

# Prime Urban Development India Ltd

Investor Presentation - November, 2017



# Safe Harbor

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# About Us



## Company Background



### Tamil Nadu

- Tamil Nadu contributes 8.16% to Indian GDP
- Industrial growth and IT remains the dominant driver for the Real Estate market



— we make your dreams come true —  
**PRIME URBAN**  
DEVELOPMENT INDIA LTD

### Brief Profile

Promoted by the Patodia Family, we are 80 year old company with extensive experience in Textiles. For last 10 years we are in Real Estate Development with sole focus on Southern Indian state of Tamil Nadu

- **Prime Urban Enclave Apartment** - First of its kind township in city of Tirupur. The Project was conceived with a single-minded objective to create a new level of residential luxury in Tirupur
- **THE ONYX Villa** - The project consists of luxurious Villas amidst breathtaking, lush landscaping and an array of recreation which is available inside the gated community
- **Developed Land** - The Company has taken up Developed Land Projects and successfully completed sale of Land measuring over approximately 2,56,000 sq. ft. in 2015-16, 2016-17 & 2017-18

# Our Ethos

## Bottom-line Oriented

Group undertakes Real Estate projects across the value chain with an objective of earning high IRR

## State of the Art Projects

We design and timely deliver state of the art projects and are pioneers in city of Tirupur

## Asset Light Model

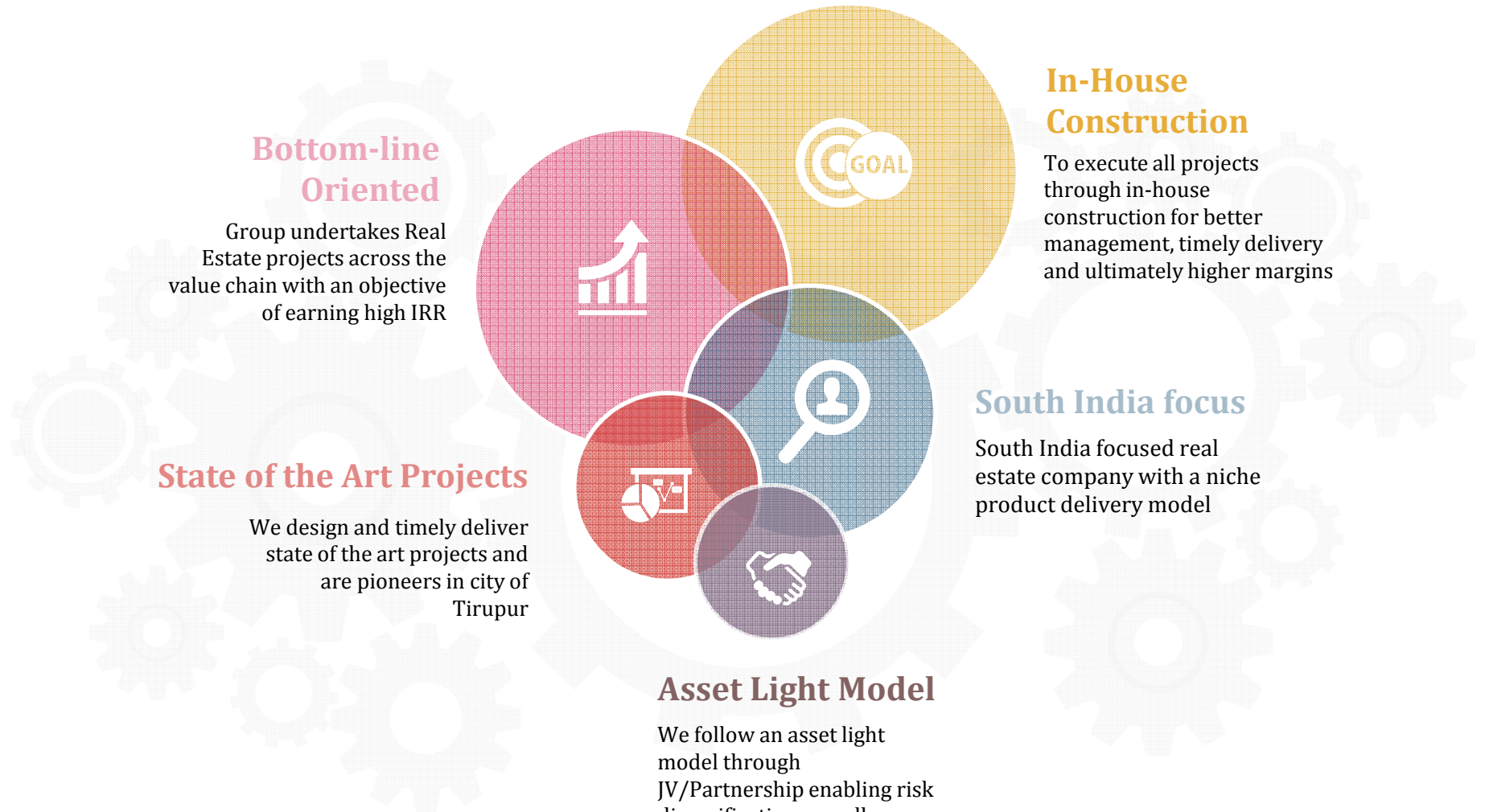
We follow an asset light model through JV/Partnership enabling risk diversification as well as high ROCE

