closed its Register of Members for the period from 25.7.2013 to 2.8.2013 (both days inclusive) during the financial year.
- 6 The 76th Annual General Meeting for the financial year ended on 31st March, 2013 was held on 02.08.2013 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
- 7 No extra ordinary general meeting was held during the financial year.
- 8 The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
- 9 The Company has not entered into any contracts falling within the purview of section 297 of the Act.
- 10 The Company has made necessary entries in the register maintained under section 301 of the Act.
- 11 As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Board of Directors duly constituted the Share Transfer Committee of Directors has approved the issue of duplicate share certificates, transfer and transmission of shares during the financial year.
13.
 - i) There was no allotment of equity and preference shares during the financial year. In respect of allotment of share warrant, please refer point no. 21.
 - ii) The Company has not declared any dividend during the financial year.
 - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - iv) The Company has transferred the amounts in Unpaid dividend account for the year 2005-06 which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund on 22.11.2013.
 - v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.

PRIME URBAN DEVELOPMENT INDIA LIMITED

15. The Company's appointment of Managing Director/Whole-time Director/Manager has been made in compliance with the provisions of section 269 read with Schedule XII to the Act in respect of appointment of Mr.Purusotam Das Patodia, Chairman & Managing Director, Mr.Manoj Kumar Patodia, Vice Chairman & Managing Director and Mr.Anuj Patodia, Managing Director.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year. However the company has received an advance for issue of share warrants (Refer to para 21)
20. The Company has not bought back any shares during the financial year.
21. The Board of Directors of the Company in their meeting held on 10.09.2013 have accorded the issue of Preferential Share Warrants to the Promoters of the Company on private placement basis, for an allotment up to 39,00,000 shares at an exercise price of Rs.5 per share (including premium of Rs.3 per share) to raise reserves to meet the long term working capital requirements and for general corporate purposes.
22. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.
23. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
24. The Company has complied with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 the applicable directions issued by the Reserve Bank of India in respect of deposits accepted including unsecured loans taken, amounting to Rs.126.97 Lacs (Previous year Rs.86.67 Lacs) raised by the company during the year and the company has filed the copy of Statement in lieu of Advertisement with the Registrar of Companies, Coimbatore. The Company has also filed Return of Deposits with the Registrar of Companies.
25. The borrowings made during the year ended 31.3.2014 is within the borrowing limits of the company.
26. The company has made loans, advances and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
27. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny and complied with provisions of the Act.
29. The company has not altered the provisions of the memorandum with respect to change of name of the company during the year under scrutiny and complied with the provisions of the Act .
30. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
31. The Company has not altered its articles of association with respect to change of name of the company.
32. The Company has not changed its name during the year under scrutiny.
33. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
34. The Company has not received any amount as security from its employees during the year under certification and hence the provisions of section 417(1) of the Act were not applicable.
35. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place: Coimbatore
Date: 9.05.2014

Signature:
Name of the Company Secretary: S.RENGASAMY
C.P.No.9901



**CS. S.RENGASAMY Bcom., F.C.S.,B.G.L.,C.A.I.I.B.,
Practising Company Secretary**

ANNEXURE 'A'

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31st March 2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

CIN : L70200TZ1936PLC000001

Nominal Capital: Rs.20,00,00,000/-

Registers as maintained by the Company:

- 1) Board Meeting minutes u/s 193
- 2) Annual General Meeting Minutes u/s 193
- 3) Register of Members u/s 150
- 4) Register of Share Transfer
- 5) Register of Directors u/s 303
- 6) Register of Directors Share Holding u/s 307
- 7) Register of Contracts in which Directors are Interested u/s 301 and 301(3)
- 8) Directors' Attendance Register in respect of Board Meetings and other committee meetings.
- 9) Register of investments, loans and guarantees

Place: Coimbatore
Date: 9.05.2014

Signature:
Name of the Company Secretary: S.RENGASAMY
C.P.No.9901

PRIME URBAN DEVELOPMENT INDIA LIMITED**CS. S.RENGASAMY Bcom., F.C.S.,B.G.L.,C.A.I.I.B.,
Practising Company Secretary****ANNEXURE 'B'**

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31st March 2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

CIN : L70200TZ1936PLC000001

Nominal Capital: Rs.20,00,00,000/-.

Forms and Returns filed by the Company with the Registrar of Companies during the Financial Year ending 31st March 2014

S.No.	Form No. Return	Filed u/s	For	Date of Filing Ch.No.	Whether filed within prescribed time	If delay in filing whether requisite additional fees paid
1	Form 62	58A	Return of Deposits as at 31.3.2013	B78238300 28.06.2013	Yes	Not applicable
2	Form 8	125,127,130 132,135	Modification of charge	B80790215 02.08.2013	Yes	Not applicable
3	Form 8	125,127,130 132,135	Modification of charge	B80792534 02.08.2013	Yes	Not applicable
4	Form 62	58A	Statement in lieu of Advertisement	B81508376 12.08.2013	Yes	Not applicable
5	Form 66	383A	Compliance Certificate for the YE 31.3.2013	Q10108934 14.08.2013	Yes	Not applicable
6	Form 23B	224(1)(A)	Auditors Appointment for 2013-14	S22496806 25.09.2013	Yes	Not applicable
7	Form 62	192A	Notice of Postal ballot	B84612498 17.09.2013	Yes	Not applicable
8	Form 20B	159	Annual Return made upto 2.8.2013	Q11579067 24.09.2013	Yes	Not applicable
9	Form 23	192	Registration of Resolution	B87269064 21.10.2013	Yes	Not applicable
10	Form 5INV	Rule 3 IEPF	Statement of unclaimed and paid amounts	S26564807 31.10.2013	Yes	Not applicable
11	Form 1INV	205C	Payment of unpaid dividend to Investors Protection Fund 2005.06	B89999585 26.11.2013	Yes	Not applicable
12	Form 23AC & 23ACA XBRL	220	Balance Sheet, Profit & Loss A/c as at 31.3.2013	Q23694755 18.11.2013	Yes	Not applicable
13	Form 8	125,127,130 132,135	Modification of charge	B94389632 23.01.2014	Yes	Not applicable
14	Form 8	125,127,130 132,135	Modification of charge	B96721840 21.02.2014	Yes	Not applicable

Regional Director: Nil
Central Government & Other Authorities: NilPlace: Coimbatore
Date: 9.05.2014Signature:
Name of the Company Secretary: S.RENGASAMY
C.P.No.9901



INDEPENDENT AUDITOR'S REPORT

To the Members of Prime Urban Development India Limited
(Formerly Known as PRIME TEXTILES LIMITED)

Report on the Financial Statements

We have audited the accompanying financial statement of Prime Urban Development India Limited ('the Company') which comprises the Balance sheet as at 31st March, 2014, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of the significant accounting policy and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (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 and the report of the accounts of the branch offices audited by firm of Chartered Accountant(s) has been forwarded to us as required by clause (c) of Sub-section (3) of Section 228 and have been dealt with in preparing our report in the manner considered necessary by us.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under Companies Act, 1956, read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 and sub-section (2) of Section 164 of the Companies Act, 2013.

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

N.Rajesh
Partner (Membership No.212417)

Mumbai
09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

Annexure to the Auditor's Report

The Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date to the members of Prime Urban Development India Limited for the year ended 31st March 2014. We report that:

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets are physically verified in a phased periodical manner, which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets and no material discrepancies were noted on such verification.
 - c) During the year, the Company has not disposed off a substantial part of its fixed assets, which affect the going concern status of the Company.
- ii)
 - a) The Inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- iii)
 - a) The Company has not granted any loans secured or unsecured to firms, companies or other parties covered in the Register maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 and hence sub clauses b, c & d are not applicable.
 - b) The Company has taken advance from two parties covered in the Register maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 during the previous year(s) and outstanding at the year-end was Rs.516.96 lacs and maximum outstanding during the year was Rs.517.40 lacs.
 - c) In our opinion and according to the information and explanations given to us, other terms and conditions on which such loans have been taken are prima facie not prejudicial to the interest of the company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v)
 - a) According to the information explanations given to us, we are of the opinion that the transactions that made in pursuance of contracts or arrangements, that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 have been so entered.
 - b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements referred to in (v)(a) above and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us the company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and the companies (Acceptance of Deposits) Rules 1975 with regard to the deposits accepted from the public. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and Section 128 read with Section 2(13) of the Companies Act, 2013 in respect of the business activities carried out by the Company.
- ix)
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Investor Education protection Fund, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and Cess were in arrears, at the year end for a period of more than six months from the date they became payable.



- c) According to the information and explanations given to us, there are following dues of which have not been deposited on account of dispute and the same is being contested by the Company.

