

25th

ANNUAL REPORT

2016-2017



PRIME INDUSTRIES LIMITED



PRIME INDUSTRIES LIMITED

Annual Report 2016-2017

BOARD OF DIRECTORS

Mr. R.K. Singhania (Managing Director)
Mr. Harjeet Singh Arora
Mr. Ashwani Kumar
Mr. Darshanjit Singh Minocha
Mr. Rajiv Kalra
Mrs. Parveen Singhania

COMPANY SECRETARY

Ms. Sharon Arora

STATUTORY AUDITORS

M/s Sukhminder Singh & Co.
Chartered Accountants
170-A, Model House,
Ludhiana, Punjab-141002.

REGISTRAR & SHARE TRANSFER AGENTS

Skyline Financial Services (P) Ltd.
D-153/A, First Floor, Okhla Industrial Area,
Phase-I, New Delhi.
Ph: 011-26812682/83/84, Fax: 011-26812681
Email: admin@skylinerta.com

BANKERS

Oriental Bank of Commerce
Feroze Gandhi Market,
Ludhiana

CHIEF FINANCIAL OFFICER

Mr. Kashmir Singh

SECRETARIAL AUDITORS

M/s Rajeev Bhambri & Associates
Company Secretaries
SCO No.9, Jandu Tower, Miller
Ganj, Ludhiana, Punjab-141001.

REGISTERED OFFICE

Master Chambers, 19,
Feroze Gandhi Market,
Ludhiana, Punjab-141001.
Phone: 0161-3911525
Email: prime_indust@yahoo.com

HDFC Bank Ltd
Mall Road,
Ludhiana

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To,

The Members,

The Directors of Prime Industries Limited (PIL) have great pleasure in presenting their 25th Annual Report of the company together with the audited statements of accounts for the financial year ended 31st March, 2017 along with report of the Statutory Auditors thereon.

1. Financial summary of the Company

The summary of financial results of the Company for the period ended 31st March, 2017 is as under:

(Rs.In Lacs)

PARTICULARS	Figures for the year ended 31 st March, 2017	Figures for the year ended 31 st March, 2016
Total Revenue	43.65	59.84
Total Expenses	42.94	57.61
Profit Before Tax	0.71	2.23
Tax Expense	0.04	0.39
Profit For The Period	0.67	1.84

2. Management Discussion & Analysis

During the year under review, your Company has registered gross operating & other income of Rs. 43.65 Lacs as compared to Rs. 59.84 Lacs in previous year.

3. Dividend

Keeping in view the present economic situations, the board recommends retaining the earnings in the Company hence, the Board has not recommended any dividend on the equity share capital of the Company.

4. Reserves

No amount is being transferred to reserve & surplus in the current year.

5. Brief description of the Company's working during the year.

In this year of its operations, i.e. FY 2016-17, your company's revenue during the year under review decreased to Rs. 43.65 Lacs as compared to Rs. 59.84 Lacs in previous year. Your company's Net Profit after tax also came down to Rs. 0.71 Lacs as compared to Rs.2.23 Lacs in the previous year.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

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

7. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

During the year under review no significant and material orders have been passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

8. Adequacy of Internal Control.

The Company has a proper and adequate system of internal control, to ensure that all assets are safeguarded, properly utilized and protected against loss from un-authorized use or disposition and



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those transactions are authorized and recorded by the concerned departments properly and reported to the Audit Committee/Board correctly.

The Company has also in place adequate internal financial controls with reference to financial statements. Such controls are tested from time to time and no reportable material weakness in the design or operation has been observed so far.

9. **Subsidiary/Joint Ventures/Associate Companies.**

The Company did not have any Subsidiary, Joint Venture or Associate Company during the year under review.

10. **Deposits.**

The Company has not accepted any public deposits pursuant to the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules made there under and as such, no amount on account of principal or interest on Public Deposits was outstanding on the date of the Balance Sheet.

11. **Auditors**

(a) Statutory Auditors

M/s Sukhminder Singh & Co., Chartered Accountants, were appointed as the statutory auditors of the company, for the term of three years i.e from the financial year 2014-15 to the financial year 2016-17, their appointment was being ratified by the shareholders of the company at every Annual General Meeting.

As per the provision of the Companies Act, 2013 M/s Sukhminder Singh & Co., the statutory auditors of the company, can continue as the statutory auditors of the company till financial year 2018-19.

The Board on recommendation of the Audit Committee recommends the appointment of M/s Sukhminder Singh & Co., Chartered Accountants as the Statutory Auditors of the Company.

Consequently, the Board of Directors in its meeting held on 30.05.2017 has appointed M/s Sukhminder Singh & Co., Chartered Accountants, as the Statutory Auditors of the Company for a term of 2 years from the conclusion of the ensuing 25th AGM of the Company till the conclusion of 27th AGM of the Company.

M/s Sukhminder Singh & Co., Chartered Accountants has furnished a certificate to the effect that their appointment, if made, at the ensuing AGM, will be within the limits prescribed under Section 141 of the Companies Act, 2013.

M/s. Sukhminder Singh & Co., Chartered Accountants, hold office till the conclusion of 27th Annual General Meeting subject to annual ratification by the members at the respective AGM.

Members are requested to consider their re-appointment and authorize the Board of Directors to fix their remuneration for the year 2017-18.

(b) Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act 2013, your Company had appointed M/s Rajiv Bhambri & Associates, Company Secretaries in practice, Ludhiana as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2016-17. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2016-17 is annexed to this report.

12. **Auditors' Report**

M/s Sukhminder Singh & Co., Chartered Accountants, Statutory Auditors of the Company, have audited the accounts of the Company for the year 2016-17 and their Report is annexed. Pursuant to Section 143(3)(i) of the Companies Act, 2013, the Statutory Auditors have also reported on the adequacy and operating effectiveness of the internal financial controls system over financial reporting, which has been enclosed as 'Annexure' to Independent Auditor's Report. Significant



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Audit observations, if any, and corrective actions taken by the Management are presented to the Audit Committee of the Board from time to time. There are no qualifications, reservations or adverse remarks or disclaimers made in the Auditor's Report.

13. Extract of the annual return

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 are included in this Report and form an integral part of this Report.

14. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information with respect to Conservation of energy, technology, absorption, foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable because there are no manufacturing activities in the Company.

15. Directors & Key Managerial Personnel

The Company's Board comprised six Directors as on March 31, 2017, viz., Mr. Rajinder Kumar Singhania, Managing Director (Promoter / Chairman), Mr. Harjeet Singh Arora, Non-Executive Director / Promoter, Mrs. Parveen Singhania, Non-Executive Woman Director / Promoter, Mr. Darshanjit Singh Minocha, Non-Executive, Non-Independent Director, and two Independent Directors Mr. Ashwani Kumar and Mr. Rajiv Kalra.

The Board, therefore, presently comprises of six Directors.

(a) Statement on Declaration by Independent Directors

The Company has received declaration from each independent director under Section 149(7) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), that they meet the criteria of independence laid down in the Companies Act, 2013 and Listing Regulations.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the Declarations received by the Company under Section 149(7) of the Companies Act, 2013 the following Non-Executive Directors are identified as Independent Directors of the Company as on March 31, 2017:

i) Mr. Ashwani Kumar

ii) Mr. Rajiv Kalra

(b) Appointment / Re-appointment / Resignation / Retirement of Directors.

In order to ensure compliance with Section 152(6) of the Act, the Board has considered Mr. Darshanjit Singh Minocha, Director, being longest in office, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment, for ensuring compliance with Section 152(6) of Act.

Relevant details, including brief profile of the Director seeking appointment / re-appointment at the ensuing Annual General Meeting, have been furnished in the Notice of the Annual General Meeting.

There were no appointments/Resignations of Directors/Key Managerial Personnel during the Financial Year 2016-17.

(c) Remuneration to Directors/Employees and related analysis.

During the year under review, no employee of the Company received salary in excess of the limits as prescribed under the Act. Accordingly, no particulars of employees are being given pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



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The details pertaining to the ratio of the remuneration of each director to the median employee's remuneration and other prescribed details as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith and forms part of the Directors' Report.