## In-House Construction

To execute all projects through in-house construction for better management, timely delivery and ultimately higher margins

## South India focus

South India focused real estate company with a niche product delivery model



# Visionary Promoter

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**P.D. Patodia**

Chairman & Managing Director

He is mentor of the group with vast experience over five decades in textiles management and exports

- Chairman of standing Committee on Cotton in CITI (Cotton Development Research Association)
- Headed Cotton Textiles Export Promotion Council (TEXPROCIL)
- Headed Federation of Indian Exports Organization (FIEO)
- Headed the Confederation of Indian Textiles Industry (CITI)

# Leadership Team



**Manoj Patodia**

Vice Chairman & Managing Director

- Vast experience in Textiles and Realty Segments
- Executive Council Committee member of
  - Indian Merchants Chamber
  - Cotton Textile Export Promotion Council
- Executive Committee Member of
  - Federation of Indian Chambers of Commerce and Industry (FICCI)
  - All India Exporters Chamber



**Anuj Patodia**

Managing Director

- Rich experience in the field of Textiles and Real Estate Development.
- Active member of the Mumbai Chapter of the Entrepreneurs Organization (EO)



**T. Paul Sugumaran**

Whole Time Director

- Knowledge base in the field of Civil Engineering
- Over three decades of experience
- Heading the Real Estate business operation

# ...supported by Board of Directors

**N.K.Bafna**



**Sr. Partner  
Lodha & Co**

- Chartered Accountant
- More than 40 years of experience
- Chairman of the Stakeholders Relationship Committee
- Member of Audit Committee and Nomination and Remuneration Committee

**B.L.Singhal**



**Sr. Partner  
B.L.Singhal & Co**

- Chartered Accountant
- More than 40 years of experience
- Chairman of the Audit Committee and Nomination and Remuneration Committee.
- Member of Stakeholders Relationship Committee

**Venkat Ramaswamy**



**Promoter Director  
Edelweiss**

- Director of Edelweiss Financial Services Ltd, Edelweiss Tokio Life Insurance Company Ltd, Edelweiss Holdings Ltd, Edelweiss Capital (Singapore) Pte. Ltd, Edelweiss Alternative Asset Advisors Pte. Ltd
- Member of Nomination and Remuneration Committee of the Company.
- Member of Share Transfer Committee, Stakeholders Relationship Committee & Corporate Social Responsibility Committee of Edelweiss Financial Services Ltd

**Ryna Zaiwalla Karani**



**Partner  
ALMT Legal**

- BA & LLB
- Practicing Lawyer
- Member of Bar Council of Maharashtra & Goa, Member of Bombay Bar Association, Member of Society of Women Lawyers – India
- Independent Director on the Board of various Listed as well as Unlisted entities
- Vast experience in the fields of M&A, Private Equity, Banking and Finance



# Evolution – From Textiles to Real Estate



2016

## Sale of Developed Land Project

Sold approximately 2,56,000 Sq. ft. of Developed Land in the year 2015-16, 2016-17 & 2017-18



2008

## Entry of FDI Partner and Launch of THE ONYX Villa

THE ONYX- comprising 34 independent high-end villas has received an encouraging response. New Line Buildtech Pvt. Ltd became our FDI Partner and invested in our Company in the year 2008. The Textile Spinning Unit Ceases to be in Operation with effect from 31st March, 2008



2007

## Commercial Mall

Sold Land to Reliance Prolific Traders Pvt. Ltd for mall development



2005

## Entry into Real Estate and Launch of Prime Enclave Vistas

Prime Urban Development India Limited changed into realty business in the year 2005. Its pilot project – Prime Enclave Vistas comprising 376 luxury apartments for the first time in Tirupur was an outstanding success



1988

## Patodia Group

The Patodia Group taking over the company, emerged as an Export House for supply of high quality cotton yarns and knitted garments.