Sri. No.	Name of the Statute	Nature of the Dues	Amount (₹. in Lacs)	Period to which the amount relates	Forum where dispute is pending
1.	Income tax Act, 1961	Income tax	44.44	A.Y.2002-03	Company circle, Tirupur Hon'ble High Court of Madras
			551.09	A.Y.2009-10	
2.	CST Act, 1956	Central Sales Tax	4.67	F.Y.1993-94	Sales Tax Appellate Tribunal

- x) The Company does not have accumulated losses as at 31st March 2014. The Company has incurred cash loss during the financial year covered by our audit was ₹. 50.47 lacs and hence the Company has incurred cash loss of ₹. 154.42 lacs during the immediately preceding financial year.
- xi) Based on our audit procedures and according to the information, the company has not defaulted in repayment of dues to Bank(s).
- xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a Nidhi/Mutual benefit fund/ Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- xv) During the year, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi) In our opinion and according to the information and explanations given to us, the Company has not borrowed any term loan during the year.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short time basis have been used for long term investments.
- xviii) The company has issued preferential allotment of warrants to promoters with an option to exercise to convert the warrants into equity shares in the future.
- xix) The company has not issued any debentures during the year.
- xx) The company has not made any Public Issues during the year.
- xxi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

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

N.Rajesh
Partner
(Membership No.212417)

Mumbai
09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

BALANCE SHEET

₹ in Lacs

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	454.87	454.87
(b) Reserves and Surplus	2	15,401.05	15,470.90
		<u>15,855.92</u>	<u>15,925.77</u>
(2) Money received against Share Warrants	-	48.75	-
(3) Non-current liabilities			
(a) Long-term borrowings	3	559.57	564.00
(b) Other Long term liabilities		1,270.11	1,270.11
(c) Long-term provisions		45.64	40.44
		<u>1,875.32</u>	<u>1,874.55</u>
(4) Current liabilities			
(a) Short-term borrowings	4	2,138.25	1,462.70
(b) Trade payables		221.03	291.18
(c) Other Current liabilities		84.78	269.49
(d) Short-term provisions		3.65	5.53
		<u>2,447.71</u>	<u>2,028.90</u>
Total		<u>20,227.70</u>	<u>19,829.22</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	5		
(i) Tangible assets		15,765.46	15,779.54
		<u>15,765.46</u>	<u>15,779.54</u>
(b) Non-current investments		729.83	729.83
(c) Long-term loans and advances		187.45	199.53
		<u>917.28</u>	<u>929.36</u>
Total (a) + (b)		<u>16,682.74</u>	<u>16,708.90</u>
(2) Current assets			
(a) Current investments	6	63.57	-
(b) Inventories		1,185.96	1,203.28
(c) Trade receivables		55.70	466.00
(d) Cash and Cash equivalents		247.94	33.36
(e) Short-term loans and advances		1,332.99	936.84
(f) Other current assets		658.80	480.84
		<u>3,544.96</u>	<u>3,120.32</u>
Total		<u>20,227.70</u>	<u>1,9829.22</u>

Significant Accounting Policies and accompanying notes - 16-17

The accompanying notes are integral part of financial statements

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No. 212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014



STATEMENT OF PROFIT AND LOSS

₹ in lacs

Particulars	Note No.	Year Ended 31.03.2014	Year Ended 31.03.2013
Income			
1 Revenue from operations	7	6,542.67	2,439.24
2 Other income	8	23.29	17.19
3 Total Revenue (1 + 2)		<u>6,565.96</u>	<u>2,456.43</u>
Expenses			
(a) Cost of Land sold	9	131.01	38.25
(b) Purchases of Stock-in-Trade	10	5,294.65	1,887.37
(c) Changes in inventories of finished goods and Stock-in-trade	11	(113.69)	33.45
(d) Employee benefit expenses	12	218.05	192.64
(e) Finance cost	13	309.02	166.64
(f) Depreciation and amortisation expenses		19.38	20.56
(g) Other expenses	14	679.02	292.50
Total expenses (a to g)		<u>6,537.44</u>	<u>2,631.41</u>
5 Profit/(-) Loss before exceptional and extraordinary items and tax		28.52	(174.98)
6 Exceptional expenses	15	(59.38)	-
7 Profit/(-) Loss before extraordinary items and tax		(30.86)	(174.98)
8 Extraordinary items		-	-
9 Profit/(-) Loss Before Tax		<u>(30.86)</u>	<u>(174.98)</u>
Tax expense :			
(a) Current Tax		(38.99)	-
(b) Deferred Tax		-	-
11 Profit/(-) Loss for the year from continuing operations		<u>(69.85)</u>	<u>(174.98)</u>
Earnings Per Equity Share :			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		(0.05)	(0.77)
Basic/Diluted Earnings Per Share after exceptional/extraordinary items (Face value of Rs. 2 each)		(0.31)	(0.77)

Significant Accounting Policies and accompanying notes 16-17

The accompanying notes are integral part of financial statements

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No.212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

CASH FLOW STATEMENT

Particulars	₹ in lacs	
	Year Ended 31.03.2014	Year Ended 31.03.2013
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	28.52	(174.98)
Adjustments for:		
Depreciation	19.38	20.56
Loss on sale of tangible assets (net)	7.72	8.34
Interest income	(2.49)	(1.72)
Finance cost	309.02	166.64
Operating profit before working capital changes	362.15	18.84
Changes in Working Capital:		
Increase / (Decrease) in trade payables	(69.61)	158.91
Increase / (Decrease) in provisions	5.28	0.85
Increase / (Decrease) in other current liabilities	(213.57)	160.44
Increase / (Decrease) in Short Term Borrowings	675.62	548.51
(Increase) / Decrease in trade receivables	410.39	(452.69)
(Increase) / Decrease in inventories	17.32	71.70
(Increase) / Decrease in margin money and unpaid dividend	6.80	(0.43)
(Increase) / Decrease in Short Term loans and advances	(396.15)	(324.34)
(Increase) / Decrease in other current assets	(177.96)	(10.41)
(Increase) / Decrease in Long Term loans and advances	(21.37)	(0.03)
Cash Generated from Operations	598.90	171.35
Taxes paid (net of refunds)	(5.84)	(90.17)
Net cash generated from operations before exceptional items	593.06	81.18
Exceptional items	(59.38)	-
Net cash generated from operating activities	533.68	81.18
B. Cash flow from Investing Activities:		
Purchase of tangible/intangible assets	(20.62)	(70.82)
Sale of tangible/intangible assets	7.60	7.35
Interest received	2.49	1.72
Sale/ (Purchase) of non-current investments	(64.05)	21.95
Net cash from investing activities	(74.58)	39.80
C. Cash flow from Financing Activities		
Finance Cost	(282.05)	(166.32)
Issue of Share of Warrants	48.75	-
Proceeds from Long Term borrowings	(4.42)	18.30
Net cash used in Financing Activities	(237.72)	(148.02)
Net increase in cash and cash equivalents	221.38	(106.64)
Cash and Bank balances at the beginning of the year	10.97	117.61
Cash and Bank balances at the end of the year	232.35	10.97
Reconciliation of Cash and Cash Equivalents with the Balance sheet		
Cash and Cash equivalents as per Balance Sheet	247.94	33.36
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit	13.56	19.22
Unpaid dividend	2.03	3.17
Net Cash and Cash equivalents at the year end	232.35	10.97

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

As per our report of even date attached
For M.S. JAGANNATHAN & VISVANATHAN
Chartered Accountants

N.Rajesh
Partner M.No.212417

Place : Mumbai
Date : 09.05.2014

Manoj Kumar Patodia
Vice Chairman and Managing Director

Anuj Patodia
Managing Director

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

Banwarilal Singhal
Director



NOTES TO THE FINANCIAL STATEMENT

Note 1 : Share Capital

	As at 31st March, 2014		As at 31st March, 2013	
	Number	₹ in lacs	Number	₹ in lacs
Authorised				
Equity Shares of ₹. 2 each	62,500,000	1,250.00	62,500,000	1,250.00
Preference Shares of ₹. 100 each	750,000	750.00	750,000	750.00
Issued				
Equity Shares of ₹. 2 each	22,744,300	454.89	22,744,300	454.89
Subscribed and paid up:				
Equity Shares of ₹. 2 each	22,743,600	454.87	22,743,600	454.87

Note 1(a) - Equity Shares of more than 5% of Equity Shares are held by :

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	5,301,620	23.31%	5,301,620	23.31%
Pat Credit Limited	6,368,710	28.00%	6,368,710	28.00%

- 1(b) - 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.
- 1(c) - The Company has only one class of equity shares having par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.
- 1(d) - There is no change in the number of shares outstanding at the beginning and at the end of the year.
- 1(e) - During the year, Company made preferential allotment of Share Warrants of 39,00,000 at Rs.5 per warrant with the option of converting each warrant into a Equity Share of Rs.2 each and the balance as Share Premium. The Promoters had subscribed 25% amounting to Rs.48.75 lacs of total subscription of Rs.195.00 lacs and the balance amount to be contributed within 18 months i.e., before 28.04.2015

Notes to the Financial Statement

₹ in Lacs

Particulars	As at	
	31st March, 2014	31st March, 2013
Note 2		
Reserve and Surplus		
(a) General Reserve:		
Opening Balance	2,276.17	2,276.17
Add : Transfer from Statement of Profit and Loss	-	-
Closing Balance	2,276.17	2,276.17
(b) Business Reconstruction Reserve :		
Opening Balance	12,719.99	12,746.08
Less: Reduction due to a portion of land Sold	-	26.09
Closing Balance	12,719.99	12,719.99
(c) Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	474.74	649.72
Add : Profit/(-) Loss after Tax	(69.85)	(174.98)
Closing Balance	404.89	474.74
Total	15,401.05	15,470.90