(d) Key Managerial Personnel

Mr. Rajinder Kumar Singhania, Managing Director, Mr. Kashmir Singh, Chief Financial Officer and Ms. Sharon Arora, Company Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and rules made thereunder.

16. Number of meetings of the Board of Directors

The board meetings are convened by giving appropriate notice after obtaining the approval of the Managing Director. The Board meets at least once a quarter to review the results and other items on the agenda, once a year for on the occasion of the annual shareholders' meeting. When necessary, additional meetings are held.

The agenda of the board meetings is drafted by the Company Secretary along with the explanatory notes and these are distributed in advance to the directors. Every Board member is free to suggest the inclusion of items on the agenda. The agenda papers are prepared by the concerned officials of the respective department and are approved by the Managing Director. Agenda papers are circulated to the Board by the Company Secretary. Additional items on the agenda are permitted with the permission of the Chairman. All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval/ decision in the board/ committee meetings.

All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the board meetings.

The Board also passes resolutions by circulation on need basis.

Minutes of the proceedings of the board meeting are prepared within 48 hours of the meeting. Draft minutes are circulated to the Chairman for his comments. The minutes of all the Committees of the Board of Directors of the Company are placed before the Board.

The quarterly, half-yearly and the annual results are first placed before the Audit Committee of the Company and thereafter the same are placed before the Board of Directors.

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the Board through circulation from time to time.

The Board met four (4) times during the FY 2016-17 viz. on May 30, 2016, August 13, 2016, November 15, 2016 and February 14, 2017.

17. Committees of the Board

The Company has several Committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

• Audit Committee

To ensure the composition & independence of the Committee as per the Companies Act, 2013, the Audit Committee's composition and terms of reference are in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Audit Committee is comprised of two Non- Executive Independent Directors and one Non-Executive/ Non-Independent Director viz. Mr. Ashwani Kumar (Non- Executive/Independent Director) Mr. Rajiv Kalra (Non- Executive/Independent Director) and Mr. Harjeet Singh Arora (Non-Executive/Non-Independent Director). All the Members of Audit Committee are financially literate and have accounting knowledge to interpret and understand the financial statements. Mr. Ashwani



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Kumar is re-confirmed to be the Chairman of the Audit Committee.

The Audit Committee meetings were held at the Registered Office of the Company and Statutory Auditor, Company Secretary and Head of Accounts Department are permanent invitees to the meetings. The Company Secretary of the Company acts as the secretary of the Committee. During the year Audit Committee members, met four (4) times on May 30, 2016, August 13, 2016, November 15, 2016 and February 14, 2017.

• **Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee is constituted in linewith the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The Stakeholders' Relationship Committee of Board (SRC) comprises Mr. Harjeet Singh Arora (Chairman), Mr. Darshan Jit Singh Minocha (Member). SRC monitors redressal of complaints received from shareholders/ investors with respect to transfer of shares, non-receipt of dividend, non-receipt of Annual Reports etc. SRC also takes note of number of transfers processed, issue of fresh share certificates, top shareholders etc.

During the FY 2016-17, no complaints were received. There was no complaint outstanding as on 31st March, 2017. Also, no instruments of transfer were pending as on 31st March, 2017. The Company Secretary is the Compliance Officer of the Committee. The Committee meets as and when required, to deal with the investor related matters etc

- One meeting of the stakeholders' relationship committee was held during the year.

18. **Listing / De-listing of Shares**

The Shares of your Company are presently listed on The Bombay Stock Exchange Limited, Mumbai (BSE) and the Annual Listing Fees for the year 2017-18 has already been paid to it.

19. **Details of establishment of vigil mechanism for directors and employees**

The Company has implemented a Whistle Blower Policy pursuant to which Whistle Blowers can raise concerns relating to Reportable Matters (as defined in the policy) such as breach of Company's Code of Conduct. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and also available on the website of the Company and can be accessed at

<http://www.primeindustrieslimited.com/PIL%20WHISTLE%20BLOWER.pdf>.

20. **Familiarization programme for Independent Directors.**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at

[http://www.primeindustrieslimited.com/FAMILARISATION_PROGRAMME_PIL\(1\).pdf](http://www.primeindustrieslimited.com/FAMILARISATION_PROGRAMME_PIL(1).pdf)

21. **Particulars of loans, guarantees or investments under section 186.**

During the year under review, the company has not given any loan, guarantee, provided security to any person or other body corporate or acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding the limits prescribed under section 186 of the Companies Act, 2013.



22. Particulars of contracts or arrangements with related parties:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the

link:<http://www.primeindustrieslimited.com/Policy%20on%20related%20party%20-PIL.pdf>.

Your Directors draw attention of the members to Note 21 to the financial statement which sets out related party disclosures.

23. Insider Trading Regulations.

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**Code of Fair Disclosure**") and the Code of Conduct to regulate, monitor and report trading by employees and other connected persons ("**Code of Conduct**") as approved by the Board on 14.05.2015 are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated employees and Specified Persons. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Designated employees and Specified Persons from trading in the securities of the Company at the time when there is unpublished price sensitive information.

24. Risk management policy

The Company has adopted Risk Management Policy which has been approved by the board of Directors of the Company. The aim of the Risk Management Policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management policy may be accessed on the Company's website at the link: <http://primeindustrieslimited.com/Risk%20management%20policy%20-%20PIL.pdf>

25. Human Resources Development

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. The relations at all levels of the Company have remained very cordial throughout the year.

26. Corporate Governance Certificate

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. However, since the Company does not fulfill the criteria mentioned in Regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliances with regard to corporate governance provisions are not applicable to the Company.

27. Corporate Social Responsibility

The provisions of Section 135 of Companies Act, 2013 are not applicable on the Company.



28. Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

The Company has zero tolerance for sexual harassment at the workplace, and has adopted a 'Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace', in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Policy aims to provide protection to women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment.

29. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Acknowledgements

Your Directors are pleased to place on record their appreciation and express their gratitude to the Company's Bankers, Clients, Advisors and Business Associates for their continued and valuable co-operation and support to the company from time to time.

Your Directors also wish to express their gratitude to investors for the faith that they continues to repose in the Company.

Your Directors would also like to place on record their appreciation for committed services rendered by the employees at all levels of your company.

For and on behalf of the Board of Directors

Place: Ludhiana
Date :30.05.2017

Sd/-
R. K. Singhania
Managing Director
DIN-00077540

Sd/-
Harjeet Singh Arora
Director
DIN-00063176



(POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EMPLOYEES)

BACKGROUND

Prime Industries Limited (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors in its meeting held on 14th day of November 2014.

Definitions

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means":

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

"Senior Managerial Personnel" means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

Objective

The objective of the policy is to ensure that:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;



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- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors, KMP and Senior Management.
- To devise a policy on Board diversity, composition and size.
- Succession planning for replacing Key Executives and overseeing their orientation and successful alignment with the philosophy of the Company.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Interview and Selection procedure.
- 1) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- 2) The Company shall not appoint or continue the employment of any person as the M.D or Whole-time Director or a manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

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

Rotation: The Managing Director/Whole Time Director and other Non-Executive Directors of the Company shall be liable to retire by rotation subject to the employment agreement, if any signed between the company and such Directors of the Company at the time of appointment.



Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Rotation: An Independent Director shall not be liable to retire by rotation pursuant to the provisions of sub-sections (6) and (7) of section 152 of the Companies Act, 2013.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Listing Agreement.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2. Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.



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- b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause(b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3. Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's HR Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.



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DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The ratio of the remuneration of the Managing Director to the median remuneration of the employees of the company for the financial year was 0.94:1. No other Director of the Company is being paid any remuneration.
- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Sr. No	Name of Director/KMP and Designation.	% increase in Remuneration in the Financial Year 2016-17.
1.	Mr. Rajinder Kumar Singhania (Managing Director/KMP)	Nil
2.	Ms. Sharon Arora (Company Secretary)	13.55%
3.	Mr. Kashmir Singh (Chief Financial officer)	N.A. (Since, first appointment w.e.f 31.07.2016).