1936

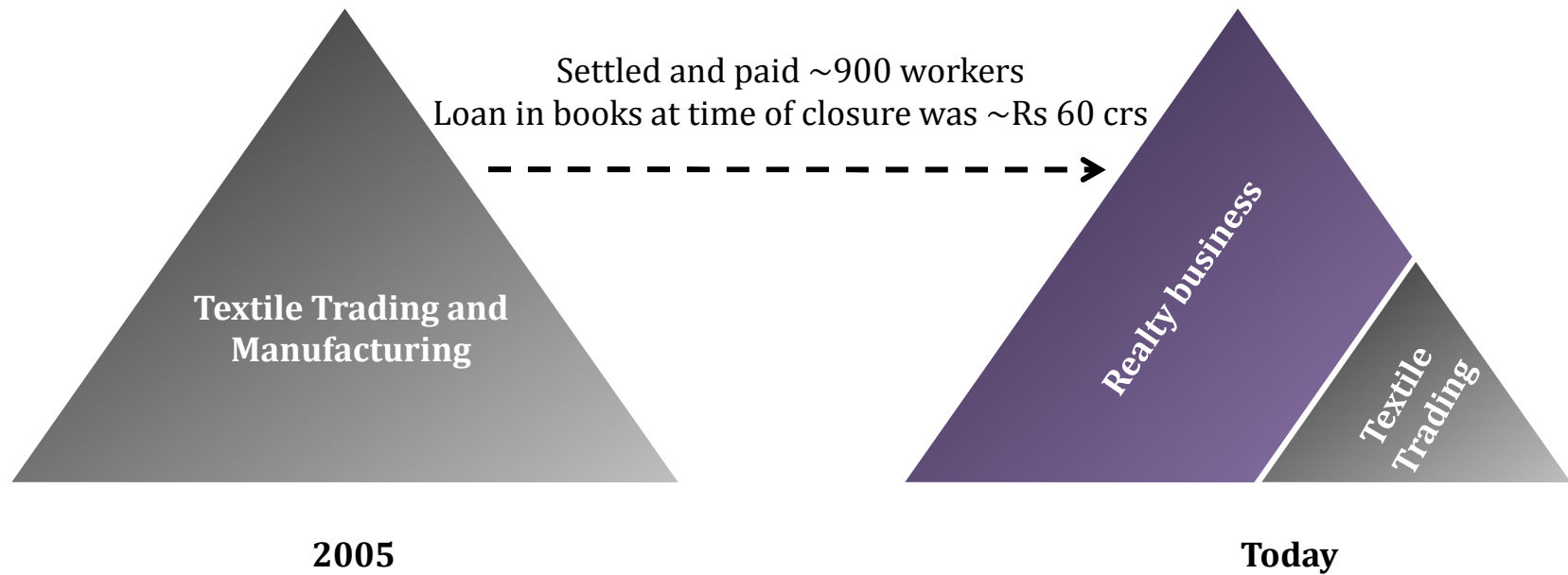
## Incorporation

Incorporated as Asher Textiles Limited in the year 1936. Later established a Spinning Unit at Tirupur

# Transitioned to Real Estate



## Closure of Textile Manufacturing Business in 2008



Focus shall be Real Estate Development in South India

# Award



- Onyx Project in Tirupur has received the “**Best Project in Non-Metro Commercial Award**”
- **Project received from the “Magppie Estate Award”**
- Award gives recognition to our commitment, hard work and desire to deliver unique experiences
- Adds enormously to our Brand Equity



## Business Strategy



# Affordable Housing a big opportunity



## A Rs. 6.25 Trillion Opportunity in Housing Segment



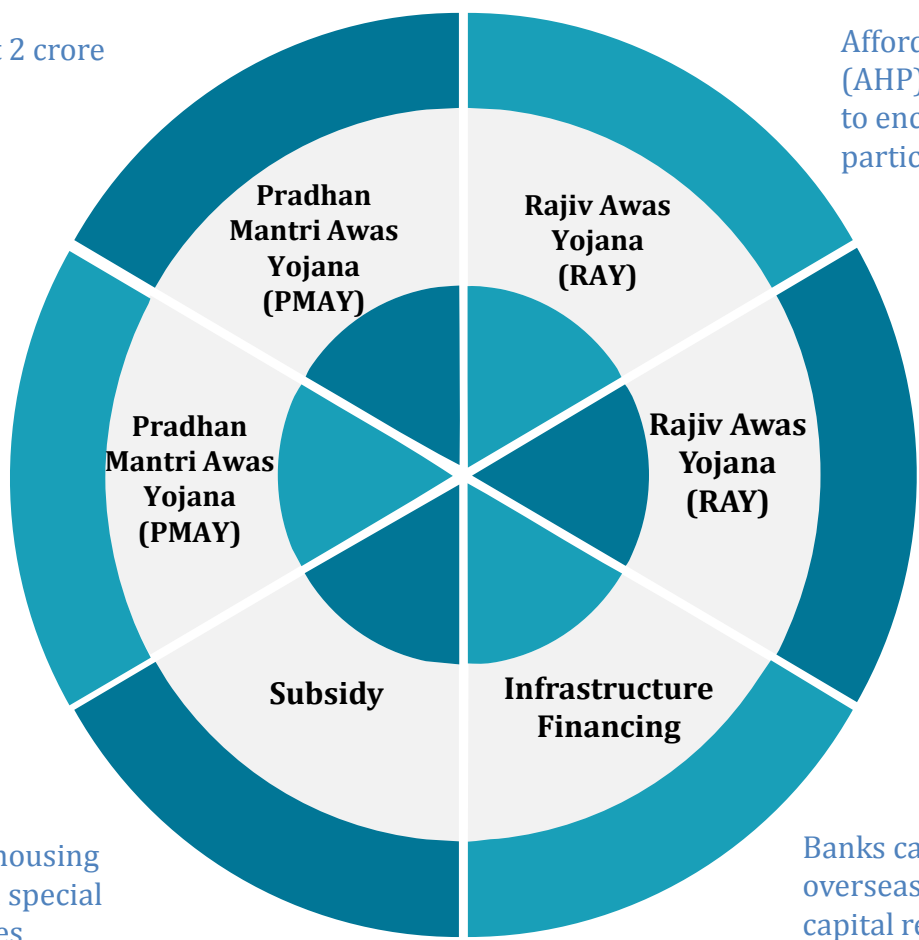
- Shortage of almost 1.80 crore units in affordable housing segment showcases a huge opportunity in the segment
- Demand to be supported by:
  - Growing population
  - Young demographic profile
  - Shift towards nuclear families
  - Rapid urbanization
- Till now the segment was catered by Govt. undertakings and by smaller unorganized developers
- Participation of organized developers would increase in the affordable housing segment with various tax incentives announced by the Govt.

