

PREMIER CHENNAI PROPERTIES LIMITED

8TH ANNUAL REPORT

Financial Year 2014-15

PREMIER CHENNAI PROPERTIES LIMITED

8TH ANNUAL REPORT 2014-15

Board of Directors:

Mr. Anant Kulkarni
Mr. Rajan Singh
Mr. Vinode Thomas
Ms. Sunita Manwani
Mr. Anand Kapre

Chairman & Independent Director
Independent Director
Non-Executive Director
Non-Executive Director
Managing Director & Chief Financial Officer

Registered Office:

5J, 5th Floor, Century Plaza 560,
Anna Salai,
Chennai-600 018, Tamil Nadu

(Now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai,
Chennai-600 035, Tamil Nadu)

Website: www.premierchennai.co.in

Correspondence Address:

IL&FS Investment Managers Limited, The IL&FS Financial Centre, 1st Floor, Plot No C-22,
G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

Company Secretary & Compliance Officer:

Ms. Nidhi J. Shah

Statutory Auditors:

M/s. Vishnu Daya & Co.
Chartered Accountants

Registrar & Share Transfer Agents:

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Saki-Vihar Road,
Saki Naka, Andheri (East),
Mumbai-400 072

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DIRECTORS' REPORT

To The Members of Premier Chennai Properties Limited

Your Directors have pleasure in presenting for your consideration and approval the Eighth Annual Report with the Audited Financials of the Company for the year ended March 31, 2015

FINANCIAL ACHIEVEMENTS AND DIVIDEND

	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Total Income	26,52,14,716	9,92,58,194
Profit before Taxation	20,81,94,773	8,06,49,019
Provision for Taxation	(6,32,57,000)	(2,12,19,000)
Net Profit after Taxation	14,49,37,773	5,94,30,019
Appropriations :		
Capital Redemption Reserve	2,58,340	-
Balance carried to Balance Sheet	20,19,79,256	5,72,99,823

The Company transferred an amount of ₹ 2,58,340 to Capital Redemption Reserve on account of Buy-Back of equity shares

No amount was transferred to the General Reserve Account

DIVIDEND

In order to conserve the resources, the Directors have decided not to recommend any dividend on the equity shares of the Company for the year ended March 31, 2015

REVIEW OF OPERATIONS

The Project, located in OMR a southern suburb of Chennai, was launched in March 2012 and the formal sales launch was in December 2012. Phase I and II are under construction for residential apartments with a saleable area of 9,45,000 sq. ft. and 8,34,000 sq. ft. respectively. Also the construction work for villas with saleable area 9,18,687 sq. ft. and retail development (3,50,000 sq. ft.) is under progress. Phase III of the township development is under land stage admeasuring 65 acres

As per the JDA arrangement with Pacifica Aurum, PCPL would get 14.58% of revenues from the sale of apartments and 12.07% of revenues from sale of villas

The project performance is linked to the overall market scenario prevalent in the city and more specifically in the southern suburbs. The Chennai real estate market saw housing sales improving by almost 46% quarter-to-quarter in the Quarter 1 of the Current Year 2015, with about 7,598 units sold in Quarter 1 of the Current Year 2015 as against 5,195 units sold in Quarter 4 of the Previous Year 2014. Absorption rate increased from 8.4% in Quarter 4 of the Previous Year 2014 to about 12.6% in Quarter 1 of the Current Year 2015. Improved home-buying sentiments along with developers offering quality products supported the housing sales in Quarter 1 of the Current Year 2015

In the southern suburbs, where Pacifica Aurum is located, absorption of residential units will continue to stem from the IT/ITeS sector. An uncertain macro-economic environment has reduced job creation and salary growth in Chennai. Accordingly, home buyers' preference has shifted towards smaller budgets

Southern Suburbs sub-markets which witnessed movement of financial indicators earlier remained stagnant for last two quarters, as properties in these distant sub-markets suffer from inadequate social and physical infrastructure. More importantly, these sub-markets provided many housing options for tenants, which in turn restricted rent growth

In line with market trends, the Project continued to see slow movement in sales and stagnant growth in sale price. The product wise performance as of March 31, 2015 is as follows:

- a. **Apartments** – of the total 1,400 units, 755 units sold as of Financial Year 2015 compared to 699 units as of Financial Year 2014. The current price of units sold is in the range of ₹ 3,670 per ft² for economy units and ₹ 3,720 per ft² for deluxe units. The average price of units sold till date is ₹ 3,200 per ft²
- b. **Villas** – of the total 400 units, 271 units as of Financial Year 2015 compared to 288 units sold as of Financial Year 2014. The current sale price is in the range of ₹ 3,995 per ft² to ₹ 4,500 per ft². The average price of units sold till date is ₹ 4,300 per ft²

The sales performance of apartments have seen moderate growth over last year with additional 56 units sold during the Financial Year 2015. On the other hand, villa sales have reduced due to new bookings being nullified by cancellations