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
Note 3				
Non-Current Liabilities				
(a) Long Term Borrowings				
(i) Deferred payment liabilities				
Hire-purchase loan	42.61	-	46.10	-
(ii) Deposits				
From Public	-	-	-	0.50
(iii) Loans and Advances from related parties		516.96		517.40
	42.61	516.96	46.10	517.90
Sub-total (a)		559.57		564.00
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 10.8.2017 and rate of interest is 11.00% per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
Sub-total (b)		1,270.11		1,270.11
(c) Long Term Provisions				
Provision for Employee benefits:				
- Superannuation		28.87		20.56
- Gratuity		16.76		19.88
Sub-total (c)		45.64		40.44
Total		1,875.32		1,874.55



Notes to the Financial Statement

₹ in Lacs

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
Note 4				
Current Liabilities				
(a) Short Term Borrowings				
(i) Loan repayable on demand From Banks	404.88	--	124.21	--
(ii) Deposits				
From Public	--	126.97	--	86.17
From Corporates	--	1,606.40	--	1,252.32
	<u>404.88</u>	<u>1,733.37</u>	<u>124.21</u>	<u>1,338.49</u>
Sub-total (a)		<u>2,138.25</u>		<u>1,462.70</u>
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate Company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
(i) Due to micro, small and medium Enterprises (MSMEs) ^(*)		-		-
(ii) Due to suppliers and service providers		129.41		288.08
(iii) Others		91.62		3.11
Sub-total (b)		<u>221.03</u>		<u>291.19</u>
(*) Also refer point no. 2 in additional information to the financial statement				
(c) Other Current Liabilities				
(i) Current maturities of long-term debts		-		4.47
(ii) Current maturities of finance lease obligations (hire purchase)		17.43		11.74
(iii) Interest accrued but not due on borrowings		27.68		0.71
(iv) Unpaid dividends		2.03		3.17
(v) Other payables				
Statutory dues payable		21.14		11.15
Advance from customers		3.00		124.75
Advance for Projects		-		100.00
Security Deposit & Retention money		13.50		13.50
Sub-total (c)		<u>84.78</u>		<u>269.49</u>
(d) Short Term Provisions				
Provision for Employee benefits:				
Gratuity		3.65		5.53
Sub-total (d)		<u>3.65</u>		<u>5.53</u>
Total		<u>2,447.71</u>		<u>2,028.90</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement

Note 5 : (a) Fixed Assets

₹ in Lacs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As on 31.3.2013	Additions	Deductions	As at 31.3.2014	Upto 31.3.2013	For the Year	Withdrawn	Upto 31.3.2014	As on 31.3.2014
Tangible Assets :									
Land - free hold	15,632.46 (15,658.57)	-	0.05 (26.11)	15,632.41 (15,632.46)	-	-	-	-	15,632.41 (15,632.46)
Buildings	25.06 (20.00)	- (5.06)	-	25.06 (25.06)	12.67 (12.41)	0.39 (0.26)	-	13.06 (12.69)	12.00 (12.39)
Furniture & Office Equipment	121.57 (120.84)	2.52 (0.72)	-	124.09 (121.56)	102.15 (95.93)	5.21 (6.22)	-	107.36 (102.15)	16.73 (19.41)
Motor Vehicles	174.90 (140.74)	18.10 (65.03)	29.57 (30.86)	163.43 (174.91)	59.63 (60.74)	13.77 (14.08)	14.29 (15.19)	59.11 (59.63)	104.32 (115.27)
Total	15,953.99 (15,940.15)	20.62 (70.81)	29.62 (56.97)	15,944.99 (15,953.99)	174.45 (169.08)	19.37 (20.56)	14.29 (15.19)	179.53 (174.45)	15,765.46 (15,779.54)

Note :

- Vehicles acquired on Hire-Purchase basis amounting to Rs.144.82 Lacs (Previous year ₹, 84.44 Lacs) and net block amounts to ₹, 106.19 Lacs (Previous year ₹, 83.66 Lacs)
- Figures in brackets represents previous year's figures

₹ in Lacs

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
Note 5				
(b) Non-current Investments (Long Term Unquoted - At cost)				
(i) Investment in Equity Instruments				
(a) Subsidiaries - Trade				
ATL Textile Processors Limited (10,37,450 shares of ₹.10 each)	--	514.45	--	514.45
Manoj Yam Processors Limited (50,900 shares of ₹.10 each)	--	5.09	--	5.09
Pee Dee Yam Processors Limited (10,900 shares of ₹.10 each)	--	1.09	--	1.09
(b) Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of Rs.1000 each)	--	5.00	--	5.00
(ii) Investment in Partnership firms / AOP				
Prime Developers	--	1.00	--	1.00
Prime Mall Developers	--	1.00	--	1.00
Prime Newline AOP	--	202.20	--	202.20
Aggregate amount of Unquoted investments	--	729.83	--	729.83
Sub-total (b) (i) + (ii)	--	729.83	--	729.83



Notes to the Financial Statement

Not 5(b) Contd.

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2014		
	Total Capital ₹ in Lacs	Share of Profit	Share of Loss
Prime Developers : (Note below)			
1 Prime Urban Development India Limited	1.00	50.00%	50.00%
2 Prime Hitech Admin Services LLP (With effect from 1.7.2013)	1.00	50.00%	50.00%
	<u>2.00</u>	<u>100.00%</u>	<u>100.00%</u>
Prime Mall Developers :			
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>
Prime Newline - ACP :			
1 Prime Urban Development India Limited	202.20	75.00%	75.00%
2 Newline Bulldtech Private Limited	67.40	25.00%	25.00%
	<u>269.60</u>	<u>100.00%</u>	<u>100.00%</u>

Note: Contingent liability of the Firm in respect of statutory dues (a) Income Tax Rs.174.88 lacs (b) in Service Tax ₹.232.85 lacs, for which the appeals are pending with the appellate forums.

₹. in Lacs

Particulars	As at 31st March, 2014	As at 31st March, 2013
(c) Long-term Loans and Advances		
(i) Security Deposits	38.15	17.08
(ii) Other loans and advances		
Advance income tax (Net of provision)	149.30	182.45
Sub-total (c)	<u>187.45</u>	<u>199.53</u>

₹. in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 6		
(a) Current Investments (Unquoted)		
Investment in Mutual Funds	40.77	-
Investment in Nariman Commodity Services Pvt Ltd	47.80	-
Sub-total (a)	<u>88.57</u>	-
Less: Provision for Diminution in value of investments	(25.00)	-
Net value of Investments	<u>63.56</u>	-

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement

Not 6 Contd.

₹ in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 6		
(b) Inventories		
Valued at Cost or Net realisable value whichever is lower		
(i) Finished goods	31.62	31.61
(ii) Stock in Trade	113.69	-
(iii) Land	1,040.65	1,171.67
Sub-total (b)	<u>1,185.96</u>	<u>1,203.28</u>
(c) Trade Receivables (current)		
(Unsecured and considered good unless otherwise stated)		
Doubtful outstanding Exceeding six month from the due date	13.81	13.81
Less : Provision for doubtful debts	(13.81)	(13.81)
	-	-
Outstanding Exceeding six months from the due date	5.33	5.33
Others	50.37	460.67
Sub-total (c)	<u>55.70</u>	<u>466.00</u>
(d) Cash and Cash Equivalents		
Cash and Cash equivalents		
(i) Cash on hand	1.72	1.92
(ii) Balances with bank		
In current account	229.63	9.05
	<u>231.35</u>	<u>10.97</u>
Other Earmarked Accounts		
(i) Unpaid Dividend accounts	2.03	3.17
(ii) In Deposits under lien	13.56	19.22
(iii) In Current accounts	1.00	-
	<u>16.59</u>	<u>22.39</u>
Sub-total (d)	<u>247.94</u>	<u>33.36</u>
(e) Short-term loans and advances		
(i) Balance in Partners' Current account	1,001.51	849.18
(ii) Loans and advances to :		
- Subsidiaries	15.28	15.17
- Associates	4.68	25.11
- Others	311.52	47.38
Sub-total (e)	<u>1,332.99</u>	<u>936.84</u>
(f) Other current assets		
(i) Claim receivable	468.00	468.00
(ii) Interest and other receivables	190.80	12.84
Sub-total (f)	<u>658.80</u>	<u>480.84</u>
	Year Ended	Year Ended
	31st March, 2014	31st March, 2013
Note 7		
Revenue from operations :		
Textile Segment		
Textiles - Sale of Traded Goods - Cotton Yarn and Fabrics	5,531.29	2,153.47
Export Incentives	243.30	20.75
Sub-total - Textile	<u>5,774.59</u>	<u>2,174.22</u>
Realty Segment		
Gain on Sale of Land (net of cost)	313.78	136.00
Sale of Land - converted in to stock in trade	452.75	123.58
Share of Profit from a firm	-	4.28
Incidental income	1.55	1.16
Sub-total - Realty	<u>768.08</u>	<u>265.02</u>
Total	<u>6,542.67</u>	<u>2,439.24</u>



Notes to the Financial Statement

Not 6 Contd.