# Huge levers for Organized players



Target to construct 2 crore houses by 2022

Affordable Housing in Partnership (AHP) approved by the government to encourage private sector participation



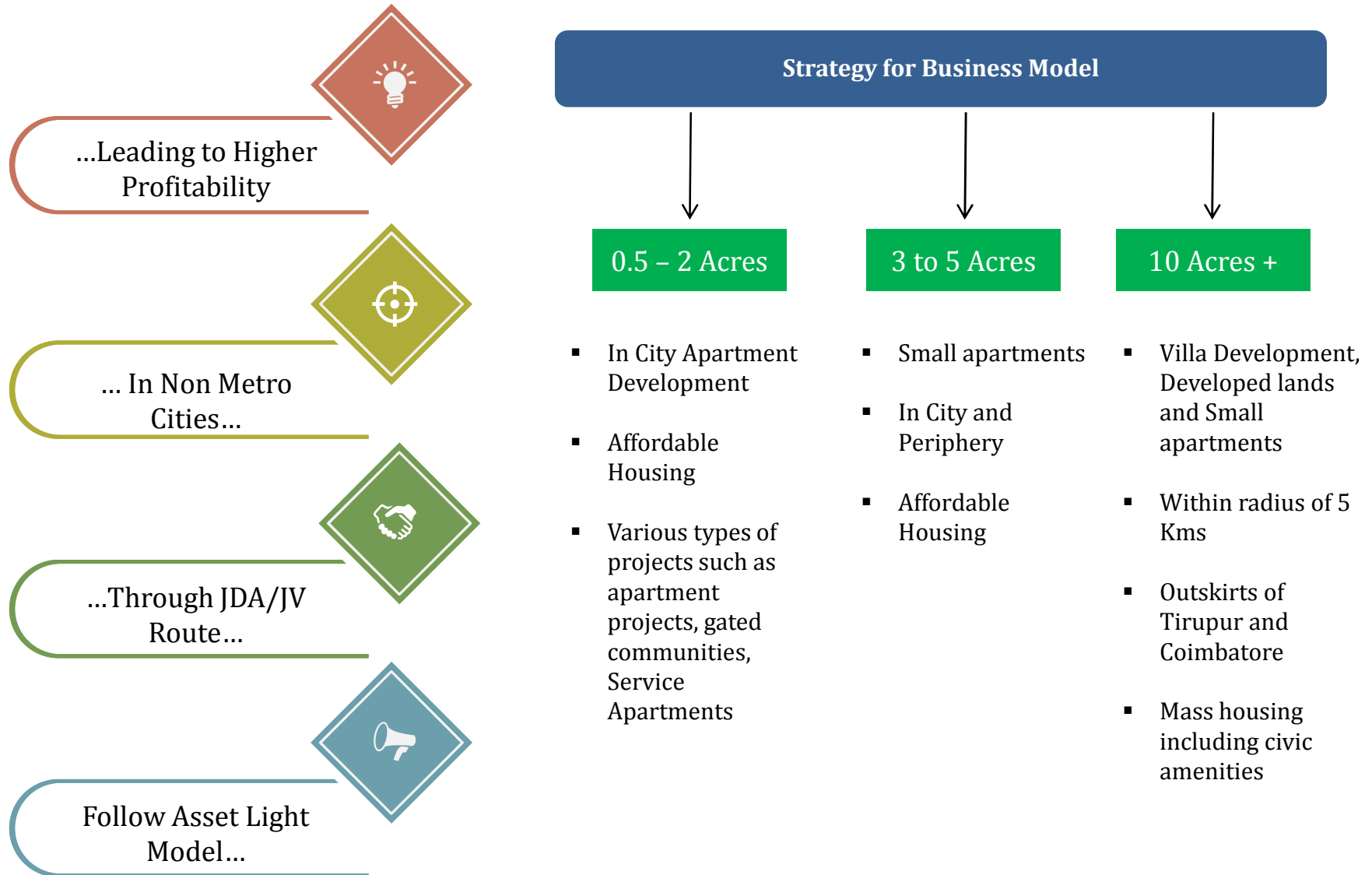
15.6 Lakh houses already approved with an investment of Rs. 84,150 crore

21 projects have been sanctioned in Karnataka, Gujarat and Rajasthan for the construction of 24,141 dwelling units (DUs) under RAY