During the financial year, the company generated revenues of INR 265 million compared to INR 99 million in the previous financial year. The PAT for the year is INR 145 million compared to PAT of INR 59 million in the previous year. In terms of sales performance, 56 apartments and 13 villas were sold during the financial year compared to sale of 60 apartments and 26 villas in the previous year. In addition, there were more cancellations in the villa segment hence the total sales had dropped by 17 units compared to last year. The marginal reduction in sales of apartments compared to previous year could be attributed to

weakness in demand due to increase in capital values which has reduced affordability of customer. The sales of villas has dropped compared to previous year due to lack of demand and better alternatives available in the competing projects. Cumulatively, as of March 2015, Pacifica Aurum has sold 755 apartments and 271 villas and PCPL's share realized is INR 460 million compared to INR 361 million in the previous year

FUTURE OUTLOOK

Pacifica Aurum is focusing on timely execution and delivery of apartments and villas as certainty of project completion is being appreciated and helps in generation of further sales. However, given the supply scenario in this region, price stagnation will continue in the short-term as home-buyers have many housing options to choose from. However, we expect residential sales to improve over the coming months, as end-users who have been sitting on the fence move forward with purchases. On the other hand, investors are expected to complete their property purchases within 3-6 months to benefit from the current pricing

On the supply side, Pacifica Aurum would not increase any supply as the focus is on completing the existing inventory both in terms of construction and sales. However, the region will continue to see launch of several new projects which may slow down sales in our Project. However, given our focus on timely delivery and quality, we think it should help our project to be the preferred choice of end users

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Manoj Jain, Independent Director and Mr. Guhan Subramaniam, Managing Director and Chief Financial Officer (CFO) resigned from the Board of Directors of the Company with effect from August 27, 2014 and March 10, 2015, respectively

Mr. Rajan Singh was appointed as Independent Director of the Company with effect from September 1, 2014 and Mr. Anand Kapre was inducted as an Additional Director on the Board of the Company and was also appointed as Managing Director & Chief Financial Officer, subject to the approval of the shareholders at the Board meeting held on May 21, 2015

Ms. Karishma Shah resigned as the Company Secretary of the Company with effect from September 1, 2014 and Ms. Prabhyot Kaur was appointed as the Company Secretary of the Company on September 24, 2014

In light of the resignation given by Ms. Prabhyot Kaur with effect from April 1, 2015, Ms. Nidhi Shah was appointed as the Company Secretary of the Company with effect from May 18, 2015

In accordance with the provisions of the Companies Act, 2013, Ms. Sunita Manwani, Non-Executive Director of the Company shall retire by rotation in the ensuing Annual General Meeting and being eligible offers herself for re-appointment

The Board also recommends re-appointment of Mr. Anand Kapre as Managing Director & Chief Financial Officer (CFO) and Ms. Sunita Manwani as Director

BOARD INDEPENDENCE

The Company has received Declarations of Independence pursuant to Clause 42 of the Model Listing Agreement, ITP Platform and Section 149(6) of the Companies Act, 2013 from each of its two Directors, viz. Mr. Anant Kulkarni and Mr. Rajan Singh

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met six (6) times during the Financial Year ended March 31, 2015. The meetings were held during the year on June 16, 2014, September 1, 2014 at 4.00 p.m., September 1, 2014 at 4.30 p.m., September 24, 2014, November 12, 2014 and March 10, 2015. The details of the Board/Committee Meetings and attendance of the Directors at the Board/Committee meeting are given in the Corporate Governance Report

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS

The Board has framed a selection criteria for determining the necessary qualifications and attributes for appointment of Directors and also to ensure Board diversity. The details of the above are provided in the Corporate Governance Report and has been uploaded on the website of the Company

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of the Board. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report and also posted on the website of the Company

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

- (a) in the preparation of the Annual Accounts for the year ended March 31, 2015, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

- (b) that such accounting policies as mentioned in Note 1 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made 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 March 31, 2015 and of the Profit of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Annual Accounts are prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

Risk Management forms an integral part of the business of the Company. The Company has a Risk Management Framework, which not only ensures timely identification of risks, analysis of the reasons for such risk, assessment of its materiality, assessment of its impact but also adequate risk mitigation processes. The Risk Management Framework encompasses all areas of the Company's business and the Funds under its management.

The Risk Management Framework ensures that all risks however remote which could potentially threaten the existence of the Company are identified and risk mitigation steps identified for them

The Company has an adequate system of internal controls commensurate with the nature of its business and complexity of its operations to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the Internal Audit Reports are reviewed by the Audit Committee

SHARE CAPITAL

During the year, your Company, with the approval of the Members vide Extra-Ordinary General Meeting held on October 9, 2014 and pursuant to the applicable provisions of

Companies Act, 2013, bought back 25,834 equity shares of the face value ₹10/- each at the price of ₹12,000/- per equity share payable in cash aggregating to maximum amount of ₹31,00,08,000/- The Buy-Back of 25,834 equity shares was completed on February 6, 2015

CORPORATE GOVERNANCE

Pursuant to Clause 42 of the Model Listing Agreement – ITP Platform with the Bombay Stock Exchange, a Report on Corporate Governance along with the Management Discussion and Analysis has been included in this Annual Report as separate sections

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Board of Directors of the Company vide its Board meeting held on September 1, 2014, consented to place Inter-Corporate Deposits of ₹ 150 million with GK Industrial Park Private Limited (Fellow Subsidiary) at 18% per annum for a period of one year

An entry in this regard has been recorded in the Register of Loans & Investments maintained in Form MBP-2 which is kept at the Registered Office of the Company

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note 2.10 of the Financial Statements

RELATED PARTY TRANSACTIONS

Sunshine Holdings (Mauritius) Limited, the Holding Company participated in the Buy-Back Offer of your Company which was open to all the shareholders through ‘Tender Offer Route’, resulting into a related party transaction. Also, during the Financial Year 2014-2015, the Company provided inter-corporate deposit of ₹150 million to GK Industrial Park Private Limited which is its fellow subsidiary.