₹ in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 8		
Other Income		
Interest	2.49	1.72
Commission receipts	12.07	8.86
Dividend	4.33	3.62
Miscellaneous income	-	2.75
Liabilities no longer payable written back	4.40	-
Profit on sale of investments	-	0.24
Total	23.29	17.19
Note 9		
Cost of Land		
Cost of Land sold - converted in to stock in trade	131.01	38.25
	131.01	38.25
Note 10		
Purchase of Stock-in-Trade		
Purchase of Traded - Cotton yarn and Fabric	5,294.65	1,887.37
	5,294.65	1,887.37
Note 11		
Changes in Stock of Finished Goods and Stock - in-trade		
Stock at Commencement:		
Finished Goods	31.61	65.06
	31.61	65.06
Less :	(A)	
Stock at Closing:		
Finished Goods	31.61	31.61
Stock in Trade	113.69	-
	145.30	31.61
Net Value (A) -(B)	(113.69)	33.45
Note 12		
Employee Benefits		
Salaries, Wages, Bonus and others	178.00	158.37
Contribution to Provident and other Funds	32.16	27.83
Welfare Expenses	7.89	6.44
Total	218.05	192.64
Note 13		
Finance cost		
Interest on Borrowings	298.34	166.64
Other finance cost	10.68	-
Total	309.02	166.64

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement

Not 6 Contd.

₹ in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 14		
Other Expenses		
Insurance	10.01	3.09
Rates and taxes	7.91	18.51
Siting Fees	2.60	1.95
Power and Fuel Consumed	6.51	6.22
Rent	27.31	27.57
Repairs - Building	0.77	1.44
Other Repairs	8.39	3.62
Communication Expenses	17.45	10.39
Travelling and Conveyance	100.96	77.37
Sales Commission	93.52	11.28
Freight and Forwarding	139.18	14.04
Donation	2.05	0.83
Legal and Professional fees	21.00	30.94
Auditors Remuneration	2.66	2.08
Loss on Sale of Assets	7.72	8.34
Share of Loss in Partnership Firms	124.34	38.73
Bank Charges	20.16	2.64
Miscellaneous expenses	86.48	33.46
Total	679.02	292.50
Note 15		
Exceptional Expenses		
Share Warrant Issue expenses	4.77	-
Share of Loss in a Firm	54.61	-
Total	59.38	



Notes to the Financial Statement

Not 16

Additional information to the financial statements

₹ in Lacs

1. Contingent liabilities and commitments

Particulars	As at 31.03.2014	As at 31.03.2013
a. Contingent liabilities (to the extent not provided for)		
Disputed Tax Demands (Including Interest up to the date of demand)		
(a) Sales Tax	9.22	9.22
(b) Income Tax	627.20	716.12
(Tax deposits ₹.207.48 lacs ; pr.yr. ₹.206.86 lacs)		
b. Commitments		
Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized-₹.410.80 lacs Previous year – ₹.37.49 lacs)	1,079.15	255.12

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

₹ in Lacs

Particulars	31.03.2014	31.03.2013
(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

3. Expenditure in foreign currency :

₹ in Lacs

Particulars	31.03.2014	31.03.2013
a. Sales commission	44.71	9.86
b. Travelling expenses	24.33	7.80

4. Earnings in foreign exchange :

₹ in Lacs

Particulars	31.03.2014	31.03.2013
a. Export of goods calculated on FOB basis	5,108.20	629.82

5. Details of consumption of imported and indigenous items :

₹ in Lacs

Particulars	31.03.2014		31.03.2013	
	Value	%	Value	%
Traded goods :				
Indigenous	5,294.65	100%	1,887.37	100%
Imported	--		--	

6. a. In the opinion of the management, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- b. The accounts of certain Trade Receivables, Trade Payables, Loans & Advances 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

Notes to the Financial Statement (Contd.)

7. Auditors Remuneration : ₹ in Lacs

Particulars	31.03.2014	31.03.2013
Audit fees	1.24	1.28
Tax Audit fees	0.20	0.17
Other fees	1.22	0.63
Total	2.66	2.08

8. Employee Benefit Plans :

Defined contribution plans :

The company contributed to Super annuation 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	2013-2014	2012-2013
a. Provident Fund Contribution	17.71	14.41
b. Superannuation/Gratuity	14.42	13.42

Defined Benefit plan :

The Company offers Gratuity scheme to its employees :

₹ in Lacs

	31.03.2014	31.03.2013
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	34.20	36.67
Interest Cost	2.74	2.93
Current Service Cost	1.07	1.30
Benefits paid	(8.66)	(1.59)
Actuarial Loss/(Gain) on obligations	(5.91)	(5.11)
Present value of obligations as at the end of year	35.26	34.20
03. Changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	10.36	6.26
Expected return on plan assets	0.59	0.78
Contributions	5.94	4.91
Benefits paid	(8.66)	(1.59)
Actuarial Gain/(Loss) on Plan assets	Nil	NIL
Fair value of plan assets at the end of year	8.23	10.36
04. Fair value of plan assets		
Fair value of plan assets at beginning of the year	10.36	6.26
Actual return on plan assets	0.59	0.78
Contributions	5.93	4.91
Benefits paid	(8.66)	(1.59)
Fair value of plan assets at the end of year	8.23	10.36
Funded status	(27.04)	(23.84)
05. Actuarial Gain/Loss recognized		
Actuarial gain/(Loss) for the year – obligation	(5.92)	(5.11)
Actuarial gain/(Loss) for the year – plan assets	Nil	NIL
Total Loss/ (gain) for the year	5.91	(5.11)
Actuarial Loss/(Gain) recognized in the year	5.91	(5.11)



Notes to the Financial Statement (Contd.)

	Particulars	2013-2014	2012-2013
06.	Amounts recognized in the balance sheet and Profit & Loss		
	Present value of obligations as at the end of the year	35.26	34.20
	Fair value of plan assets as at the end of the year	8.23	10.36
	Funded status	(27.04)	(23.84)
	Net Asset/(Liability) recognized in balance sheet	(27.04)	(23.84)
07.	Expenses charged in statement of Profit and Loss account		
	Current Service cost	1.07	1.30
	Interest Cost	2.73	2.93
	Expected return on plan assets	(0.59)	(0.77)
	Net Actuarial loss/(gain) recognized in the year	(5.92)	(5.11)
	Expenses recognized in statement of Profit and Loss account	(9.13)	(1.65)

9. Segment Information :

		₹ in Lacs	
	Particulars	2013-2014	2012-2013
a.	Realty	768.09	265.02
b.	Textiles	5,774.58	2,174.22
	Segment Results :		
a.	Realty	106.95	(146.88)
b.	Textiles	235.58	170.39
	Total	342.53	23.50
	Less : Interest	309.02	166.64
	Less : Exceptional items	58.38	--
	Less : Un-allocable expenditure	4.99	31.84
	Profit/(Loss) before expenditure	(30.87)	(174.98)
	Less : Extraordinary items	--	--
	Profit/(Loss) before tax	(30.87)	(174.98)
	Capital Employed		
a.	Realty	17,389.12	16,728.36
b.	Textiles	1,240.54	1,224.10

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

List of Related Parties and nature of relationships:

Wholly owned subsidiaries :		ATL Textile Processors Limited Manoj Yarn Processors Limited Pee Dee Yarn Processors Limited
With whom transactions have been entered in to :		
(i)	Associates	Aadarsh Jann Aawaash Limited Prime Developers Prime Mall Developers Prime New line AOP Prime Hitech Admin Services LLP
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement (Contd.)

(iv)	Relatives of Key Managerial Personnel	Mrs.Indira Devi 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

Sl	Nature of Transaction	Subsidiary Companies	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
1	Share of Profit / (Loss) from firms	-	(351.44)	-	-	(351.44)
		-	(-34.45)	-	-	(-34.45)
2	Interest paid	-	-	-	1.20	1.20
		-	-	(0.24)	(8.48)	(8.72)
3	Interest received	-	0.75	-	-	0.75
		-	(0.09)	-	-	(0.09)
4	Directors' Remuneration Paid/sitting fees	-	-	142.80	1.70	144.50
		-	-	(142.34)	(1.65)	(143.99)
5	Balance as on 31.3.2014					
	Amount Payable:					
	ATL Textile Processors Ltd.	513.52	-	-	-	513.52
		(513.81)	-	-	-	(513.81)
	Pee Dee Yarn Processors Ltd	3.45	-	-	-	3.45
		(3.59)	-	-	-	(3.59)
	Prime Mall Developers	-	1,270.11	-	-	1,270.11
		-	(1,270.11)	-	-	(1,270.11)
6	Amount Receivable:					
	Manoj Yarn Processors Ltd.	15.80	-	-	-	15.80
		(15.15)	-	-	-	(15.15)
	Aadarsh Jann Aawaash Ltd	-	2.30	-	-	2.30
		-	(0.56)	-	-	(0.56)
	Prime Developers	-	297.08	-	-	297.08
		-	(454.95)	-	-	(454.95)
	Prime Newline AOP	-	681.71	-	-	681.71
		-	(405.41)	-	-	(405.41)

Notes:

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

11 Details of Lease arrangements :

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

₹ in Lacs

Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1. Within one year	22.92 (17.38)	5.50 (5.64)	17.42 (11.74)
2. Between one year to five years	47.84 (54.59)	5.23 (8.50)	42.61 (46.09)
Total	70.76 (71.97)	10.73 (14.14)	60.03 (57.83)

Figures in bracket are of previous year



Notes to the Financial Statement (Contd.)