Interest subsidy on housing loans to females and special category beneficiaries

Banks can now issue Rupee bonds overseas (Masala bonds) for their capital requirements and also for financing infrastructure and affordable housing

# Strategy - Realty Focus





## Current Projects



# Strong Brand in South India

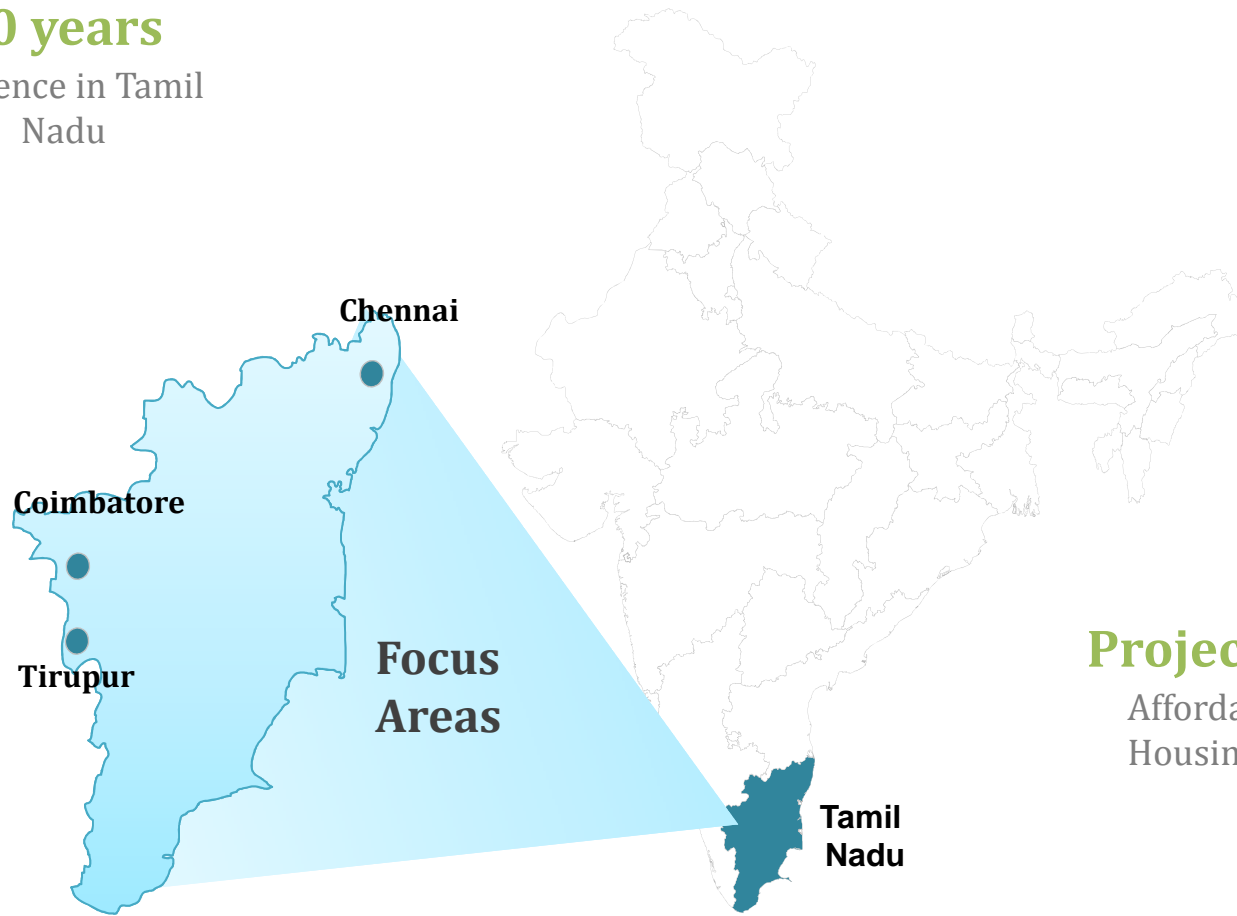


**80 years**

Presence in Tamil Nadu

**10 years**

Exposure in Real Estate

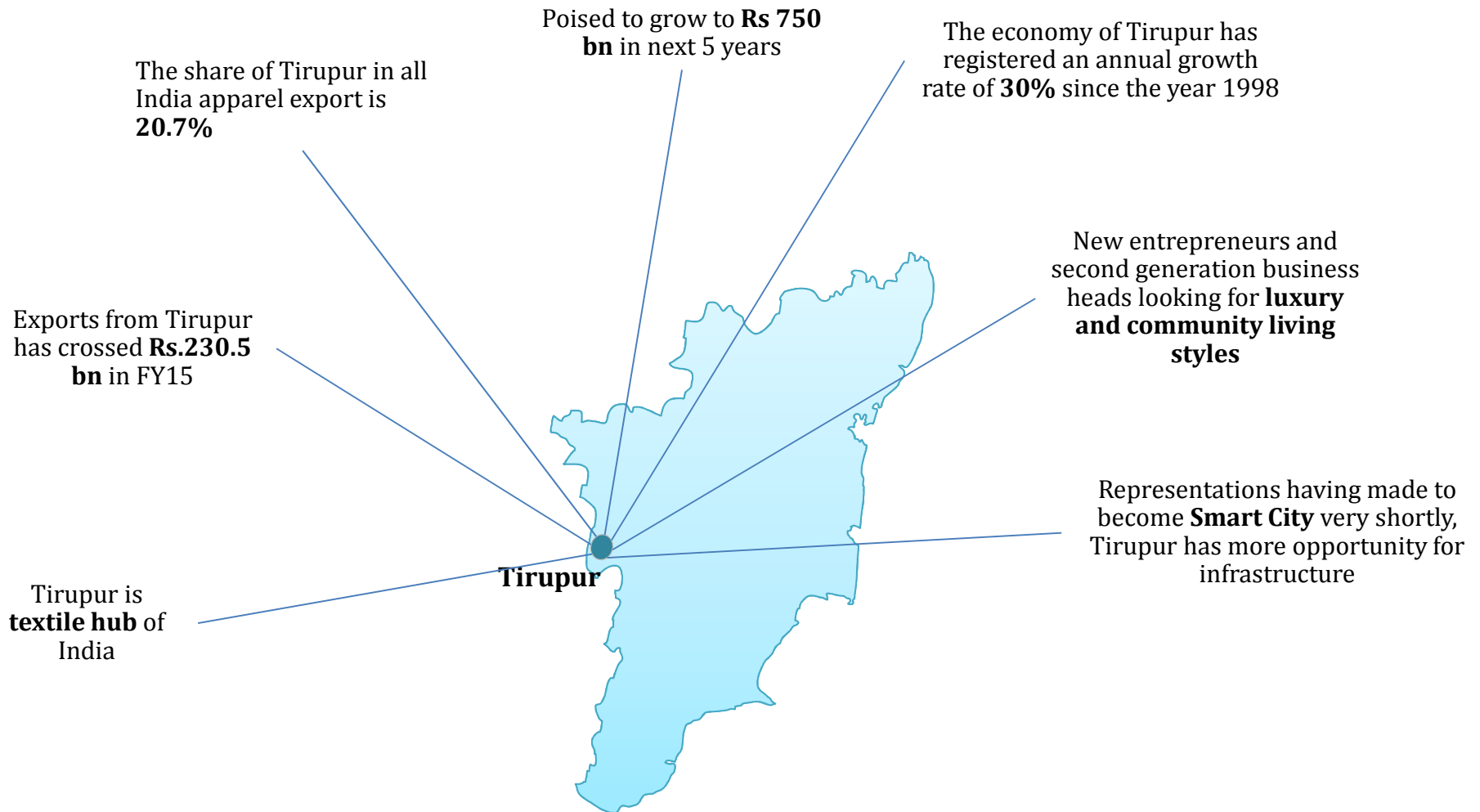


## Project Type Targeted

Affordable Housing projects  
Housing for All

**We are bottom line focused company**

# Tirupur - Our Current Focus

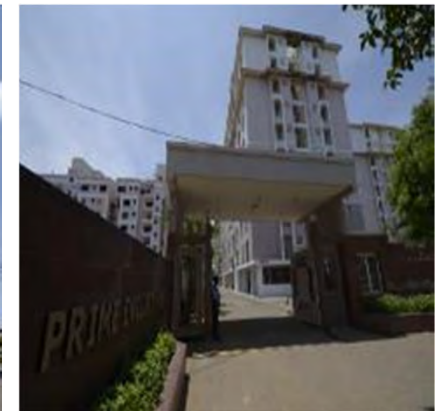


Source - TEA-Tirupur Export Assn

Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

# Prime Enclave Vistas

- About:
  - Basement + stilt + Nine Floor Apartment
  - First of its kind in Coimbatore region
  - Consist of 376 apartments
- Location:
  - Avinashi Main Road, heart of Tirupur
- Type:
  - 2BHK, 3BHK, Penthouse
- Status:
  - Fully sold out & Occupied
  - Hand over to flat owners association completed



# THE ONYX - Villas

- About:
  - Singularly distinctive independent Villas
  - Consists of independent villas, starting with land area of 5,000 sft
- Location:
  - Avinashi Main Road, heart of Tirupur
- Type:
  - Lower ground, ground and two floors
- Status:
  - Project Completed