According to the Board of Directors, the above transactions were at arm’s length basis and also in the ordinary course of business of the Company and a complete disclosure of these transactions pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is made in Form AOC-2 which is attached herewith as **Annexure I**

However, there are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The disclosure of transactions with related parties is set out in Note No. 2.22 of the Financial Statements, forming part of the Annual Report

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company

DEPOSITS

Your Company has not accepted any deposits from the public for the year under consideration

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company does not own any manufacturing facility, the Energy Conservation and Technology Absorption particulars in the Companies (Accounts) Rules, 2014, are not applicable

Also, the Company has made no foreign earnings or any foreign expenditure for the Financial Year ended March 31, 2015

PARTICULARS OF EMPLOYEES

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company at all levels. The particulars of the employees 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 forms part of the Directors' Report for the year ended March 31, 2015 as **Annexure II**.

There are no employees of the Company falling within the purview of Section 197(12) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report and is also uploaded on the website of the Company

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the

society. Through this policy, the Company aligns its CSR strategy and adopts an approach that benefit the communities at large and create social and environmental impact

The Company adhered to its CSR commitment by contributing to the Prime Minister's National Relief Fund in conformity with the Schedule VII of the Companies Act, 2013. The CSR policy is posted on the Company's website at <http://www.premierchennai.co.in>

The Composition of the CSR Committee is given in the Corporate Governance Report and also in **Annexure III**. The Annual Report on the CSR activities is annexed herewith as **Annexure III**

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blowers Policy for employees to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct

The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company at <http://www.premierchennai.co.in>

STATUTORY AUDITORS

The Company's Statutory Auditors, M/s. Vishnu Daya & Co., Chartered Accountants, Bangalore, having Registration Number 008456S were appointed at the last Annual General Meeting held on September 30, 2014, for a period of five years subject to annual ratification of the same by the shareholders

Accordingly, the appointment of M/s. Vishnu Daya & Co., Chartered Accountants, as the Statutory Auditors of the Company, is proposed for annual ratification by the shareholders at the ensuing Annual General Meeting

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Statutory Auditors of the Company

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kaushal Dalal & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company

The Secretarial Audit Report is annexed herewith as **Annexure IV**

QUALIFICATIONS IN THE AUDITORS' REPORT

There are no qualifications, reservations or any adverse remarks or disclaimers made by M/s. Vishnu Daya & Co., Statutory Auditors of the Company in their report and by M/s. Kaushal Dalal & Associates, Company Secretaries in Practice, in their Secretarial Audit Report

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return pursuant to Section 92(1) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT 9 are annexed herewith as **Annexure V**

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations

ACKNOWLEDGEMENT

The Board of Directors take this opportunity to thank the Investors of the Funds under management, shareholders, bankers, Reserve Bank of India, Securities and Exchange Board of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours

For and on behalf of the Board of Directors
Premier Chennai Properties Limited

Sd/-
Anantkumar Kulkarni
Chairman
DIN: 02078034

Place: Mumbai
Date: May 21, 2015

FORM NO. AOC 2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

1. Details of contracts or arrangements or transactions not on an arm's length basis:

NOT APPLICABLE

- a. Name(s) of the related party and nature of relationship;
- b. Nature of contracts/arrangements/transactions;
- c. Duration of the contracts / arrangements/transactions;
- d. Salient terms of the contracts or arrangements or transactions including the value, if any;
- e. Justification for entering into such contracts or arrangements or transactions;
- f. Date(s) of approval by the Board;
- g. Amount paid as advances, if any; and
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

2. Details of material contracts or arrangement or transactions on an arm's length basis:

- a. Name(s) of the related party and nature of relationship;

Sunshine Holdings (Mauritius) Limited
GK Industrial Park Private Limited

Holding Company
Fellow Subsidiary

- b. Nature of contracts/arrangements/transactions;

Sunshine Holdings (Mauritius) Limited
GK Industrial Park Private Limited

Buy-Back Offer
Inter-Corporate Deposit

- c. Duration of the contracts / arrangements/transactions;

Sunshine Holdings (Mauritius) Limited

The Members consented to the Buy-Back Offer in an Extra-Ordinary General Meeting held on October 9, 2014. The Buyback was completed on February 6, 2015

GK Industrial Park Private Limited

Ongoing, repayable on September 1, 2015

- d. Salient terms of the contracts or arrangements or transactions including the value, if any;

Sunshine Holdings (Mauritius) Limited

The Holding Company vide its letter dated September 24, 2014, expressed its intention to participate in the Buy-back Offer of the Company through “Tender Offer Route”. The Company bought back 25,001 equity shares of the holding company.