12. Earnings Per Share :

₹ in Lacs

	Particulars	As at	As at
		31.03.2014	31.03.2013
a.	Profit/(Loss) after tax excluding exceptional items	(10.47)	(174.98)
b.	Less : Exceptional items	59.38	—
c.	Profit/(Loss) after tax including exceptional items	(69.85)	(174.98)
d.	Number of Equity shares outstanding	2,27,43,600	2,27,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	(0.05)	(0.77)
	- EPS including exceptional items (c/d)	(0.31)	(0.77)
f.	Face value per share – in ₹	2 per share	2 per share

13 Consolidated Financial Statements :

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

14. Deferred Tax Asset/(Liability):

Timing difference comprises of :

₹ in Lacs

Particulars	As at	As at
	31.03.2013	31.03.2012
Deferred Tax Asset		
1. Expenses covered by 43B	—	0.13
2. Carry forward Unabsorbed Depreciation	752.64	855.14
3. Others	—	—
Total	752.64	855.27
Deferred Tax Liability		
1. Depreciation	67.94	53.18
2. Others	—	—
Total	67.94	53.18
Net Deferred Tax Asset/(Liability)	684.70	801.96

As a matter of the prudence, net deferred tax asset has not been considered in the accounts.

15. The exceptional items at the year end includes Share warrant expenses of ₹.4.77 lacs and Share of Loss from the Firm in which Company is a Partner with respect to Service Tax Liability of earlier years amounting to ₹.54.61 lacs.

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

PRIME URBAN DEVELOPMENT INDIA LIMITED

Note 17

Significant Accounting Policies

1. General:

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

2. Fixed Asset:

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

Land value is stated at Reinstated Value

3. Impairment of Assets :

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

4. Investments:

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

5. Valuation of Inventories:

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

6. Revenue Recognition:

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

7. Borrowing Cost:

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

8. Depreciation:

- a. Depreciation on fixed assets is provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act 1956.
- b. Assets sold/discarded/demolished during the year, no depreciation is provided for.

9. Employee benefits:

Short term employee benefits including accrued liability for Leave Encashment (other than termination benefits) which are



payable within 12 months after the end of the period in which the employees render service are paid/provided during the year as per the Rules of the Company.

Defined Contribution Plans:

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

Defined Benefit Plans:

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

10. Foreign Currency Transactions:

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

11. Taxation:

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

12. Lease Rentals:

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

13. Contingent Liabilities:

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

14. Use of estimates:

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

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No.212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

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

Sl. No.	Particulars	Name of Subsidiary Companies		
		ATL Textile Processors Limited	Manoj Yam Processors Limited	Pee Dee Yam Processors Limited
1	Financial Year ended 31st March	2014	2014	2014
2	No. of shares held by holding Co.	10,37,450	50,900	50,900
3	Face value of shares in ₹.	10	10	10
4	Extent of Holding (%)	100	100	21.41
	Held by Manoj Yam Processors Ltd.			78.59
5	Net aggregate amount of profits [losses] of the subsidiary for the above financial year so far as it concerns members of the Holding Company which are not dealt within the Company's account	(₹. 0.20 Lacs) loss	Operations not yet commenced (₹.0.12 Lacs) Loss for the year	Operations not yet commenced (₹. 0.13 lacs) loss for the year
6	-do- for the Financial Year	(₹. 0. 20 Lacs) loss	(₹. 0.12 Lacs) loss	(₹. 0.13 Lacs) loss
7	Net aggregate amount of profits [losses] of the subsidiary for the above financial year so far as it concerns members of the Holding Company which are dealt within the company's account	₹.13.30 Lacs profit	(₹.2.20 Lacs) loss	(₹.1.40 Lacs) loss
8	Holding Company's interest as at 31 st March 2014 incorporating changes since the close of the financial year of the subsidiary company	No change	No change	No change

Manoj Kumar Patodia
Vice Chairman & Managing Director

Anuj Patodia
Managing Director

Place : Mumbai
Date : 09.05.2014

For and on behalf of the Board

Purusottam Das Patodia
Chairman & Managing Director

Banwarilal Singhal
Director

Disclosure of information relating to the subsidiary companies as required by the Ministry of Corporate affairs,
Government of India vide their General Circular No.2/2011 dated 8.2.2011

₹ in Lacs

Particulars	ATL Textile Processors Limited	Manoj Yam Processors Limited	Pee Dee Yam Processors Limited
a) Share Capital	103.75	5.09	5.09
b) Reserves & Surplus	424.00	(2.20)	(1.40)
c) Total assets	527.80	18.22	3.75
d) Total Liabilities	527.80	18.22	3.75
e) Details of Investments	Nil	Nil	Nil
f) Operating income/(Loss)	(0.20)	(0.12)	(0.13)
g) Profit/(Loss) before tax	(0.20)	(0.12)	(0.13)
h) Provision for tax	Nil	Nil	Nil
i) Profit/(Loss) after tax	(0.20)	(0.12)	(0.13)
j) Proposed Dividend	Nil	Nil	Nil
k) Reporting currency	Indian Rupee	Indian Rupee	Indian Rupee



Consolidated Auditor's Report

To
The Board of Directors of Prime Urban Development India Limited

Report on the Consolidated Financial Statements

We have audited the attached consolidated Balance Sheet of Prime Urban Development India Limited (the Company) and its subsidiaries ATL Textile Processors Limited, Manoj Yarn Processors Limited and Pee Dee Yarn Processors Limited and associates Prime Developers and Prime New Line AOP (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements/consolidated financial statements of the subsidiaries and an associate as mentioned above, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2014.
- In the case of the Consolidated Statement of Profit and Loss, of the consolidated results of the Group for the year ended on that date and
- In the case of the Consolidated Cash Flow statement, of the consolidated cash flows of the Group for the year ended on that date.

Other Matters

Financial statements/consolidated financial statements of subsidiaries and associates which reflect total assets of ₹.962.01 lakhs as at March 31, 2014, total revenue (net) of ₹.784.49 lakhs and net cash flows amounting to ₹.76.37 lakhs for the year then ended, have been audited by us.

Our opinion is not qualified in respect of other matters.

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

Mumbai
09/05/2014

N.Rajesh
Membership No.212417 Partner

PRIME URBAN DEVELOPMENT INDIA LIMITED

CONSOLIDATED BALANCE SHEET

₹ in Lacs

Particulars	Note	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	454.87	454.87
(b) Reserves and Surplus	2	15,410.75	15,481.06
		<u>15,865.62</u>	<u>15,935.93</u>
(2) Money received against Share Warrants		48.75	-
(3) Non-current liabilities			
(a) Long-term borrowings	3	42.61	46.59
(b) Other Long term liabilities		1,270.11	1,270.11
(c) Long-term provisions		45.63	40.44
		<u>1,358.35</u>	<u>1,357.14</u>
(3) Current liabilities			
(a) Short-term borrowings	4	3,227.78	2,143.76
(b) Trade payables		313.40	347.31
(c) Other Current liabilities		327.88	358.11
(d) Short-term provisions		47.93	5.53
		<u>3,916.99</u>	<u>2,854.71</u>
Total		<u>21,189.71</u>	<u>20,147.78</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	5		
Tangible assets		15,810.13	15,807.85
Sub-total -(a)		<u>15,810.13</u>	<u>15,807.85</u>
(b) Non-current investments		6.00	7.00
(c) Long-term loans and advances		520.14	353.45
(d) Other non-current assets		-	-
Sub-total -(b)		<u>526.14</u>	<u>360.45</u>
Total (a) + (b)		<u>16,336.27</u>	<u>16,168.30</u>
(2) Current assets			
(a) Current investments	6	63.57	-
(b) Inventories		3,140.24	2,316.84
(c) Trade receivables		342.12	605.77
(d) Cash and cash equivalents		326.41	35.47
(e) Short-term loans and advances		322.29	516.28
(f) Other current assets		658.81	505.12
		<u>4,853.44</u>	<u>3,979.48</u>
Total		<u>21,189.71</u>	<u>20,147.78</u>

Significant Accounting Policies and accompanying notes - 16-17

The accompanying notes are integral part of financial statements

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No.212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014



STATEMENT OF CONSOLIDATED PROFIT AND LOSS

₹ in Lacs

Particulars	Note	Year Ended 31st March, 2014	Year Ended 31st March, 2013
Income			
1 Revenue from operations	7	7,308.13	2,569.97
2 Other income	8	42.32	17.19
3 Total Revenue (1 + 2)		<u>7,350.45</u>	<u>2,587.16</u>
Expenses			
(a) Cost of Land sold	9	131.01	38.25
(b) Cost of Revenue	10	5,660.04	2,035.81
(c) Changes in inventories of finished goods and Stock-in-trade	11	212.21	33.45
(d) Employee benefit expenses	12	223.54	198.25
(e) Finance cost	13	309.03	166.64
(f) Depreciation and amortisation expenses		22.24	20.62
(g) Other expenses	14	564.32	269.53
Total expenses (a to g)		<u>7,322.39</u>	<u>2,762.56</u>
5 Profit/(-) Loss before exceptional and extraordinary items and tax		28.06	(175.39)
6 Exceptional expenses	15	(59.38)	-
7 Profit/(-) Loss before extraordinary items and tax		(31.32)	(175.39)
8 Extraordinary items		-	-
9 Profit/(-) Loss Before Tax		<u>(31.32)</u>	<u>(175.39)</u>
10 Tax expense :			
(a) Current Tax		(38.99)	-
(b) Deferred Tax		-	-
11 Profit/(-) Loss for the year from continuing operations		<u>(70.31)</u>	<u>(175.39)</u>
12 Earnings Per Equity Share :			
Basic/Diluted Earnings Per Share before exceptional/extraordinary items		(0.05)	(0.77)
Basic/Diluted Earnings Per Share after exceptional/extraordinary items (Face value of Rs. 2 each)		(0.31)	(0.77)