- (iii) the percentage increase in the median remuneration of employees in the financial year. – Not applicable.
- (iv) As on 31st March 2017, the Company had 3 permanent employees on the rolls of the Company.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration ; - Not applicable.
- (vi) Affirmed that the remuneration is as per the remuneration policy of the company.



PRIME INDUSTRIES LIMITED

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**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

SL No	REGISTRATION & OTHER DETAILS:	
i	CIN	L15490PB1992PLC012662
ii	Registration Date	19/10/1992
iii	Name of the Company	PRIME INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Public Limited Company/Limited by Shares
v	Address of the Registered office & contact details	Master Chambers, 19, Feroze Gandhi Market, Ludhiana
vi	Whether listed company	LISTED
vii	Detail of the Registrar & Transfer Agent Name Address contact	M/s SKYLINE FINANCIAL SERVICES PVT LTD D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi Ph. No. 91-11-26812682/83/84

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Income from Sale /Purchase of Securities/Land/Others	6810	19.13

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL				

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	59950	83103	143053	1.81	59950	83103	143053	1.81	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	1342650	1715500	3058150	38.71	2797450	1145700	3943150	49.91	11.20
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	1402600	1798603	3201203	40.52	2857400	1228803	4086203	51.72	11.20



PRIME INDUSTRIES LIMITED

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(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter	1402600	1798603	3201203	40.52	2857400	1228803	4086203	51.72	11.20
(A)= (A)(1)+(A)(2)									

B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	886900	886900	11.23	0	1900	1900	0.02	11.20
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	0	886900	886900	11.23	0	1900	1900	0.02	11.20
(2) Non Institutions									
a) Bodies corporates	958558	1322293	2280851	28.87	959634	1322293	2281927	28.89	0.01
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	164358	597604	761962	9.65	166282	603704	769986	9.75	0.10
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	176683	362400	539083	6.82	203083	329600	532683	6.74	-0.08
c) Others (specify)									
(i) NRI	200	200000	200200	2.53	200	200000	200200	2.53	0.00
(ii) Clearing Member	3000	0	3000	0.04	100	0	100	0.00	-0.04
(iii) HUF	26801	0	26801	0.34	27001	0	27001	0.34	0.00
SUB TOTAL (B)(2):	1302799	2482297	3811897	48.25	1356300	2455597	3811897	48.25	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	1302799	3395998	4698797	59.48	1356300	2457497	3813797	48.28	-11.20
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	2732200	5167800	7900000	100.00	4213700	3686300	7900000	100.00	0.00



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(ii) SHARE HOLDING OF PROMOTERS								
S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year		% change in share holding during the year	
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Master Trust Ltd.	569800	7.21	7.21	1454800	18.42	0.00	11.20
2	Master Commodity Services Ltd.	120000	1.52	1.52	120000	1.52	0.00	0.00
3	Arora Financial Services Ltd.	110300	1.40	1.33	110300	1.40	0.00	0.00
4	Bluecircle Investments	159650	2.02	1.27	159650	2.02	0.00	0.00
5	Saintco India (P) Ltd.	500000	6.33	0	500000	6.33	0.00	0.00
6	Master Infrastructure & Real Estate Developers Ltd.	283000	3.58	0	283000	3.58	0.00	0.00
7	Singhania Properties	80500	1.02	0.63	80500	1.02	0.00	0.00
8	Sanawar Investments	50000	0.63	0.63	50000	0.63	0.00	0.00
9	H.K.Arora	63200	0.80	0	63200	0.80	0.00	0.00
10	H.S.Arora	66951	0.85	0	66951	0.85	0.00	0.00
11	R.K.Singhania	12902	0.16	0.16	12902	0.16	0.00	0.00
12	Crescent Investments	39900	0.51	0	39900	0.51	0.00	0.00
13	Master Capital Services Limited	1145000	14.49	0	1145000	14.49	0.00	0.00
	Total	3201203	40.52	12.75	4086203	51.72	0.00	11.20

iii) Change in Promoters' Shareholding								
S. No.	Shareholders Name	Shareholding at the beginning of the year				Increase/ Decrease in Share Holding	Cumulative Share Holding during the year	
		No of shares	% of total shares of the company	Date	Reason		No of shares	% of shares of the Company
1	Master Trust Ltd.							
	At the beginning of the year	569800	7.21	1/4/2016	-	-	569800	7.21
		569800	7.21	21/9/2016	Transfer	885000	1454800	18.42
	At the end of the year	1454800	18.42	31/03/2017	-	-	1454800	18.42



iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)							
Sl. No	Shareholders at the beginning of the year				Increase/ Decrease in Share Holding	Cumulative Share Holding during the year	
For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	Date	Reason	No of shares	% of shares of the Company	
1 PSIDC	885000	11.20	1/4/2016	-	-	885000	11.20
			21/9/2016	Transfer	-885000	0	0.00
	0	0	31/03/2017	-	-	0	0.00
2 Shivalik Securities Ltd.	657243	8.32	1/4/2016	No Change		657243	8.32
	657243	8.32	31/03/2017			657243	8.32
3 Shambuka Agro (P) Ltd.	414000	5.24	1/4/2016	No Change		414000	5.24
	414000	5.24	31/03/2017			414000	5.24
4 G.S.Auto Leasing Limited	407900	5.16	1/4/2016	No Change		407900	5.16
	407900	5.16	31/03/2017			407900	5.16
5 Gala Finance & Investment Ltd.	295710	3.74	1/4/2016	No Change		295710	3.74
	295710	3.74	31/03/2017			295710	3.74
6 Arjun Credit Investment Ltd.	226000	2.86	1/4/2016	No Change		226000	2.86
	226000	2.86	31/03/2017			226000	2.86
7 Chandrika Traders Limited	176600	2.24	1/4/2016	No Change		176600	2.24
	176600	2.24	31/03/2017			176600	2.24
8 Ashok Goyal	107800	1.36	1/4/2016	No Change		107800	1.36
	107800	1.36	31/03/2017			107800	1.36
9 R. Adimoolam	58500	0.74	1/4/2016	No Change		58500	0.74
	58500	0.74	31/03/2017			58500	0.74
10 Chandra M Karani	50000	0.63	1/4/2016	No Change		50000	0.63
	50000	0.63	31/03/2017			50000	0.63
11 Piyush Khiara	50000	0.63	1/4/2016	No Change		50000	0.63
	50000	0.63	31/03/2017			50000	0.63
12 Magan Lal M Karani	50000	0.63	1/4/2016	No Change		50000	0.63
	50000	0.63	31/03/2017			50000	0.63
13 Gauri Khiara	50000	0.63	1/4/2016	No Change		50000	0.63
	50000	0.63	31/03/2017			50000	0.63



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(v) Shareholding of Directors & KMP				
Sl. No	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP		No. of shares	% of total shares of the company
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
1	12902	0.16	12902	0.16
2	66951	0.85	66951	0.85
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
6	0	0	0	0
7	0	0	0	0
8	0	0	0	0

Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)

No Change

At the end of the year				
1	12902	0.16	12902	0.16
2	66951	0.85	66951	0.85
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
6	0	0	0	0
7	0	0	0	0
8	0	0	0	0

V INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year					
i) Principal Amount	NIL	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year					
Additions	NIL	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year					
i) Principal Amount	NIL	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL	NIL



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VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole time director and/or Manager:			
Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager Rajinder Kumar Singhania	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		2,40,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	-	2,40,000
	Ceiling as per the Act	-	30 Lacs*

B. Remuneration to other directors:			
Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors		
	(a) Fee for attending board committee meetings	None of the Independent Directors have been paid any sitting fees, commission etc	N.A
	(b) Commission		
	(c) Others, please specify		
	Total (1)	NIL	NIL
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings	None of Non Executive Directors have been paid any sitting fees, commission etc	N.A
	(b) Commission		
	(c) Others, please specify.		
	Total (2)	NIL	NIL
	Total (B)=(1+2)		
	Total Managerial Remuneration	NIL	2,40,000
	Overall Ceiling as per the Act.		30 Lacs