GK Industrial Park Private Limited

The Company is planning to extend the Inter-Corporate Deposit of ₹150 million to GK Industrial Park Private Limited, fellow subsidiary for a period of 12 months

- e. Justification for entering into such contracts or arrangements or transactions;

Sunshine Holdings (Mauritius) Limited

The Holding Company entered into the Buy-back offer through Tender Offer Route which was open to all the equity shareholders of the Company

GK Industrial Park Private Limited

Deposit was given by Premier Chennai Properties Limited to GK Industrial Park Private Limited for financial purpose

- f. Date(s) of approval by the Board;

Sunshine Holdings (Mauritius) Limited

As on September 24, 2014

GK Industrial Park Private Limited

As on September 1, 2014

- g. Amount paid as advances, if any; and

Sunshine Holdings (Mauritius) Limited

Nil

GK Industrial Park Private Limited

₹150 million

- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

Not Required

Annexure II

PARTICULARS OF EMPLOYEES

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Not Applicable The Company had only two employees for the Financial Year 2014-2015	
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	MD & CFO	Nil, as there is no increase in individual's salaries in the financial year
		CS	
3	The percentage increase in the median remuneration of employees in the financial year	Not Applicable The Company had only two employees for the Financial Year 2014-2015	
4	The number of permanent employees on the rolls of the Company	The Company had only two employees on its roll for the Financial Year 2014-2015 and as on March 31, 2015, there was only one employee	
5	The explanation on the relationship between average increase in remuneration & Company performance	There is no increase in the remuneration of the Managerial Remuneration. However, the performance of the Company has increased to 58.78 % in the Financial Year 2014-2015	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	% increase in remuneration for the FY 2014-2015	% increase in remuneration for the FY 2013-2014
		Nil, as there is no increase in individual's salaries in the financial year	

Annexure II

7	<p>Variations in the market capitalization of the Company as on March 31, 2014 and as on March 31, 2015 and the Price earnings ratio as at the closing date of the current FY and previous FY :</p> <p>Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :</p>	Not Applicable		
8	<p>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 ;</p>	% increase in the remuneration other than the Executive Director		Nil, as there is no increase in individual's salaries in the financial year
		% increase in the remuneration of the Executive Director		
9	<p>Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company</p>		% to Total Profit for Managerial remuneration purpose FY 14-15	% to Total Profit for Managerial remuneration purpose FY 13-14
		MD & CFO	0.08%	0.001%
		CS	0.09%	0.001%
		The MD & CFO and the CS were appointed on for the part of the year in 2013-14 and 2014-15 and accordingly the percentage to the total profit is only for the part of the year		

10	The key parameters for any variable component of remuneration availed by the directors	<ol style="list-style-type: none"> 1. Financial Performance of the Company 2. Key Initiatives taken 3. Contribution to the Company's growth 4. On the recommendations of Nomination and Remuneration Committee
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	3:4
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES**

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

Outline of Company's Corporate Social Responsibility (CSR) Policy is given in the Directors' Report. The CSR Policy is also posted on the website of the Company at <http://www.premierchennai.co.in>

- 2. Composition of the CSR Committee:**

Mr Anant Kulkarni, Chairman
Mr Rajan Singh
Mr Vinode Thomas

- 3. Average Net Profit of the Company for last three Financial Years:**

Average Net Profit: ₹ 2,66,42,328/-

- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above):**

The Company is required to spend ₹ 5,32,847/- towards CSR

- 5. Details of CSR spend during the Financial Year:**

- a. Total amount spent for the Financial Year**

₹ 5,35,000/-

- b. Amount unspent, if any**

Nil

Annexure III

c. Manner in which the amount spent during the Financial Year is detailed below

CSR Project or Activity Identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the state or district where projects or programs was undertaken	Amount outlay (budget) programs or project wise	Amount spent on the projects or programs. Sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
Contribution to the Prime Ministers' National Relief Fund	Public Welfare	New Delhi	₹ 5,35,000/-	-	₹ 5,35,000/-	Direct

For and on behalf of
Premier Chennai Properties Limited

Sd/-
Anand Sadashiv Kapre
Managing Director & CFO
DIN: 00019530

For and on behalf of
Corporate Social Responsibility Committee

Sd/-
Anant Kulkarni
Chairman of CSR Committee
DIN: 02078034

**FORM NO. MR 3
SECRETARIAL AUDIT REPORT**

As on the financial year ended on March 31, 2015

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,
PREMIER CHENNAI PROPERTIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. PREMIER CHENNAI PROPERTIES LIMITED** (hereinafter called “the Company”), incorporated on **28th November, 2007** having **CIN:L70101TN2007PLC065552** and Registered office at ***IL&FS Urban Infrastructure Managers Limited, 5J, 5th Floor, Century Plaza 560, Anna Salai, Chennai, Tamil Nadu-600018**. 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 **31st March, 2015** 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, 2015** 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 the 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;

<p>* The Registered Office of the Company has now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chenna-600035, Tamil Nadu with effect from July 1, 2015</p>

Annexure IV

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (v) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (vi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- (vii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable**
- (viii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**
- (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (x) 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;

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the company for the Compliances under the applicable Acts and the regulations to the Company. The List of major head/groups of Acts/laws and regulations applicable to the Company is enclosed and marked as **Annexure –A**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:- **Not Notified**
- (ii) The Model Listing Agreement for listing on Institutional Trading Platform of SME Exchange entered into by the Company with BSE Limited

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

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. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, 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 including through the video conference.