Significant Accounting Policies and accompanying notes - 16-17

The accompanying notes are integral part of financial statements

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No.212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED

CONSOLIDATED CASH FLOW STATEMENT

₹ in Lacs

Particulars	Year Ended 31st March, 2014	Year Ended 31st March, 2013
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	28.06	(175.39)
Adjustments for:		
Depreciation	22.24	20.62
Loss on sale of tangible assets (net)	7.72	8.34
Interest income	(2.49)	(1.72)
Finance Cost	309.02	166.64
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	364.55	18.49
Changes in Working Capital:		
Increase / (Decrease) in trade payables	(33.90)	167.15
Increase / (Decrease) in provisions	5.19	0.84
Increase / (Decrease) in other current liabilities	(14.82)	247.56
Increase / (Decrease) in Short Term Borrowings	1,084.02	962.33
(Increase) / Decrease in trade receivables	263.65	(592.46)
(Increase) / Decrease in inventories	(823.40)	(601.42)
(Increase) / Decrease in margin money and unpaid dividend	6.80	(0.43)
(Increase) / Decrease in Short Term loans and advances	193.99	(74.14)
(Increase) / Decrease in other current assets	(172.91)	(33.40)
(Increase) / Decrease in Long Term loans and advances	(138.39)	90.51
Cash Generated from Operations	734.78	185.03
Taxes paid (net of refunds)	(67.29)	(89.38)
Net cash generated from operations before exceptional items	667.49	95.65
Exceptional items	(59.38)	-
Net cash generated from operating activities	608.11	95.65
B. Cash flow from Investing Activities:		
Purchase of tangible/intangible assets	(20.62)	(99.08)
Sale of tangible/intangible assets	7.60	6.77
Interest received	2.49	1.72
Sale/ (Purchase) of non-current investments	(62.56)	21.95
Net cash from investing activities	(73.09)	(68.64)
C. Cash flow from Financing Activities		
Finance Cost	(282.05)	(166.32)
Issue of Share Warrants	48.75	-
Proceeds from Long Term borrowings	(3.98)	32.89
Net cash used in Financing Activities	(237.28)	(133.43)
Net increase in cash and Cash equivalents	297.74	(106.42)
Cash and Cash Equivalants at the beginning of the year	13.08	119.50
Cash and Cash equivalents at the end of the year	310.82	13.08
Reconciliation of Cash and Cash equivalents with the Balance sheet		
Cash and Cash equivalents as per Balance Sheet	326.41	35.47
Less : Bank Balances not considered as Cash and Cash equivalents		
Margin Money Deposit :	13.56	19.22
Unpaid dividend	2.03	3.17
Net Cash and Cash equivalents at the year end	310.82	13.08

As per our report of even date attached

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

Chartered Accountants

FRN 001209S

N.Rajesh

Partner M.No.212417

Place : Mumbai

Date : 09.05.2014

Manoj Kumar Patodia

Vice Chairman & Managing Director

Anuj Patodia

Managing Director

For and on behalf of the Board

Purusottam Das Patodia

Chairman & Managing Director

Banwarilal Singhal

Director



Notes to the Financial Statement (consolidated)

Note 1 : Share Capital

	As at 31st March, 2014		As at 31st March, 2013	
	Number	₹ lacs	Number	₹ in lacs
Authorised				
Equity Shares of ₹.2 each	62,500,000	1,250.00	62,500,000	1,250.00
Preference Shares of ₹.100 each	750,000	750.00	750,000	750.00
Issued				
Equity Shares of ₹.2 each	22,744,300	454.89	22,744,300	454.89
Subscribed and paid up:				
Equity Shares of ₹.2 each	22,743,600	454.87	22,743,600	454.87

Note 1(a) - Equity Shares of more than 5% of Equity Shares are held by :

Name of the Shareholder	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Anjana Syntex Company Limited	5,301,620	23.31%	5,301,620	23.31%
Pat Credit Limited	6,368,710	28.00%	6,368,710	28.00%

- 1(b) - 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.
- 1(c) - The Company has only one class of equity shares having a par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.
- 1(d) - There is no change in the number of shares outstanding at the beginning and at the end of the year.
- 1(e) - During the year, Company made preferential allotment of Share Warrants of 39,00,000 at ₹.5 per warrant with the option of converting each warrant into a Equity Share of ₹.2 each and the balance as Share Premium. The Promoters had subscribed 25% amounting to Rs.48.75 lacs of total subscription of ₹.195.00 lacs and the balance amount to be contributed within 18 months i.e., before 28.04.2015

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement (consolidated)		₹ in Lacs		
Particulars	As at 31st March, 2014	As at 31st March, 2013		
Note 2				
Reserve and Surplus				
(a) General Reserve:				
Opening Balance	2,276.17	2,276.17		
Add : Transfer from Statement of Profit and Loss	-	-		
Closing Balance	<u>2,276.17</u>	<u>2,276.17</u>		
(b) Business Reconstruction Reserve :				
Opening Balance	12,719.99	12,746.08		
Less: Reduction due to a portion of Land Sold	-	26.09		
Closing Balance	<u>12,719.99</u>	<u>12,719.99</u>		
(c) Surplus/(Deficit) in Statement of Profit and Loss				
Opening Balance	484.90	660.29		
Add : Profit(-) Loss after Tax	(70.31)	(175.39)		
Closing Balance	<u>414.59</u>	<u>484.90</u>		
Total	<u>15,410.75</u>	<u>15,481.06</u>		
<hr/>				
Particulars	As at 31st March, 2014		As at 31st March, 2015	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
Note 3				
Non-Current Liabilities				
(a) Long Term Borrowings				
(i) Deferred payment liabilities				
Hire - purchase	42.61	-	46.09	-
(ii) Deposits				
From Public	-	-	-	0.50
	<u>42.61</u>	<u>0.00</u>	<u>46.09</u>	<u>0.50</u>
Sub-total (a)		42.61		46.59
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 10.8.2017 and rate of interest is 11.00 % per annum.				
(b) Other Long Term Liabilities				
Due to a Partnership firm in which Company is a partner		1,270.11		1,270.11
		<u>1,270.11</u>		<u>1,270.11</u>
(c) Long Term Provisions				
Provision for Employee benefits:				
- Super annuation		28.87		20.56
- Gratuity		16.76		19.88
Sub-total (c)		<u>45.63</u>		<u>40.44</u>
Total		<u>1,358.35</u>		<u>1,357.14</u>



Notes to the Financial Statement (Consolidated)

₹ in Lacs

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured (I)	Unsecured (II)	Secured (I)	Unsecured (II)
Note 4				
Current Liabilities				
(a) Short Term Borrowings				
(i) Loan repayable on demand				
From Banks	1,152.94	--	805.27	
(ii) Deposits				
From Public	--	126.97	--	86.17
From Corporates	--	1,606.40	--	1,252.32
(iii) Other loans and advances		341.47		
	<u>1,152.94</u>	<u>2,074.84</u>	<u>805.27</u>	<u>1,338.49</u>
(I) + (II) = Sub-total (a)		<u>3,227.78</u>		<u>2,143.76</u>
Nature of Security :				
Secured loans are secured against hypothecation of current assets and further secured by way of second charge over the land of an Associate Company and further guaranteed by three of the Directors of the Company				
(b) Trade payable				
(i) Due to suppliers and service providers		221.02		343.95
(ii) Others		92.38		3.36
Sub-total (b)		<u>313.40</u>		<u>347.31</u>
(*) Also refer point no. 3 in additional information to the financial statement				
(c) Other Current Liabilities				
(i) Current maturities of long-term debts		-		17.97
(ii) Current maturities of finance lease obligations (net purchase)		17.43		11.73
(iii) Interest accrued but not due on borrowings		27.69		0.71
(iv) Unpaid dividends		2.03		3.17
(v) Non recognised customer credit		98.22		87.89
(vi) Other payables				
Statutory dues payable		33.97		11.88
Advance from customers		64.21		124.76
Advance for Projects		-		100.00
Security Deposit and Retention money		13.50		-
Other Partners' share		70.83		-
Sub-total (c)		<u>327.88</u>		<u>358.11</u>
(d) Short Term Provisions				
Income Tax and Service Tax Liability Provisions		44.28		-
Provision for Employee benefits:				
Gratuity		3.65		5.53
Sub-total (d)		<u>47.93</u>		<u>5.53</u>
Total		<u>3,916.98</u>		<u>2,854.71</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement (Consolidated)