Note: Maximum remuneration payable as per schedule V of the Companies Act, 2013 based on the effective capital of the company.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	3,00,000	2,55,712	3,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	-	-	-
2	Stock Option	N.A	-	-	-
3	Sweat Equity	N.A	-	-	-
4	Commission as % of profit	N.A	-	-	-
	others, specify				
5	Others, please specify	N.A	-	-	-
	Total		3,00,000	2,55,712	3,00,000



VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	N.A	NIL	NIL	NIL	NIL
Punishment	N.A	NIL	NIL	NIL	NIL
Compounding	N.A	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	N.A	NIL	NIL	NIL	NIL
Punishment	N.A	NIL	NIL	NIL	NIL
Compounding	N.A	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	NIL	NIL	NIL	NIL
Punishment	N.A	NIL	NIL	NIL	NIL
Compounding	N.A	NIL	NIL	NIL	NIL



PRIME INDUSTRIES LIMITED

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Compliance Certificate by Chief Executive Officer and Chief Financial Officer:

Pursuant to 17(8) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, we hereby certify that:

- a. We have reviewed the financial statements and the Cash Flow Statement for the year ended on 31.03.2017 and that to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
 - I. significant changes, if any, in internal control over financial reporting during the year;
 - II. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - III. that no instances of significant fraud have come to our notice.

FOR PRIME INDUSTRIES LIMITED

Place: Ludhiana
Date :30.05.2017

Sd/-
R. K. Singhania
Managing Director
DIN-00077540



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CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to state that the Company had duly adopted a Code of Conduct. After adoption of the Code of Conduct, the same was circulated to all the Board Members and Senior Management Personnel for compliance. It is affirmed that all the Board Members and Senior Management Personnel have complied with the Code of Conduct and have given a confirmation in this regard.

FOR PRIME INDUSTRIES LIMITED

Place: Ludhiana
Date :30.05.2017

Sd/-
R. K. Singhania
Managing Director
DIN-00077540



PRIME INDUSTRIES LIMITED

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Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2017.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Prime Industries Limited,

Master Chambers, 19,

Feroze Gandhi Market, Ludhiana-141001,

Punjab (India).

CIN: L15490PB1992PLC012662

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017, to the extent applicable and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



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- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to , inter alia:
 - All Labour Laws;
 - Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Rules, 1992

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability..
- (ii) The Listing Agreements entered into by the Company with the BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. as detailed below:-

The company had applied to the Calcutta Stock Exchange Limited for voluntary delisting and the said application is still pending for want of approval.

Rajeev Bhambri & Associates

Company Secretary in whole time practice

C.P. No. 9491

Place: Ludhiana

Dated: 30.05.2017

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



PRIME INDUSTRIES LIMITED

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'ANNEXURE A'

To,
The Members,
Prime Industries Limited,
SCO 19, Master Chambers,
Feroze Gandhi Market,
Ludhiana - 141001.

Our report of even date is to be read along with this letter.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Rajeev Bhambri & Associates

Company Secretary in whole time practice
C.P. No. 9491
Place: Ludhiana
Dated: 30.05.2017



PRIME INDUSTRIES LIMITED

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INDEPENDENT AUDITORS' REPORT

To

The Members of

Prime Industries Ltd.

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Prime Industries Ltd. ('the Company')**, which comprise the Balance Sheet as at 31 March, 2017 the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

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



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India, of the state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 3) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 4) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 15 to the financial statements.
 - ii) The Company did not have any outstanding long-term contracts including derivative contracts as at 31 March, 2017 for which there were any material foreseeable losses: and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sukhminder Singh & Co.
Chartered Accountants
FRN 016737N

Sukminder Singh
Partner.
Membership No. 93100

Place : Ludhiana
Dated : 30.05.2017



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 1.(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory, which are held in dematerialized/ physical form, has been verified at reasonable by the management and no material discrepancies were identified on such verification.
3. The Company has granted unsecured loans to One party covered in the register maintained under section 189 of the Act.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the parties covered in the register maintained under section 189 of the Act were not prima facie, prejudicial to the interest of the Company.
 - b) In the case of the loan granted to the parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of the principal amount.
 - c) There are no overdue amounts in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
5. The company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- 7.a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

According to the information and explanations given to us , no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or



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borrowing to a financial institution, bank, government or dues to the debenture holders.

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

For Sukhminder Singh & Co.
Chartered Accountants
FRN 016737N

Sukminder Singh
Partner.
Membership No. 93100

Place : Ludhiana
Dated : 30.05.2017



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Prime Industries Ltd ('the Company') as of 31 March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sukhminder Singh & Co.
Chartered Accountants
FRN 016737N

Place : Ludhiana
Dated : 30.05.2017

Sukminder Singh
Partner.
Membership No. 93100

**PRIME INDUSTRIES LIMITED**

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BALANCE SHEET AS AT 31ST MARCH, 2017

Rs.in Lacs

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
Shareholders' funds			
Share capital	2	786.34	786.34
Reserves and surplus	3	-95.49	-96.16
		690.85	690.18
Current liabilities			
Short-term borrowings	4	1145.05	67.47
Other Current Liabilities	5	272.82	622.73
		1417.87	690.20
TOTAL		2108.72	1380.38
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible Assets	6	0.49	0.69
Non-current investments	7	1236.10	754.62
Long-term loans and advances	8	4.15	26.58
Deferred tax Assets(Net)	22	0.34	0.24
		1240.59	781.44
Current assets			
Inventories	9	115.49	115.49
Cash and cash equivalents	10	17.06	0.22
Short-term loans and advances	11	735.09	482.54
		867.64	598.25
TOTAL		2108.72	1380.38
Significant Accounting Policies	1		
Notes on Financial Statements			

As per our Report of even date
For Sukhminder Singh & Co
Chartered Accountants
Firm Registration Number 016737N

For and on behalf of the Board

Sd/-
(Sukhminder Singh)
Partner
Membership Number 93100

Sd/-
R. K. Singhania
Managing Director
DIN-00077540

Sd/-
Harjeet Singh Arora
Director
DIN-00063176

Place: Ludhiana
Date: 30.05.2017

Sd/-
(Sharon Arora)
Company Secretary

Sd/-
(Kashmir Singh)
Chief Financial Officer



PRIME INDUSTRIES LIMITED

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Statement of Profit and Loss for the year ended 31st March, 2017

Rs.in Lacs

Particulars	Note	For the Year Ended 31 st March, 2017	For the Year Ended 31 st March, 2016
INCOME			
Revenue from operations	12	43.65	59.84
Total Revenue		43.65	59.84
Expenses			
Employee benefits expense	13	8.32	5.24
Finance costs	14	19.46	42.86
Depreciation and Impairment Loss	-	0.19	0.32
Other expenses	15	14.97	9.19
Total Expenses		42.94	57.61
Profit before tax		0.71	2.23
Tax expense:			
Current tax expense for current year		0.14	0.43
Deferred tax		-0.10	-0.04
Current tax expense relating to prior years			
Profit for the year		0.67	1.84
Profit for the year after Provisions		0.67	1.84
Earnings per equity share of face value Rs. 10 each			
Basic and Diluted (in Rs.)		0.008	0.023
Weighted average number of shares outstanding		7900000	7900000
Significant Accounting Policies	1		
Notes on Financial Statements			

As per our Report of even date
For Sukhminder Singh & Co
Chartered Accountants
Firm Registration Number 016737N