Annexure IV

Majority decision is carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

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:

The members of the Company vide Special Resolution passed in its Extra-Ordinary General Meeting held on 9th October, 2014 have approved for buyback of 25,834 Equity shares of Rs.10/- (Rupees Ten only) from the existing shareholders/beneficial owners of the Equity Shareholders on a proportionate basis through “tender offer” route at the rate of Rs.12,000 (Rupees Twelve Thousand Only) (‘Buyback offer Price’) pursuant to the provisions of the Section 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder and the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

For Kaushal Dalal & Associates
Company Secretaries

Sd/-
Kaushal Dalal
Proprietor
M. No: 7141 CP No: 7512

Place: Mumbai
Date: May 21, 2015

Annexure IV

ANNEXURE-A

Sr. No	Name of the Other Acts
1	Labour Laws and other incidental Laws related to the employees appointed by the Company either on its payroll or on the contractual basis as related to the Wages, Provident Fund, Gratuity, ESIC, Compensation etc.
2	Foreign Contribution Regulation Act, 2010
3	Foreign Exchange Management Act, 1999 /Foreign Direct Investment Policy
4	Information Technology Act, 2000
5	Consumer Protection Act, 1986
6	Acts Specified under the Direct and the Indirect Tax
7	Acts prescribe under the Environmental Protection
8	Acts prescribe under the Prevention and Control of the Pollution
9	General Clauses Act, 1897
10	The Tamil Nadu Shops and Establishments Act, 1948
11	The Land Acquisition Act, 1894

For **Kaushal Dalal & Associates**
Company Secretaries

Sd/-
Kaushal Dalal
Proprietor
M. No: 7141 CP No: 7512

Place: Mumbai
Date: May 21, 2015

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L70101TN2007PLC065552
2.	Registration Date	28/11/2007
3.	Name of the Company	Premier Chennai Properties Limited
4.	Category/Sub-category of the Company	Public Company limited by Shares
5.	Address of the Registered office & contact details	* 5J, 5 th Floor, Century Plaza 560, Anna Salai, Chennai-600 018, Tamil Nadu
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (East), Mumbai-400 072

* The Registered Office of the Company has now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600035, Tamil Nadu with effect from July 1, 2015

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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Specialized Construction Activities	4390-As per NIC Code 2008	85.58%

Annexure V

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND FELLOW COMPANIES

Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Fellow	% of shares held	Applicable Section
Sunshine Holdings (Mauritius) Limited <u>Address :</u> Suite 2005, Alexander House, Cybercity, Ebene, Mauritius	Foreign Company	Holding	96.56	2(46)
GK Industrial Park Private Limited <u>Address :</u> 30, Chennai Bye Pass Road, Mannarpuram, Trichy, Tamil Nadu-620 020	U45200TN2007PTC065754	Fellow Subsidiary	--	--

Annexure V

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 16-June-2014]*				No. of Shares held at the end of the year [As on 31-March-2015]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1	-	1	0.0004	1	-	1	0.0004	-
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Sub-total (A)(1)	1	-	1	0.0004	1	-	1	0.0004	-
(2) Foreign									
a) NRIs Individuals									
b) Others Individuals									
c) Bodies Corp.	241003	-	241003	96.579	216002	-	216002	96.5562	-0.023
d) Banks/FIs									
e) Any other									
Sub-total (A)(2)	241003	-	241003	96.579	216002	-	216002	96.5562	-0.023
Total shareholding of promoter (A)=(A)(1)+(A)(2)	241004	-	241004	96.579	216003	-	216003	96.5566	-0.023
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds									
b) Banks / FIs									
c) Central Govt.									
d) State Govt.(s)									
e) VC funds									

* The Company submitted its listing application on June 16, 2014 and got listed on the Institutional Trading Platform of BSE-SME Exchange with effect from June 20, 2014

Annexure V

f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)									
(2) Non-Institutions									
a) Bodies Corp.	8533	-	8533	3.42	7700	-	7700	3.4420	0.021
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3	-	3	0.0013	3	-	3	0.0014	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
-Directors									
-NRIs									
-HUFs									
Clearing Members									
Trusts									
Sub-total (B)(2)	8536	-	8536	3.4213	7703	-	7703	3.4434	0.023
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8536	-	8536	3.4213	7703	-	7703	3.4434	0.023
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	249540	-	249540	100	223706	-	223706	100	-

Annexure V

B) Shareholding of Promoter

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Sunshine Holdings (Mauritius) Limited	241003	96.58	-	216002	96.56	-	-0.02
Mr. Rajeev Maheshwari [Nominee of Sunshine Holdings (Mauritius) Limited]	1	0.0004	-	1	0.0004	-	-
Total	241004	96.58	-	216003	96.56	-	-0.02

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	241004	96.58	241004	96.58
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	During the year the Promoter participated in the Buy-Back offer of the Company and accordingly the Company brought back 25001 equity shares of the Promoter. The Buy Back of shares was completed on February 6, 2015			
	At the end of the year	216003	96.56	216003	96.56

Annexure V

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IL&FS TRUST COMPANY LIMITED	8033	3.2191	7200	3.2185
2.	SARTHI CAPITAL ADVISORS PRIVATE LIMITED	500	0.2003	500	0.2235
3.	MR. SALEH AFIMIWALLA	01	0.0004	01	0.0004
4.	MR. SANJAY MITRA	01	0.0004	01	0.0004
5.	MR. MANOJ BORKAR	01	0.0004	01	0.0004