# Commercial Mall

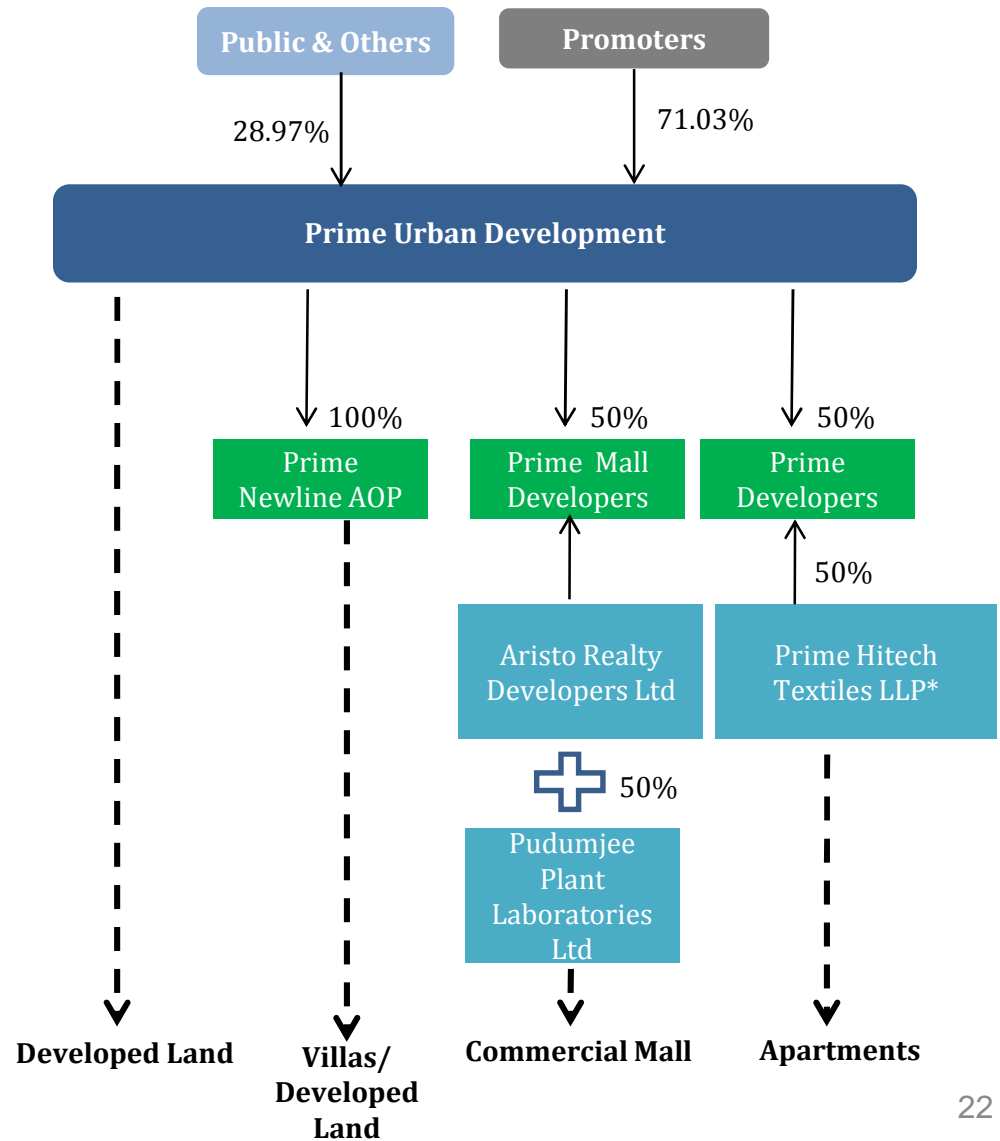
- **About:**
  - Sold land to Reliance Prolific Traders Private Limited for Mall development
- **Location:**
  - Avinashi Main Road, heart of Tirupur
- **Type:**
  - Mall consist of Multiplex theatres, food court, banquet hall, entertainment hub, retail
- **Status:**
  - Construction agreement entered with Reliance Prolific Traders Private Limited



# Corporate Structure



- PRIME ENCLAVE VISTAS
- THE ONYX – VILLA PROJECT
- DEVELOPED LAND PROJECT
- COMMERCIAL MALL



\* Previously known as Prime Hitech Admin Service LLP



## Financials

# Profit & Loss Statement

Rs. Cr	H1 FY18*	FY17^	FY16^	FY15^	FY14^
<b>Revenue</b>	<b>29.44</b>	<b>56.88</b>	<b>72.19</b>	<b>58.18</b>	<b>73.08</b>
Direct Expenses	24.76	35.94	38.83	43.8	62.03
Employee Expenses	1.38	2.73	2.64	2.44	2.24
Other Expenses	3.15	6.01	5.54	5.72	5.64
<b>EBITDA</b>	<b>0.14</b>	<b>12.20</b>	<b>25.18</b>	<b>6.21</b>	<b>3.17</b>
<b>EBITDA Margin</b>	<b>0.46%</b>	<b>21.44%</b>	<b>34.88%</b>	<b>10.68%</b>	<b>4.34%</b>
Other Income	2.17	1.27	1.00	0.36	0.42
Depreciation	0.16	0.36	0.29	0.24	0.22
<b>EBIT</b>	<b>2.15</b>	<b>13.11</b>	<b>25.89</b>	<b>6.33</b>	<b>3.37</b>
<b>EBIT Margin</b>	<b>7.30%</b>	<b>23.04%</b>	<b>35.86%</b>	<b>10.88%</b>	<b>4.61%</b>
Finance costs	1.72	0.58	2.12	3.86	3.09
<b>PBT before Extraordinary Items</b>	<b>0.43</b>	<b>12.53</b>	<b>23.77</b>	<b>2.49</b>	<b>-0.31</b>
Extraordinary Items	-	-	5.55	0.02	-0.59
<b>PBT</b>	<b>0.43</b>	<b>12.53</b>	<b>18.22</b>	<b>2.49</b>	<b>-0.31</b>
Tax	0	2.82	3.73	0.51	0.39
<b>PAT</b>	<b>0.43</b>	<b>9.71</b>	<b>14.49</b>	<b>1.98</b>	<b>-0.7</b>
<b>PAT Margin</b>	<b>1.46%</b>	<b>17.06%</b>	<b>20.07%</b>	<b>3.40%</b>	<b>-0.96%</b>