For and on behalf of the Board

Sd/-
(Sukhminder Singh)
Partner
Membership Number 93100

Sd/-
R. K. Singhania
Managing Director
DIN-00077540

Sd/-
Harjeet Singh Arora
Director
DIN-00063176

Place: Ludhiana
Date: 30.05.2017

Sd/-
(Sharon Arora)
Company Secretary

Sd/-
(Kashmir Singh)
Chief Financial Officer



PRIME INDUSTRIES LIMITED

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Rs. In Lacs

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
A. Cash flow from operating activities				
Net Profit/Loss() before tax and extraordinary items		0.71		2.23
<i>Adjustments for:</i>				
Depreciation and Loss on Sale of Fixed Assets	0.20		0.32	
Provision for Diminution in Value of Investment	-		-	
Reversal of Revaluation Reserves	-		-	
Interest Paid	19.46		42.86	
		19.66		43.18
Operating profit before working capital changes		20.37		45.41
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	-		0.01	
Trade receivables	-		-	
Short-term loans and advances	(252.55)		314.64	
Long-term loans and advances	22.43		(5.37)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Short term borrowings	1,077.58		(269.02)	
Other Current Liabilities	(349.91)		(25.72)	
		497.55		14.54
Cash flow from extraordinary items				
Cash generated from operations		517.92		59.95
Net income tax (paid) / refunds		(0.14)		(0.43)
Net cash flow from operating activities (A)		517.78		59.52
B. Cash flow from investing activities				
Purchase of fixed assets		-		-
Sale of fixed assets		-		-
Purchase of Investment		(481.48)		(17.10)
Net cash flow (used in) investing activities (B)		(481.48)		(17.10)
C. Cash flow from Financing activities				
Interest Paid		(19.46)		(42.86)
Net Increase/(decrease) in Cash and cash equivalents (A+B+C)		16.84		(0.44)
Cash and cash equivalents at the beginning of the year		0.22		0.66
Cash and cash equivalents at the end of the year		17.06		0.22

As per our Report of even date
For Sukhminder Singh & Co
Chartered Accountants
Firm Registration Number 016737N

Sd/-
(Sukhminder Singh)
Partner
Membership Number 93100

Place: Ludhiana
Date: 30.05.2017

For and on behalf of the Board

Sd/-
R. K. Singhania
Managing Director
DIN-00077540

Sd/-
Harjeet Singh Arora
Director
DIN-00063176

Sd/-
(Sharon Arora)
Company Secretary

Sd/-
(Kashmir Singh)
Chief Financial Officer



Note No.1

SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation of Financial Statements

The financial statements are prepared on historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) and applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of Companies Act, 2013 and on the basis of going concern .

B Fixed Assets

I) Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. The cost of acquisition including taxes, duties and other direct and indirect expenses incidental to acquisition and installation / construction..

II) The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indications of impairment thereof, based on external / internal factors. Impairment loss is recognized and charged to Statement of profit & loss .

C Depreciation and Amortisation

Depreciation on Fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under schedule II of the Companies Act 2013 which is also as per the useful life of the assets estimated by the management.

D Impairment of Assets

The company is making an assessment whether any indication exists that an asset has been impaired at the end of the year. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

E Investments

Long term investments are valued at cost unless there is a decline in value other than temporary. Current investments are stated at lower of Cost or Fair Value.

F Inventories

Inventories are valued at the lower of cost and the net realisable value.

G Revenue Recognition

The company follows the mercantile system of accounting and recognizes profit or loss on that basis.

H Employee Benefits

The Company has provided the provision for the gratuity and charges to revenue. Provident /Pension Fund are not applicable.

I Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

J Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are re

K Provisions and contingencies

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements, A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.



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NOTE FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 Share Capital

Rs.in Lacs

Particulars	As at 31 March, 2017		As at 31 March, 2016	
	Number of shares	Amount	Number of shares	Amount
Authorised Equity shares of Rs.10 each	8000000	800.00	8000000	800.00
Issued Equity shares of Rs.10 each	7900000	790.00	7900000	790.00
Subscribed and fully paid up Equity shares of Rs.10 each	7826700	782.67	7826700	782.67
Subscribed but not fully paid up Equity shares of Rs.10 each	73300	3.67	73300	3.67
Total	7900000	786.34	7900000	786.34

2.1 The Company has only one class of equity shares having a par value of Rs.10 per share. Each share holder is eligible for one vote per share.

2.2 Calls unpaid by others Rs.366500 (As at 31 March, 2016 Rs.366500)

2.3 The details of shareholders holding more than 5% shares:

Name of the Share Holder	As At 31 March, 2017		As At 31 March, 2016	
	Number of held (in Lacs)	% of holding	Number of held (in Lacs)	% of holding
Master Trust Ltd	1454800	18.42	569800	7.21
Master Capital Services Ltd.	1145000	14.49	1145000	14.49
Saintco India (P) Ltd	500000	6.33	500000	6.33
G.S. Auto Leasing Ltd.	407900	5.16	407900	5.16
Shambuka Agro Pvt Ltd.	414000	5.24	414000	5.24
Shivalik Securities Ltd	657243	8.32	658193	8.32

Particulars	As At 31 March, 2017		As At 31 March, 2016	
	Number of shares	Amount	Number of shares	Amount
Equity Shares at the Beginning of the year	7900000	78633500	7900000	78633500
Equity Shares at the end of the year	7900000	78633500	7900000	78633500



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Note 3 Reserve and Surplus

Rs.in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
a) Capital Reserve		
As per last Balance Sheet	92.50	92.50
c) Profit and Loss Account		
Surplus/(Deficit) in Statement of Profit & Loss:		
As per last Balance Sheet	(188.66)	(190.50)
Add: Profit/(Loss) for the year	0.67	1.84
Closing balance	(187.99)	(188.66)
Total	(95.49)	(96.16)

Note 4 Short-Term Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016
Loans and advances from related parties		
Unsecured	475.49	20.29
Other Loans and advances		
Unsecured	669.56	47.18
Total	1,145.05	67.47

Note 5 Other Current Liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016
Other	272.82	622.73
Total	272.82	622.73

Note 6 Fixed assets

Rs.in Lacs

Particulars	Gross block			Accumulated depreciation				Net block		
	Balance as at 1st April, 2016	Additions	Disposals/Adjustment	Balance as at 31st March, 2017	Balance as at 1st April, 2016	Depreciation expense for the year	Impairment Loss	Balance as at 31st March, 2017	Balance as at 31st March, 2016	
Furniture & Fitting	7.22			7.22	6.79	0.08	-	6.87	0.35	0.43
Office Equipments	16.61			16.61	16.59	0.01	-	16.60	0.01	0.02
Computer	0.66			0.66	0.43	0.10	-	0.53	0.13	0.24
Total	24.49	-	-	24.49	23.81	0.19	-	24.00	0.49	0.69
Previous year	24.50	-	-	24.50	23.49	0.32	-	23.81	0.69	



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Note 7 Non-current investments

Rs.in Lacs

Particulars	As at 31st March 2017			As at 31st March 2016		
	Quoted *	Unquoted	Total	Quoted *	Unquoted	Total
Investments (At cost):						
Investment in equity instruments of associates						
593958 (As at 31 March 2016: 593958) Equity shares of Rs.10 each fully paid up in Master Trust Ltd.	266.00	-	266.00	266.00	-	266.00
of other entities						
40000 (As at 31 March 2016: 40000) Equity shares Rs.10 each in SEL Manufacturing Ltd	28.00	-	28.00	28.00	-	28.00
178000 (As at 31 March 2016: 178000) Equity shares of Rs.10 each in Eminent Buildwell P Ltd		83.66	83.66		83.66	83.66
			377.66			377.66
20 (as at 31.03.2016: 12) Deep Discount Bounds of Rs.10000/ each Master Capital Service ltd		30.48	30.48		17.10	17.10
260 Deep Discount Bounds of Rs.10000/- each of Master Capital Service ltd		520.00	520.00		-	-
			928.14			394.76
Investments in Land		334.76	334.76		386.66	386.66
Total			1,262.90			781.42
Less: Provision for diminution in value of Investments	(26.80)	-	(26.80)	(26.80)	-	(26.80)
Total	267.20	968.90	1,236.10	267.20	487.42	754.62
Market value of quoted Shares in Rs.172.20 Lacs(Previous Year Rs.241.10)						