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors and KMPs hold shares in the Company			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	None of the Directors and KMPs hold shares in the Company			
	At the end of the year	None of the Directors and KMPs hold shares in the Company			

Annexure V

V. INDEBTEDNESS : Not Applicable

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Mr. Guhan Subramaniam
	Designation	Former MD & CFO**
	<u>Gross salary</u>	
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,69,839
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
	Total (A)	1,69,839

** Upto March 10, 2015

Annexure V

B. Remuneration to other Directors:

Independent Directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Anant Kulkarni	Mr. Rajan Singh	Mr. Manoj Jain*	
	Fee for attending board/committee meetings	35,000	40,000	-	75,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (B)(1)	35,000	40,000	-	75,000

* Upto August 27, 2014

Other Non-Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Vinode Thomas	Ms. Sunita Manwani	
	Fee for attending board/committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (B)(2)	-	-	-
	Total (B)=(B)(1)+(B)(2)	35,000	40,000	75,000

Annexure V

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Karishma Shah Former Company Secretary#	Ms. Prabhyjot Kaur Former Company Secretary**
1	<u>Gross salary</u>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98,065	93,500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit Others, specify...	-	-
5	Others, please specify	-	-
	Total	98,065	93,500

Upto September 1, 2014

** From September 24, 2014 to April 1, 2015

Annexure V

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	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Developments

The Real Estate Sector has been a major beneficiary of the strong economic growth witnessed in India since 2000. This has been complimented by favorable demographics and growth in the services sector, especially IT/ITeS. The real estate sector's contribution to India's GDP was 6.3% in 2013 and is projected to increase to 13% in 2020. The size of real estate market in India is expected to increase at a Compounded Annual Growth Rate (CAGR) of 11.2% during Financial Years 2008–2020. This sector is estimated to be worth USD 180 billion by 2020. The annual employment opportunities generated in this sector are expected to increase from 7.6 million in the Year 2013 to almost 17.2 million in the Year 2025

The major segments in the Real Estate Sector comprise of the following:

1. **Residential:** As per market estimates, the housing demand was around 7,10,000 units in 8 major cities in the Year 2014. Further, residential space supply of nearly 1.4 billion ft² is expected to come by the Year 2015 out of the planned supply of 2.1 billion ft² across 10 major cities. Based on market estimates, demand of 5,00,000 units is expected annually
2. **Commercial:** Of a total supply of 445 million ft² of office space planned in 10 major cities, around 167 million ft² would come up during the Year 2013-2015 with the demand being 66 million ft² during the same period. In terms of city wise demand, Bengaluru, Mumbai and Delhi NCR continue to dominate
3. **Retail:** Of a total planned supply of 67 million ft² across major cities, around 38 million ft² would come up during the Year 2013-2015. Majority of the organized retail space is in Mumbai and Delhi NCR followed by Bengaluru
4. **Hospitality:** This segment received USD 486 million in the Year 2013-2014. As of December 31, 2014, our Country had 1,119 approved hotels with 70,294 rooms. Further, additional supply of 5,000 rooms is expected to be added annually
5. **Special Economic Zones:** The Government of India has formally approved 576 SEZs, of which 173 are in operation. Majority of the SEZs are in the IT/ ITeS sector. With the share of SEZ's increasing in total exports, this segment would continue to be a demand driver for real estate. In addition, the Government is keen on removing approval bottlenecks and on resolving tax related issues in order to boost the development of SEZs

B. Opportunities and Threats

Opportunities

1. **Housing Demand:** Demand from the mid-income residential segment to remain strong as we believe there is significant demand in this category across the country. Increasing

disposable incomes, rapid urbanization and strong demographics are some of the trends favoring the mid-income residential market

2. **Monetary Easing:** The Real Estate Sector performance is directly bounded by the country's economic fundamentals and monetary policies. In January 2014, the RBI increased the repo rates to 8% impacting the cost of borrowings and the interest rates on home loans. Monetary easing initiatives will provide an impetus to housing demand. Even a nominal roll-back in rates can positively impact sentiments and encourage home buyers and real estate developers
3. **Real Estate Reforms:** Various measures initiated by the Indian Government to revive growth in the Real Estate Sector, which if executed correctly, will encourage transparency, corporate governance and investment and improve the industry's long-term prospects. It is our hope that various regulations also incorporate provisions to address challenges the sector currently faces in terms of receiving project approvals
4. **Increased Private Equity (PE) Investments:** Due to a shortfall of bank funding, the Real Estate Sector has benefitted strongly from Private Equity (PE) funding. Entry of PE participants has led to higher efficiency, execution and transparency. PE as a funding practice has been well established and its contribution has been sizeable in the last five years. In the coming years, India's real estate sector is expected to gain healthy from a PE perspective

Threats

1. **Economic Environment:** The prospects of India's Real Estate Sector are closely linked with the state of the economy. The overall Economy has been weakened in the recent years with GDP growth, fiscal deficit, current account deficit and inflation being at unfavorable levels. This has impacted consumer and business sentiment adversely affecting demand across residential, commercial and retail segment. Sluggish domestic GDP growth along with weak global markets can significantly affect the sector
2. **Regulatory Hurdles:** Unfavorable changes in the Government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector
3. **Rising Construction Costs:** Being the largest employment generator in India other than agriculture, the sector faces substantial manpower shortages. Labor costs have considerably increased and the market is facing acute shortage of skilled labor. This is partly due to locally generated employment opportunities through government welfare schemes. These schemes, such as the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) are discouraging migrant laborers from moving away from their hometowns.