Note 5 : (a) Fixed Assets

₹ in Lacs

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK	
	As on 31.3.2013	Additions	Deductions	As at 31.3.2014	Upto 31.3.2013	For the Year	Withdrawn	Upto 31.3.2014	As on 31.3.2014
Tangible Assets :									
Land - free hold	15,660.76		0.05	15,660.71	-	-	-	-	15,660.71
	(15,658.61)	(28.26)	(26.11)	(15,660.76)	-	-	-	-	(15,660.76)
Buildings	25.05	-	-	25.05	12.64	0.39	-	13.03	12.02
	(19.99)	(5.06)	-	(25.05)	(12.38)	(0.26)	-	(12.64)	(12.41)
Furniture & Office Equipment	156.02	2.52	-	158.54	117.36	8.08	-	125.44	33.11
	(121.01)	(0.73)	(0.26)	(121.48)	(96.62)	(6.27)	(0.84)	(102.05)	(19.43)
Motor Vehicles	174.90	18.10	29.57	163.43	69.65	13.77	14.29	59.13	104.29
	(140.74)	(65.03)	(30.87)	(174.90)	(60.76)	(14.09)	(15.19)	(59.65)	(115.25)
Total	16,016.73	20.62	29.62	16,007.73	169.65	22.24	14.29	197.60	15,810.13
	(15940.35)	(99.06)	(57.24)	(15,982.19)	(169.76)	(20.62)	(16.03)	(174.34)	(15,807.85)

Note :

- Vehicles acquired on Hire-Purchase basis amounting to ₹. 144.82 lacs (Previous year ₹.84.44 lacs) and net block amounts to ₹.106.19 lacs (Previous year ₹.83.66 lacs)
- Figures in brackets represents previous year's figures

₹ in Lacs

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Quoted (I)	Un-Quoted (II)	Quoted (I)	Un-Quoted (II)
Note 5				
(b) Non-current Investments (Long term, Unquoted - At cost)				
(i) Investment in Equity Instruments				
Other entities - Non-Trade				
Tirupur Infrastructure Development Company Limited (500 shares of ₹.1000 each)		5.00		5.00
(ii) Investment in Partnership firms/AOP				
Prime Developers	-	-	-	1.00
Prime Mall Developers	-	1.00	-	1.00
Aggregate amount of Unquoted investments	-	6.00	-	7.00
Sub-total (b) (i) + (ii)	-	6.00	-	7.00



Notes to the Financial Statement (Consolidated)

₹ in Lacs

Name of the Partners in the firm/AOP	Year Ended 31.03.2014		
	Total Capital ₹ in Lacs	Share of Profit or Loss	
Prime Developers : (Note below)			
1 Prime Urban Development India Limited	1.00	50.00%	
2 Prime Hitech Admin Services LLP (With effect from 1.7.2013)	1.00	50.00%	
	<u>2.00</u>	<u>100.00%</u>	
Prime Mall Developers :			
1 Prime Urban Development India Limited	1.00	Share of Profit 50.00%	Share of Loss 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>
Prime Newline - AOP :			
1 Prime Urban Development India Limited	202.20	75.00%	75.00%
2 Newline Buildtech Private Limited	67.40	25.00%	25.00%
	<u>269.60</u>	<u>100.00%</u>	<u>100.00%</u>

Note: Contingent liability of the Firm in respect of statutory dues (a) Income Tax Rs.174.88 lacs (b) Service Tax ₹. 232.85 lacs, for which the appeals are pending with the appellate forums.

₹. in Lacs

Particulars	As at 31st March, 2014	As at 31st March, 2013
(c) Long-term Loans and Advances		
(i) Security Deposits	39.60	18.53
(ii) Other loans and advances	269.81	152.50
(iii) Advance income tax (Net of provision)	210.73	182.42
Sub-total (c)	<u>520.14</u>	<u>353.45</u>

₹. in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 6		
(a) Current Investments (Unquoted)		
Investment in Mutual Funds	40.77	-
Investment in Nariman Commodity Services Pvt Ltd	47.80	-
Sub-total (a)	<u>88.57</u>	-
Less: Provision for Diminution in value of investments	(25.00)	-
Net value of Investments	<u>63.57</u>	-
(b) Inventories		
Valued at Cost or Net realisable value whichever is lower		
(i) Finished goods	31.61	31.61
(ii) Stock-in-trade	113.69	-
(iii) Land	1,040.65	1,171.67
(iv) Stock of Finished Apartments	140.91	-
(v) Project work in progress	1,813.38	1,113.56
Sub-total (b)	<u>3,140.24</u>	<u>2,316.84</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement (Consolidated)

₹ in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 6 (Contd.)		
(c) Trade Receivables (current) (Unsecured and considered good unless otherwise stated) Doubtful - outstanding exceeding six months from the due date Less : Provision for doubtful debts	13.81 (13.81)	13.81 (13.81)
Outstanding exceeding six months from the due date	5.34	5.33
Others	336.78	600.44
Sub-total (c)	<u>342.12</u>	<u>605.77</u>
(d) Cash and Cash Equivalents		
Cash and Cash equivalents		
(i) Cash on hand	10.03	2.09
(ii) Balances with bank		
In current account	300.79	10.99
Other Earmarked Accounts		
In Deposits under lien	13.56	19.22
(i) Unpaid Dividend accounts	2.03	3.17
Sub-total (d)	<u>326.41</u>	<u>35.47</u>
(e) Short-term loans and advances		
(i) Balance in Partners' Current account	6.09	443.77
(ii) Loans and advances to :		
- Associates	4.68	25.08
- Others	311.52	47.43
Sub-total (e)	<u>322.29</u>	<u>516.28</u>
(f) Other current assets		
(i) Claim receivable	468.00	468.00
(ii) Interest and other receivables	190.81	12.84
(iii) Un amortized	-	24.28
Sub-total (f)	<u>658.81</u>	<u>505.12</u>
	Year Ended 31st March, 2014	Year Ended 31st March, 2013
Note 7		
Revenue from operations :		
Textile Segment		
Textiles - Sale of Traded Goods - Cotton Yarn and Fabrics	5,531.29	2,153.47
Export Incentives	243.30	20.75
Sub-total - Textile	<u>5,774.59</u>	<u>2,174.22</u>
Realty Segment		
Gain on Sale of Land (net of cost)	313.78	136.00
Sale of Land - converted in to stock in trade	452.75	123.58
Share of Profit from a firm	-	4.28
Incidental income	6.33	1.16
Revenue from operations of Prime Developers	563.28	-
Revenue from operations of Prime Newline AOP	197.40	130.73
Sub-total - Realty	<u>1,533.54</u>	<u>395.75</u>
Total	<u>7,308.13</u>	<u>2,569.97</u>



Notes to the Financial Statement (Consolidated)

₹ in Lacs

	Year Ended 31st March, 2014	Year Ended 31st March, 2013
Note 8		
Other Income		
Interest	2.49	1.72
Commission receipts	12.07	8.86
Profit on sale of investments	-	0.24
Dividend	4.41	3.62
Miscellaneous Income	18.95	2.75
Liabilities no longer payable written back	4.40	-
Total	<u>42.32</u>	<u>17.19</u>
Note 9		
Cost of Land		
Cost of Land sold - converted in to stock in trade	131.01	38.25
	<u>131.01</u>	<u>38.25</u>
Note 10		
Cost of Revenue		
Purchase of Traded Goods - Cotton yarn and Fabric	5,294.64	1,887.37
Cost of revenue in Prime Developers	326.22	-
Cost of revenue in Prime Newline AOP	239.18	148.44
	<u>5,860.04</u>	<u>2,035.81</u>
Note 11		
Changes in Stock of Finished Goods and Stock - in- trade		
Stock at Commencement:		
Finished Goods	31.61	65.06
Finished Apartments	466.81	-
	<u>498.42</u>	<u>65.06</u>
Less :		
Stock at Closing:		
Finished Goods	31.61	31.61
Stock in Trade	113.69	-
Finished Apartments	140.91	-
	<u>286.21</u>	<u>31.61</u>
Net Value (A) -(B)	212.21	33.45
Note 12		
Employee Benefits		
Salaries, Wages, Bonus and others	183.49	163.97
Contribution to Provident and other Funds	32.16	27.83
Welfare Expenses	7.89	6.45
Total	<u>223.54</u>	<u>198.25</u>
Note 13		
Finance cost		
Interest on Borrowings	298.35	166.64
Other finance cost	10.68	-
Total	<u>309.03</u>	<u>166.64</u>

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement (Consolidated)

₹ in Lacs

	As at 31st March, 2014	As at 31st March, 2013
Note 14		
Other Expenses		
Insurance	10.01	3.09
Rates and taxes	7.96	18.71
Sitting Fees	2.60	1.95
Power and Fuel Consumed	6.51	6.22
Rent	27.31	27.57
Repairs - Building	0.77	1.44
Other Repairs	8.72	4.92
Communication Expenses	18.27	11.64
Travelling and Conveyance	101.66	78.07
Sales Commission	93.52	11.28
Freight and Forwarding	139.18	14.04
Selling expenses	1.90	0.09
Donation	2.05	0.83
Legal and Professional fees	21.42	31.49
Auditors Remuneration	3.59	2.77
Loss on Sale of Assets	7.72	8.34
Bank Charges	22.44	7.90
Miscellaneous expenses	88.69	39.18
	<u>564.32</u>	<u>269.53</u>
Note 15		
Exceptional Expenses		
Share Warrant Issue expenses	4.77	-
Share of Loss in a Firm of contingent nature	54.61	-
	<u>59.38</u>	<u>-</u>



Notes to the Financial Statement Consolidated (Contd.)