PRIME INDUSTRIES LIMITED

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Note 8 Long-term loans and advances

Rs.in Lacs

Particulars	As at 31st March, 2017	As at 31st March, 2016
Advance income tax (net of provision for tax)	2.92	25.29
Security Deposit	1.23	1.29
Total	4.15	26.58

Note 9 Inventories

Particulars	As at 31st March, 2017	As at 31st March, 2016
Stock-in-trade (acquired for trading)	115.49	115.49
Total	115.49	115.49

Note 10 Cash and cash equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016
Cash in hand	0.05	0.08
Cheques in hand	5.25	-
Balances with banks In current accounts	11.76	0.14
Total	17.06	0.22

Note 11 Short-term loans and advances

Particulars	As at 31st March, 2017	As at 31st March, 2016
Advance Recoverable in Cash or in Kind or for Value to be received Unsecured, considered good	735.09	482.54
Total	735.09	482.54



PRIME INDUSTRIES LIMITED

Annual Report 2016-2017

Note 12 Revenue from operations

Rs.in Lacs

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Income from Sale Purchase of Securities/Land/Others	8.35	1.52
Interest Income	32.20	58.22
Lease Rent & Other Income	3.10	0.10
Total	43.65	59.84

Note 13 Employee benefits expenses

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Salary,Wages , Other Allownses & Gratuity (Including Directors Remuration Rs.240000 Previous Year Rs.240000)	8.32	5.24
Staff Welfare Exp	0.00	0.00
Total	8.32	5.24

Note 14 Finance costs

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Interest expense on: Borrowings	19.45	42.84
Other borrowing costs - Bank Charges	0.01	0.02
Total	19.46	42.86

Note 15 Other expenses

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Printing & Stationery	0.49	0.44
Travelling & Conveyance	0.02	0.08
Legal & Professional Charges	1.05	0.46
Postage & Telegram,Telephone & Telex	1.26	1.16
Insurance Charges	0.10	0.02
Other General Exp	11.82	6.91
Payment to Auditors		
As auditors - statutory audit	0.20	0.10
For taxation matters	0.03	0.02
Total	14.97	9.19



PRIME INDUSTRIES LIMITED

Annual Report 2016-2017

NOTE FORMING PART OF THE FINANCIAL STATEMENTS

16 Contingent liabilities

- (a) Balance of Sundry Debtors, creditors, loans & advances are subject to confirmation and reconciliation if any
- (b) The Company has filed legal cases against debtors/advances of Rs.42.00 lacs (previous year 40.58 lacs) for recovery of outstanding amounts. No provision has been considered necessary for the cases filed in current year, since in the opinion of management these debts are recoverable.
- 17 In the opinion of the Board, all the current assets, Loans & advances having the value on realization in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.
- 18 Income from Sales, Purchase of Securities, Land, Others include, Income from Investment in Land Rs.8.35 lacs (Previous Year Rs.Nil), Profit/(Loss) on Securities, Shares/Derivatives Trading Rs. Nil (Previous Year Rs.1.52 Lacs).
- 19 Detail of Investments covered under the provision of Section 186 of the Act, are given in the note No. 6 to the Financial Statement.
- 20 The company is primarily engaged in Real Estate and allied activities and there are no separate reportable segments as per Accounting Standard (AS) 17 on "Segment Reporting".

21 Related party transactions

As required by AS-18, Related Party Disclosures, are given Below:

Associates/Enterprises owned or Significantly influenced by the key Management Personnel or their Relatives.	Key Management Personnel and their Relatives
Master Trust Ltd..	Mr. R.K Singhania
Master Capital Service Ltd.	Mr.Harjeet Singh Arora
Master Commodity Services Ltd.	Mr.Ahswani Kumar
Master Share & Stock Brokers Ltd.	Mr.Darshanjit Singh Manocha
Eminent Build wel Pvt. Ltd..	Mr.Rajive Kalara
H.K Arora Real Estates Services Ltd,	Mr.Puneet Singhanina
Prime Agro Farms Pvt. Ltd.	Mr.Chirag Singhania,
Big Build Real Estate Pvt. Ltd.	Mr.Jashanjot Singh
Amni Real Estate Pvt. Ltd.	Mrs. Parveen Singhania
Matria Esate Developers Pvt Ltd.	Mrs.Rohila Singhania,
Mtl Capital Consultants Pvt. Ltd.	Mrs. Harnesh Kaur Arora,
Saintco India (P) Ltd.	Mrs.Palka A Chopra,
Singhanian Properties.	Mrs. Harinder Kaur Manocha,
Cresent Investments.	Mrs Priyanka Arora,
Blue Circle Investments.	Mrs Isha Singhania
Sanawar Investments	



PRIME INDUSTRIES LIMITED

Annual Report 2016-2017

Transactions with related parties

Rs. in Lacs

Transaction with related parties	Associates	KMP	Relatives of KMP	Total
Interest Earned	3.11	-	-	3.11
	(-)	-	-	(-)
Interest Paid	-	-	-	-
	(41.35)	-	-	(41.35)
Remuneration	-	2.40	-	2.40
	-	(2.40)	-	(2.40)
<u>Balances outstanding at the end of the year</u>				
Loan & Advances taken	475.49	-	-	475.49
	(20.29)	-	-	(20.29)
Other Trade payables	76.43	-	-	76.43
	(78.04)	-	-	(78.04)

22 Deferred tax (liability)

Particulars	As at 31 March, 2017	As at 31 March, 2016
Tax effect of items constituting deferred tax liability On difference between book balance and tax balance of fixed assets	0.34	0.24
Net deferred tax (liability)	0.34	0.24

23 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our Report of even date
For Sukhminder Singh & Co
Chartered Accountants
Firm Registration Number 016737N

Sd/-
(Sukhminder Singh)
Partner
Membership Number 93100

Place: Ludhiana
Date: 30.05.2017

For and on behalf of the Board

Sd/-
R. K. Singhania
Managing Director
DIN-00077540

Sd/-
(Sharon Arora)
Company Secretary

Sd/-
Harjeet Singh Arora
Director
DIN-00063176

Sd/-
(Kashmir Singh)
Chief Financial Officer

BOOK POST
(PRINTED MATTER)

If undelivered please return to :
PRIME INDUSTRIES LIMITED
Regd. Office: Master Chambers
SCO 19, Feroze Gandhi Market,
Ludhiana. (Punjab)

PRIME INDUSTRIES LIMITED

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime_indust@yahoo.com]

[Website: www.primeindustrieslimited.com] [Tel Nos: 0161-3911500]

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of the Company will be held on Friday, the 29th day of September, 2017 at 12.00 Noon at Hotel Silver Stone situated at D-Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab - 141001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and Profit & Loss Account for the period ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Darshanjit Singh Minocha (DIN: 00239487), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To re-Appoint Statutory Auditors of the company and to fix their remuneration and to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and on the recommendations of the Audit Committee of the Board of Directors, M/s. Sukhminder Singh & Co., (Firm Registration No.:016737N), Chartered Accountants, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 27th Annual General Meeting (subject to ratification of the appointment by the members annually) on such remuneration as may be agreed upon by the Board of Directors and the Auditors in connection with the audit of accounts on a progressive billing basis.”

SPECIAL BUSINESS:

4. Approval to vary the terms of appointment of Mr. Rajinder Kumar Singhanian, Managing Director of the Company and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, and as per recommendation of the Remuneration Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for the variation in the remuneration of Mr. Rajinder Kumar Singhanian (holding DIN: 00077540) Managing Director of the Company by paying him a remuneration of Rs.1/- (Rupees One Only) per month with effect from 01st July, 2017.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file the necessary returns with the Registrar of Companies and to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. Approval of Related Party Transactions, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and of the Rules made thereunder (including any statutory modifications, or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby given to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties (as per details mentioned in the Statement annexed to the notice) for availing and/or rendering of any services.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and to do all acts,

deeds, matters and things that may be necessary, proper or expedient thereto for the purpose of giving effect to this resolution.”