The industry has also witnessed substantial increases in input costs such as sand, cement and steel

C. Segment-wise or Product-wise Performance

1. The subject project (Pacifica Aurum) is located off Old Mahabalipuram Road in Siruseri, Chennai. It is under construction for residential township which includes apartments, villas and some convenient retail development spread across a total land area of about 106.5 acres to be developed in 3 phases of residential apartments and 1 phase of villas and retail
2. The Company had entered into a Joint Development Agreement (JDA) with KCP packaging and the Developer according to which the Developer would be responsible for the development of the Project and bear all expenses of construction, marketing, getting approvals, etc. and PCPL would get 14.58% of revenues from the sale of apartments and 12.07% of revenues from sale of villas
3. Phase I and II are under construction for residential apartments with a saleable area of 9,45,000 sq. ft. and 8,34,000 sq. ft. respectively. Also the construction work for villas with saleable area 9,18,687 sq. ft. and retail development (3,50,000 sq. ft.) is under progress. Phase III of the township development is under land stage admeasuring 65 acres
4. The product wise performance for the Financial Year 2014-2015 is as follows:
Apartments - 56 units were sold
Villas - 13 units were sold
5. **Micro Market Overview:** The Old Mahabalipuram Road (OMR) connects the city of Chennai to Mahabalipuram. The micro-market comprises regions flanking the arterial road and is characterized by presence of developments across all segments of real estate
6. OMR has transformed into a sought after Real Estate Market. Rajiv Gandhi Salai, previously known as Old Mahabalipuram Road (OMR) or IT Corridor is an important road in suburban Chennai starting from Madhya Kailash temple and going southward till Mahabalipuram terminating in East Coast Road
7. Some of the major localities on OMR are Perungudi, Thoraipakkam, Karapakkam, Sholinganallur, Navalur, Egattur, Padur, Siruseri, Kelambakkam, It is home to the almost all major IT/ITeS companies like Satyam Computer Services, HCL Technologies, Tata Consultancy Services, Accenture India, Wipro Technologies, Cognizant Technology Solutions, Scope International, Photon InfoTech, Polaris Software Lab and Infosys to name a few
8. Besides, Small Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) has developed an IT Park, spread over 2000 acres (8 km²) in Siruseri, abutting the IT Corridor.
9. The emergence of the IT/ITeS hub has also supplemented the growth of various residential developments around the area. Most of these developments cater to the captive working population, in the resent times has also become the launch pad for various premium and

villa developments. These mostly cater to the senior management of these captive companies and the NRIs.

10. Several residential projects under construction by developers such as DLF, Mantri, Hiranandhani, ETA, TVH, Olympia and Puruvankara. The aggregation of these residential developments are dictated through the two tolls on OMR. Currently there are two tolls, one at Perungudi and the other one at Navalur. There is more clustering around the stretch of Madhya Kailash to Peurngudi. In a similar case scenario the captive population of Siruseri prefer staying around the Siruseri belt before the Navalur toll
11. In addition to proximity to work place and connectivity to other micro markets, the residential characteristic of OMR has been further augmented by presence of a sound social and civic infrastructure. While presence of star category hotels (Asiana and Fortune), and AKDR Golf Village cater to leisure and entertainment requirement of residents in the OMR, educational institutes (Sathyabama University and Hindustan College) provide the necessary social infrastructure
12. A list of new infrastructure projects initiatives on Old Mahabalipuram Road:
 - Elevated corridor project connecting Chennai city to Mahabalipuram
 - Flyover connecting OMR and ECR (connecting the Tidel park Junction, LB Road Bridge and ECR); and
 - Development of three new bridges at Neelankarai, Palavakkam and Kotivakkam
 - Due to the presence of a number of campuses in Siruseri, the adjoining areas after Siruseri have contributed to the overall transformation of the micro market. The residential supply pipelines around the 5km belt have contributed to more than 50% of the residential development on OMR
13. **Residential Micro Market Overview–Siruseri, Chennai:** Traditionally the residential markets in the city centered on Central Chennai owing to most of the business activities revolving around locations like Mylapore, Alwarpet, RA Puram etc. However because of the IT/ITeS development residential development has spread to other micro markets, namely Sholinganallur, Kandanchavadi, Perungudi etc.
14. The OMR micro-market has been witness to significant activity in the residential segment on back of the growth in the commercial segment. The growth in the commercial segment brought with it demand for quality residential units. The increased demand coupled with low supply fuelled the growth of capital values which in turn brought with it both regional and national developers in the region
15. The OMR micro market is currently a witness to a stock of over 12,500 apartment units and an additional supply of over 10,620 units have come up between the Year 2013-2014 out of which 6,300 units has already been absorbed