Not 16

Additional information to the financial statements

Consolidated financial statements:

1. Members of the Group:

Prime Urban Development India Limited's subsidiaries and associates are listed below

₹ in Lacs

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	Prime Newline AOP	AOP	75%	23.07.2008
5	Prime Developers	Partnership Firm	50%	15.07.2004

2. Contingent liabilities and commitments

₹ in Lacs

Particulars	As at 31.03.2014	As at 31.03.2013
a. Contingent liabilities (to the extent not provided for)		
Disputed Tax Demands (Including Interest up to the date of demand)		
(a) Sales Tax	9.22	9.22
(b) Income Tax	627.20	716.12
(Tax deposits ₹.207.48 lacs; pr.yr. ₹. 206.86 lacs)		
b. Commitments		
Other money for which the company is contingently liable; Export Documentary bills discounted with Bank (Since Realized- ₹. 410.80 lacs Previous year – ₹. 37.49 lacs)	1,079.15	255.12

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

₹ in Lacs

Particulars	31.03.2014	31.03.2013
(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

4. Expenditure in foreign currency :

₹ in Lacs

Particulars	31.03.2014	31.03.2013
a. Sales commission	44.71	9.86
b. Travelling expenses	24.33	7.80

5. Earnings in foreign exchange :

₹ in Lacs

Particulars	31.03.2014	31.03.2013
a. Export of goods calculated on FOB basis	5,108.20	629.82

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement Consolidated (Contd.)

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

Particulars	31.03.2014		31.03.2013	
	Value	%	Value	%
Traded goods :				
Indigenous	5,294.65	100%	1,887.37	100%
Imported	--		--	

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

b. The accounts of certain Trade Receivables, Trade Payables, Loans & Advances 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.

8. Auditors Remuneration : ₹ in Lacs

Particulars	31.03.2014	31.03.2013
Audit fees	1.74	2.02
Tax Audit fees	0.58	0.17
Other fees	1.27	0.58
Total	3.59	2.77

9. Employee Benefit Plans :

Defined contribution plans :

The company contributed to Super annuation 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	2013-2014	2012-2013
a. Provident Fund Contribution	17.74	14.41
b. Superannuation/Gratuity	13.42	13.42

10. Segment Information :

₹ in Lacs

Segment Revenue:	2013-2014	2012-2013
a. Realty	1,553.54	395.74
b. Textiles	5,774.58	2,174.23
Segment Results :		
a. Realty	106.95	(146.88)
b. Textiles	235.12	169.98
Total	342.07	23.09
Less : Interest	309.02	166.64
Less : Exceptional items	59.38	--
Less : Un-allocable expenditure	4.98	31.84
Profit/(Loss) before expenditure	(31.32)	(175.39)
Less : Extraordinary items	--	--
Profit/(Loss) before tax	(31.32)	(175.39)
Capital Employed		
a. Realty	17,390.08	17,422.82
b. Textiles	1,773.08	703.46

Notes to the Financial Statement Consolidated (Contd.)

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

List of Related Parties and nature of relationships:

Wholly owned subsidiaries :		ATL Textile Processors Limited Manoj Yam Processors Limited Pee Dee Yam Processors Limited
With whom transactions have been entered into :		
(i)	Associates	Aadarsh Jann Aawaash Limited Prime Developers Prime Mall Developers Prime New line AOP Prime Hitech Admin Services LLP
(ii)	Key Managerial Personnel	Mr. Purusottam Das Patodia Chairman & Managing Director Mr. Manoj Kumar Patodia Vice Chairman & Managing Director Mr. Anuj Patodia Managing Director
(iii)	Enterprises having Common Key Management Personnel	Pat Credit Limited Anjana Syntex Co. Limited
(iv)	Relatives of Key Managerial Personnel	Mrs.Indira Devi 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

Sl	Nature of Transaction	Associates	Key Managerial Personnel	Enterprises /Relatives of Key Managerial Personnel	Total
1	Share of Profit / (Loss) from firms	(351.44) (-34.45)	- -	- -	(351.44) (-34.45)
2	Expenses reimbursed from	- (18.30)	- -	- -	- (18.30)
3	Interest paid	- -	(0.24)	1.20 (8.48)	- (8.72)
4	Directors' Remuneration Paid/sitting fees	- -	142.80 (142.34)	1.70 (1.65)	144.50 (143.99)
5	Interest received	0.75 (0.09)	- -	- -	0.75 (0.09)
6	Balance as on 31.3.2014 Amount Payable: Prime Mall Developers	1,270.11 (1,270.11)			1,270.11 (1,270.11)
7	Amount Receivable: Aadarsh Jann Aawaash Ltd Prime Developers Prime Newline AOP	2.30 (0.56) 297.08 (454.95) 681.71 (405.41)			2.30 (0.56) 297.08 (454.95) 681.71 (405.41)

Notes:

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

PRIME URBAN DEVELOPMENT INDIA LIMITED

Notes to the Financial Statement Consolidated (Contd.)

12. Details of Lease arrangements :

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

₹ in Lacs

	Due	Total Minimum Lease Payments Outstanding	Future Interests on Outstanding	Present value of Minimum Lease Payments
1.	Within one year	22.92 (17.38)	5.50 (5.64)	17.42 (11.74)
2.	Between one year to five years	47.84 (54.59)	5.23 (8.50)	42.61 (46.09)
	Total	70.76 (71.97)	10.73 (14.14)	60.03 (57.83)

Figures in bracket are of previous year

13. Earnings Per Share :

₹ in Lacs

	Particulars	As at 31.03.2014	As at 31.03.2013
a.	Profit/(Loss) after tax excluding exceptional items	(10.93)	(175.39)
b.	Less : Exceptional items	(59.38)	--
c.	Profit/(Loss) after tax including exceptional items	(70.31)	(175.39)
d.	Number of Equity shares outstanding	227,43,600	227,43,600
e.	Basic/Diluted Earnings Per Share (EPS) :		
	- EPS excluding exceptional items (a/d)	(0.05)	(0.77)
	- EPS including exceptional items (c/d)	(0.31)	(0.77)
f.	Face value per share - in ₹	2 per share	2 per share

14. Consolidated Financial Statements :

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

15. Deferred Tax Asset/(Liability):

Timing difference comprises of :

₹ in Lacs

	Particulars	As at 31.03.2014	As at 31.03.2013
	Deferred Tax Asset		
1.	Expenses covered by 43B	-	0.13
2.	Carry forward Unabsorbed Depreciation	752.64	855.14
	Total	752.64	855.27
	Deferred Tax Liability		
1.	Depreciation	67.94	53.18
2.	Others	--	-
	Total	67.94	53.18
	Net Deferred Tax Asset/(Liability)	684.70	801.96

As a matter of the prudence, deferred tax asset has not been considered in the accounts.

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



Notes to the Financial Statement Consolidated (Contd.)

Note 17

Significant Accounting Policies

1. General:

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

2. Principles of Consolidation:

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

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

Financial statements of both parent company, its subsidiaries and the firm in which the parent company has substantial interest, have been drawn up to 31st March 2014, the reporting date.

1. Contingent Liabilities:

Contingent liabilities are disclosed to the notes to the Financial Statements and are determined based on the perception of the Management on the eventuality of the liability materiality, contingent thereto.

2. Other Significant Accounting Policies:

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

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

Manoj Kumar Patodia
Vice Chairman & Managing Director

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

N.Rajesh
Partner M.No.212417

Anuj Patodia
Managing Director

Banwarilal Singhal
Director

Place : Mumbai
Date : 09.05.2014

PRIME URBAN DEVELOPMENT INDIA LIMITED



PRIME URBAN DEVELOPMENT INDIA LIMITED

(A Government Recognised Export House)
Regd. Office: 110 Avinashi Road, Gandhinagar P.O., TIRUPUR-641 603

FORM No. MGT 11

Proxy Form

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

CIN: L70200TZ1936PLC000001

Name of the Company: PRIME URBAN DEVELOPMENT INDIA LIMITED

Regd. Office: 110, Avinashi Road, Gandhinagar P.O. TIRUPUR-641 603

Name of the Member(S)

Registered Address:

Email-id Folio/Client id DP id

I/We being the member(s) of shares of the above mentioned company, hereby appoint

1. Name
Address
E-mail id
Signature or failing him/her
2. Name
Address
E-mail id
Signature or failing him/her
3. Name
Address
E-mail id
Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the Annual General Meeting of the company to be held on Thursday, the 14th August 2014 at 11.00 a.m. at the Registered Office of the company, 110 Avinashi Road, Gandhi Nagar P.O., Tirupur-641603 and at any adjournment thereof in respect of such resolutions set out in the notice convening the meeting, as are indicated below:

Resolution No.

1. To approve the financial statements of the company for the year ended 31st March 2014
2. To approve the auditors appointment and remuneration
3. To appoint Mr. Banwarilal Singhal as an Independent Director of the company
4. To appoint Mr. N.K. Bafna as an Independent Director of the company
5. To appoint Mr. Venkat Ramaswamy as an Independent Director of the company

Signed this day of 2014

Signature of Shareholder

Signature of Proxy Holder

Affix one rupee 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 AGM