Place: Ludhiana
Date: 30.05.2017

By order of the Board
For Prime Industries Limited

Regd. Office : Master Chambers, 19,
Feroze Gandhi Market,
Ludhiana - 141001, Punjab

(R.K. Singhanian)
Managing Director
DIN - 00077540

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under Item No. 4 and 5 to be transacted at the Meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from, September 25, 2017 to September 29, 2017 (both days inclusive) for the purpose of Annual General Meeting.
4. Since the Company's shares are in compulsory demat trading, to ensure better services and elimination of risk of holding shares in physical form, we request our shareholders holding shares in physical form to dematerialize their shares at the earliest.
5. Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of the meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days during office hours upto the date of the Annual General Meeting.
7. Nomination facility is available to the members in respect of shares held by them. Members holding Shares in physical form may obtain the nomination forms from the Company's Registrar and Share Transfer Agent. Members holding Shares in electronic form may obtain the nomination form from their respective Depository Participants.
8. Electronic copy of the notice along with the Annual Report is being sent to all members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not been registered their email address, physical copies of the Annual Report are being sent to them.
9. Voting through electronic means:
 - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the amended Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).
 - b) A member may exercise his vote by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended.
 - c) During the period when facility for remote e-voting is provided, the members of the Company, holding

shares either in physical form or dematerialized form, as on the cut-off date 22.09.2017, may opt for remote e-voting. The e-voting module shall be disabled by CDSL for voting thereafter.

- d) The e-voting period commences at 9:30 a.m. on Tuesday, 26th September, 2017 and ends at 5:00 p.m. on Thursday, 28th September, 2017. The e-voting module shall be disabled by CDSL for voting thereafter.
- e) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
- f) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on the cut-off date for the purpose of E-voting i.e. Friday, 22nd September, 2017.
- g) The Board of Directors at its meeting held on 16.08.2017 has appointed Mr. Rajeev Bhambri, Practicing Company Secretary (M. No. FCS 4327) as the scrutinizer to scrutinize the e-voting process (including the Ballot forms received from members not having access to E-voting process) in a fair and transparent manner.
- h) Instructions for e-voting:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
 - (ii) Click on "Shareholders" tab.
 - (iii) Select the "Prime Industries Limited" from the drop down menu and click on submit
 - (iv) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Verification Code as displayed and Click on Login.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier for any company/entity, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is BALWANT SINGH with sequence number 1 then enter BA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. In case both the details are not recorded with the depository and company please enter the member id/folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the EVSN selection screen. However,

members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN - 170822015 for Prime Industries Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and custodians
 - Non – Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on and cast their vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, there will not be voting by show of hands on any of the agenda items at the Meeting and poll will be conducted in lieu thereof.

Note: Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares as on the cut-off date i.e. 22nd September, 2017 may follow the same instructions as mentioned above for e-Voting.

10. Members who do not have access to e-voting facility.

Those members who do not have access to the E-voting Facility may send duly completed Ballot Form (enclosed with the Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Rajeev Bhambri, Practicing Company Secretary (M.No. FCS 4327) at SCO No. 9, Jandu Tower, Miller Ganj, Ludhiana, Punjab - 141003 not later than 28th September, 2017 (5.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

11. Members are requested to carefully read the instructions and in case of any queries, you may refer to the Q & A on e-Voting for Members and User Manual for Shareholders to cast their votes available in the help section of www.evotingindia.com.
12. The facility for voting, through ballot paper shall also be made available at the venue of the 25th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
13. The Scrutinizer, appointed by the Board of Directors to scrutinize the e-voting process in a fair and transparent manner, shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - a) The Results shall be declared on the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.primeindustrieslimited.com immediately after the result is declared by the chairman. The results shall also forwarded to the concerned stock exchange where its equity shares are listed.
14. Pursuant to Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company is allowed to send the Notice of General Meetings through electronic mode to their Members. The Members are requested to support this initiative of paperless compliance by registering/updating their e-mail addresses with :
 - Depository Participant (in case of shares held in dematerialised form) or
 - Registrar & Transfer Agent- Skyline Financial Services (P) Ltd, New Delhi by sending an E-mail to admin@skylinerta.com or with the Company at prime_indust@yahoo.com (in case of shares held in physical form).
15. The Notice & Annual Report of the Company circulated to the members, will also be made available on the Company's website at www.primeindustrieslimited.com
16. Information required to be provided under the SEBI (LODR) Regulations, 2015 , regarding the Directors who are proposed to be appointed/ re-appointed is as below:-

Name of the Director	Darshanjit Singh Minocha
Age (years)	61 years
Qualification	ACS
Expertise	Wide experience of more than 34 years working in the field of finance, Internal Audit and Insurance.
Directorship held in other Companies	NIL
Chairmanships / Memberships of Committees of other public companies	Prime Industries Limited – Stakeholder Relationship Committee.
Shares held in the Company	NIL
Relationship with other Director(s)	No Director is related to Mr. Darshanjit Singh Minocha.

EXPLANATORY STATEMENT TO THE NOTICE

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the businesses under Item No. 4 & item No. 5 to accompanying the Notice dated 30.05.2017.

Item No.4

Mr. Rajinder Kumar Singhania was re-appointed as Managing Director of the Company on September 30, 2016 w.e.f August 01, 2016 for a period of 3 years. The term of office of Mr. Rajinder Kumar Singhania as Managing Director of the Company will expire on July 31, 2017.

The present proposal is to seek the Shareholders' approval for the variations in the terms of appointment of Mr. Rajinder Kumar Singhania as the Managing Director in terms of the applicable provisions of the Companies Act, 2013.

The Remuneration Committee and the Board of Directors of the Company in their respective meetings held on June 28, 2017, subject to the approval of the Members at the forthcoming Annual General Meeting, recommended and approved the variations in the terms of appointment of Mr. Rajinder Kumar Singhania, Managing Director of the company by paying him a remuneration of Rs.1/- (Rupees One Only) per month w.e.f 01st July, 2017, other terms of his appointment remaining the same.

Since, the Board approval for variation in the terms of appointment of Mr. Rajinder Kumar Singhania, Managing Director of the Company is subject to the approval of the members of the Company, the approval of the members of the Company is solicited by way an Ordinary Resolution.

Mr. Rajinder Kumar Singhania, being the appointee and Mrs. Parveen Singhania his wife being the Director of the Company are concerned or interested in this resolution. None of the other Directors/ Key Managerial Personnel (KMP) of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution.

Item No.5

Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 dated 14.08.14 and MCA Notification No. GSR 971(E) dated 14.12.2015 requires the approval of the members by way of a prior resolution for specified transactions beyond threshold limits with Related Parties.

Further Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes that all material related party transactions to require approval of the shareholders through a resolution. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a transaction with a related party to be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover the company as per the last audited financial statements of the company.

Your Company from time to time renders and avails various services which may also include credit facilities from/to such Related Parties. Since, the transaction value for such services may exceed the prescribed threshold limits as prescribed under Sec 188 of the Act and the Rules made thereunder, therefore, as a matter of abundant precaution, the proposal is being put before the members of the Company for their approval.

The disclosures required to be provided under the provisions of the Companies Act, 2013 read with as amended Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below for perusal of the members.