\* Standalone (As per IndAS)

^ Consolidated (As per IGAAP)

# Standalone Balance Sheet – As per IndAS



— we make your dreams come true —  
**PRIME URBAN**  
 DEVELOPMENT INDIA LTD

Rs. Cr	Sept-17	Mar-17
<b>Non Current Assets</b>		
Property, Plant and Equipment	6.83	8.89
Capital WIP	0.46	0.46
Financial Assets		
Investments	48.36	7.31
Others	0.24	0.05
<b>Total Non-Current Assets</b>	<b>55.89</b>	<b>16.71</b>
<b>Current Assets</b>		
Inventories	57.99	12.08
Financial Assets		
Investments	4.93	2.02
Trade Receivables	4.57	5.17
Cash & Cash Equivalents	1.49	0.46
Bank balances	0.18	0.14
Loans	17.69	20.69
Current Tax Asset (Net)	2.09	1.99
Other Current Assets	0.79	0.35
<b>Total Current Assets</b>	<b>89.76</b>	<b>42.90</b>
<b>Total Assets</b>	<b>145.65</b>	<b>59.61</b>

Rs. Cr	Sept-17	Mar-17
<b>Equity</b>		
Share Capital	5.33	5.33
Other Equity	22.88	25.31
<b>Total Equity</b>	<b>28.21</b>	<b>30.64</b>
<b>Non Current Liabilities</b>		
Other Financial Liabilities	5.54	5.55
Other Non current Liabilities	12.70	12.70
<b>Total Non current Liabilities</b>	<b>18.24</b>	<b>18.25</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Trade Payables	41.34	2.85
Other	1.91	0.66
Borrowings	55.89	4.79
Provisions	0.06	2.43
<b>Total Current Liabilities</b>	<b>99.21</b>	<b>10.73</b>
<b>Total Equity &amp; Labilities</b>	<b>145.65</b>	<b>59.61</b>



# Consolidated Balance Sheet

Rs. Cr	Mar-17^	Mar-16^	Mar-15^	Mar-14^
Share Capital	5.33	5.33	5.33	4.55
Reserves & Surplus	25.28	14.00	29.81	26.91
Business Reconstruction Reserve	-	29.04	116.29	127.2
Money received against share warrant	-	-	-	0.49
<b>Shareholders Fund</b>	<b>30.61</b>	<b>48.37</b>	<b>151.43</b>	<b>159.15</b>
Long Term Borrowings	0.39	0.65	0.23	0.43
Other Long Term Liabilities	12.70	12.70	13.36	13.16
<b>Total Non Current Liabilities</b>	<b>13.09</b>	<b>13.35</b>	<b>13.59</b>	<b>13.59</b>
Short Term Borrowings	18.78	17.69	30.19	32.28
Trade Payables	3.67	2.40	2.55	3.13
Other Current Liabilities	1.32	1.20	3.23	3.28
Short term provision	2.43	1.78	1.43	0.48
<b>Total Current Liabilities</b>	<b>26.19</b>	<b>23.07</b>	<b>37.40</b>	<b>39.17</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>69.90</b>	<b>84.79</b>	<b>202.41</b>	<b>211.90</b>

Rs. Cr	Mar-17^	Mar-16^	Mar-15^	Mar-14^
Fixed Assets	9.88	31.96	146.94	158.10
Non Current Investments	4.57	0.06	0.06	0.06
Long term loans & advances	-	4.35	6.76	5.20
Other Non Current assets	-	-	-	-
<b>Total Non Current Assets</b>	<b>14.45</b>	<b>36.37</b>	<b>153.76</b>	<b>163.36</b>
Current Investment	2.02	-	0.06	0.64
Inventories	32.43	31.19	31.23	31.40
Trade Receivables	7.16	3.05	8.05	3.42
Cash & Cash Equivalents	1.00	2.59	1.28	3.26
Short Term loans & Advances	10.78	9.40	1.55	3.22
Other current asset	2.07	2.19	6.49	6.59
<b>Total Current Assets</b>	<b>55.44</b>	<b>48.42</b>	<b>48.65</b>	<b>48.53</b>
<b>TOTAL ASSETS</b>	<b>69.90</b>	<b>84.79</b>	<b>202.41</b>	<b>211.90</b>

^ As per I-GAAP

## For further information, please contact:

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### Investor Relations Advisors :

#### **Strategic Growth Advisors Pvt. Ltd.**

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