Sr. No.	Name of the related party	Name of the director or key managerial personnel who is related, if any.	Nature of relationship
Subsidiaries/Wholly Owned Subsidiaries			
1.	Master Capital Services Limited.	None of the Directors or Key managerial personnel is related except to the extent of their directorship in the associate company.	Directors of the Company are Directors in Master Capital Services Limited
2.	Master Commodity Services Limited	None of the Directors or Key managerial personnel is related except to the extent of their directorship in the associate company.	Directors of the Company are Directors in Master Commodity Services Limited
3.	Master Infrastructure and Real Estate Developers Limited	None of the Directors or Key managerial personnel is related except to the extent of their directorship in the associate company.	Directors of the Company are Directors in Master Infrastructure and Real Estate Developers Ltd.
4.	Master Trust Limited	Mr. Harjeet Singh Arora and Mr. Rajinder Kumar Singhanian hold shares in Master Trust Limited.	Directors of the Company are Directors and Shareholders in Master Trust Ltd.
5.	Bigbuild Real Estate Private Ltd.	Mr. Harjeet Singh Arora and Mr. Rajinder Kumar Singhanian are directors and shareholders in Bigbuild Real Estate Private Ltd.	Directors of the Company are Directors and Shareholders in Bigbuild Real Estate Private Ltd.
	Nature, material terms, monetary value particulars of the contract or arrangement.		As may be decided by the Board of Directors at relevant time.
	Any other information relevant or important for the members to take a decision on the proposed resolution		Nil

Place: Ludhiana

By order of the Board

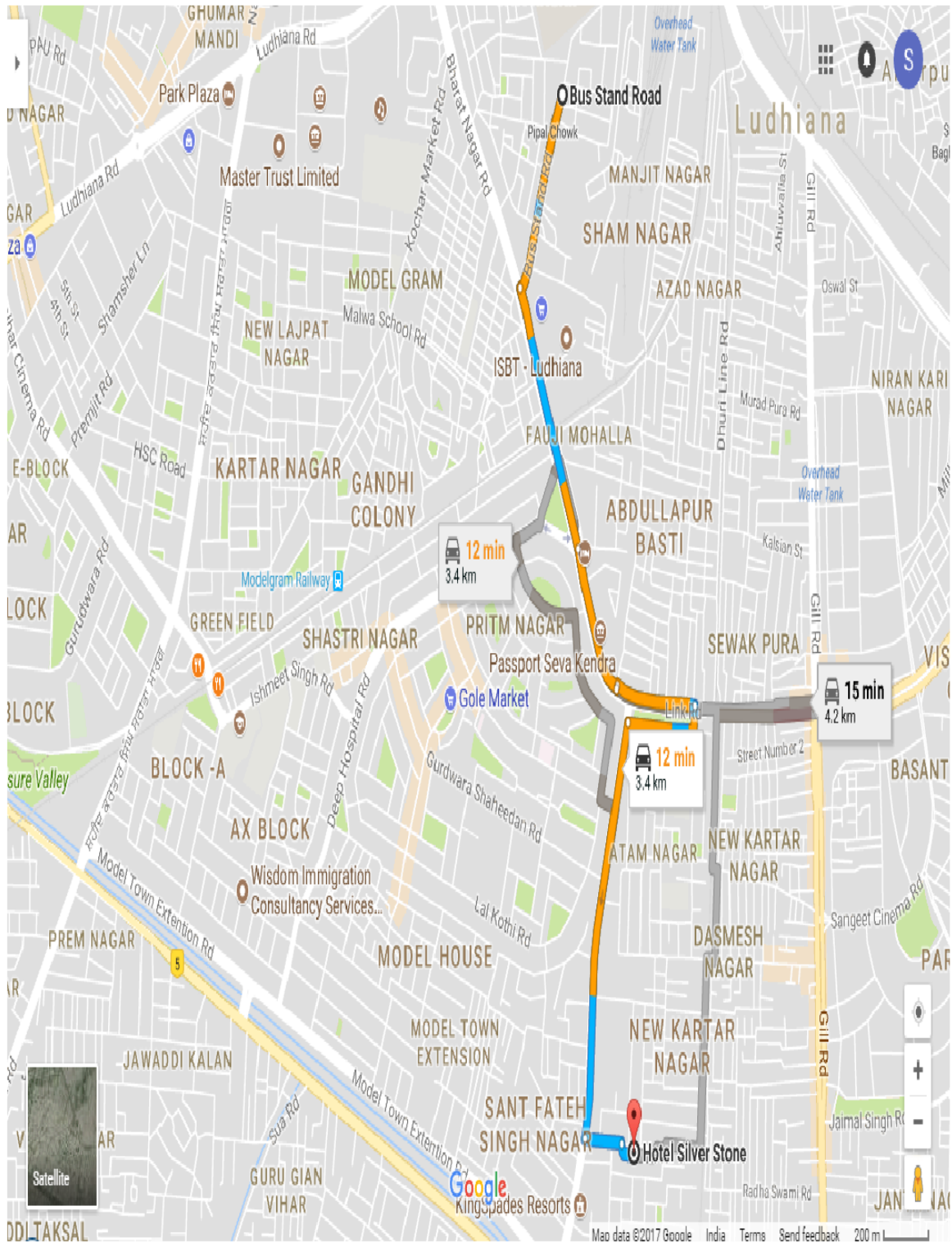
Date: 30.05.2017

For Prime Industries Limited

Regd. Office : Master Chambers, 19,
Feroze Gandhi Market,
Ludhiana - 141001, Punjab

(R.K. Singhanian)
Managing Director
DIN - 00077540

Route map for reaching Hotel Silverstone from Bus Stand Road, Ludhiana



PRIME INDUSTRIES LIMITED

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

Proxy form

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

Name of the member (s) :

E-mail Id :

Registered address :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of Prime Industries Limited, 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:..... or failing him/her

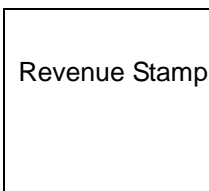
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held on Friday, the 29th day of September, 2017 at 12.00 Noon at Hotel Silver Stone situated at D - Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab-141002 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Item No.	Resolution Type	Description	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Ordinary	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon.		
2.	Ordinary	Re-Appointment of Mr. Darshanjit Singh Minocha (DIN: 00239487), who retires by rotation and being eligible, seeks re-appointment.		
3.	Ordinary	Re-Appointment of the Statutory Auditors of the Company		
4.	Ordinary	Variation in the terms of appointment of Mr. Rajinder Kumar Singhania, Managing Director of the Company		
5.	Ordinary	Approval of Related Party Transactions.		

Signed this..... day of.....20....

Signature of shareholder

Signature of Proxy holder(s)



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. The member has the option of indicating the manner in which the vote be cast. This is only optional. If the member leaves the 'For' or 'Against' column blank against any or all the resolutions, the Proxy will be entitled to vote in the manner as he/she thinks appropriate.

PRIME INDUSTRIES LIMITED

Regd. Office: Master Chamber, 19, Feroze Gandhi Market, Ludhiana-141001, Punjab

CIN: L15490PB1992PLC012662

[E-Mail: prime_indust@yahoo.com]

[Website: www.primeindustrieslimited.com/] [Tel Nos: 0161-3911500]

ATTENDANCE SLIP

(Please complete and hand it over at the entrance of the meeting hall.)

(Only Members or their Proxies are entitled to be present at the Meeting)

Folio No. _____

Client ID/DPID* _____

Name of Shareholder/Joint Shareholder/Proxy

Address

No. of Shares held _____

I/We hereby record my/our presence at the 25th Annual General Meeting held on Friday, the 29th day of September 2017, at 12.00 Noon at Hotel Silver Stone situated at D - Block, SCO 14 -15, Dugri Road, Model Town Extension, Model Town, Ludhiana, Punjab-141002

SIGNATURE OF THE MEMBER(S)/PROXY(S) PRESENT

*Applicable to investors holding shares in electronic form only

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BALLOT FORM

(To be returned to Scrutinizer appointed by Prime Industries Limited)

1. Name(s) of Member(s) :
(including joint-holders, if any)

2. Registered Folio No. / :
DPID No. / Client ID No.*

(*Applicable to Members holding shares
in dematerialised form)

3. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice dated **30.05.2017** to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Item No.	Description	Type of resolution (Ordinary/Special)	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	Re-Appointment of Mr. Darshanjit Singh Minocha (DIN: 00239487), who retires by rotation and being eligible, seeks re-appointment.	Ordinary		
3.	To re-appoint Statutory Auditors of the Company	Ordinary		
4.	To vary the terms of appointment of Mr. Rajinder Kumar Singhanian, Managing Director of the Company	Ordinary		
5.	Approval of Related Party Transactions.	Ordinary		

Place :

Date :

Signature of Member / Beneficial Owner

E-Mail _____

Tel. No. _____