16. A predominant number of projects in the micro market are priced in the range of INR 3,500-4,500 per sq. ft. Apartments are quoted/transacted on the basis of several factors such as location, positioning, product quality (specifications and amenities), developer reputation and the relevant stage in construction lifecycle of the project. Typical configurations are 2BHK to 3 BHK+Study with a few projects/share of supply accounted by larger size apartments and pent-houses (5BHK and above). Developers tend to differentiate their product on the basis of amenities like school, club house. The average pricing of Premium villas in the micro market range from INR 7,500 - 8,500 per sq. ft. Some developments like Prestige Luxury springs have quotes 5-10% more than average pricing because of the spaces they offer in terms of facilities like sprawling private gardens which cover 50% of each plot, to central air-conditioning, wardrobes in the bedrooms, state-of-the-art appliances in the kitchen and a home automation system
17. The prominent share of buyers in this area from the Siruseri-Navalur belt of IT companies with about 7-10% being investors/who want to own a second home for investment. Most of the projects in the area cater to the working population of Siruseri and surrounds with the average ticket size of the apartments range between INR 75-85 lakhs
18. In the recent past, there has been a moderation in sales, velocity seen in a large number of projects, which are attributed to a number of reasons, including the high interest rates, persistently high inflation and moderation in economic growth rates among others. However, the weakening currency which is evident in other markets has also contributed to offsetting some of the lost sales due to the other reasons in the area.
19. There has not been much movement in the commercial activity in the micro market. Vacancy and upcoming supply is expected to put pressure on the capital values in the micro market. Quality of stock and infrastructure would dictate the trend setters in the area. The developers have moved away from time bound payment and have largely linked the payment to the progress of construction. This is also expected to boost sales in the micro market to a significant extent

D. Outlook

1. The current challenging market environment necessitates increased dynamism. The company is focusing on increasing sales and expediting construction. The micro market is faced with over supply. However, project layout, product size and amenities provides good differentiation from competing projects. With improvement in economic outlook and fall in interest rates, the company is confident of good performance

E. Risks and concerns

Lack of demand on account of the following may result in below than expected performance:

- Rising inflation and in turn interest rates thus reducing affordability of home buyers
- Over supply in the micro market due to competing projects
- Lack of liquidity due to dampened sales may delay project completion

F. Internal Control Systems and their adequacy

The Company having carried out Internal Audit, has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

G. Discussion on the Financial Performance with respect to Operational Performance

Despite a challenging business environment, our total income in the Financial Year 2014-2015 increased to INR 265 mn, as compared with INR 99 mn in the Financial Year 2013-2014. Profit after Tax increased to INR 145mn as compared to INR 59 mn in the corresponding period last year

H. Material developments in Human Resources/Industrial Relations front, including number of people employed:

There are two employees on the payroll of the Company

CORPORATE GOVERNANCE REPORT

A. COMPANY PHILOSOPHY

The Company emphasizes the need for full transparency and accountability in all its transactions and believes in adopting the 'best business practices' that are followed to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders. This has enabled your Company to earn the trust and goodwill of its investors, business partners and the communities in which it operates. Your Company has complied with the requirements of Corporate Governance as laid down under Clause 42 of the Model Listing Agreement of the ITP Platform with BSE-SME Exchange

B. BOARD OF DIRECTORS

Composition of Board

- a. The Company's Board comprises of a Non-Executive Chairman, three Non-Executive Directors including one Non Executive Women Director as required under Section 149(1) of the Companies Act, 2013 and one Managing Director. More than one third of the Board comprises of Independent Directors
- b. None of the Directors of the Company are Directors of more than ten Indian Public companies and none of the Directors are Directors of more than twenty Indian companies
- c. None of the Directors hold Chairmanship of more than five Committees or membership in more than ten Committees of Public Limited Companies as stipulated under Clause 42 of the Model Listing Agreement of the ITP Platform with BSE-SME Exchange
- d. All the Independent Directors of the Company have furnished a declaration that they satisfy the conditions of being independent as stipulated under Clause 42 of the Model Listing Agreement of the ITP Platform with BSE-SME Exchange

Board Meetings

- a. The Board of Directors met six times during the Financial Year ended March 31, 2015 and the gap between two meetings did not exceed four months. The meetings were held during the year on June 16, 2014, September 1, 2014 at 4 pm., September 1, 2014 at 4.30 pm, September 24, 2014, November 12, 2014 and March 10, 2015
- b. The category of Directors, their attendance record at the Board Meetings held during the Financial Year ended March 31, 2015 and at the previous Annual General Meeting along

with their memberships / chairmanships on the Board Committees of Companies is as follows:

Name & DIN of the Director	Date of Appointment	Category of Director	*No. of Directorships in Indian Companies (including PCPL)	**Committee(s) Position (including PCPL)	
				Member	Chairman
Mr. Anant Kulkarni (DIN: 02078034) (Chairman)	24.03.2014	Non-Executive/ Independent	3	-	2
Mr. Rajan Singh (DIN: 05339297)	01.09.2014	Non-Executive/ Independent	2	1	-
Mr. Vinode Thomas (DIN: 01893613)	09.05.2008	Non-Executive	13	1	-
Ms. Sunita Manwani (DIN: 01839009)	24.03.2014	Non-Executive	9	3	-
# Mr. Manoj Jain (Resigned with effect from August 27, 2014) (DIN: 00014085)	24.01.2014	Non-Executive/ Independent	-	-	-
# Mr. Guhan Subramanian (Resigned on March 10, 2015) (DIN: 00131687)	24.03.2014	Managing Director & CFO	1	-	-

* Excludes directorships held in Foreign Companies and Section 8 Companies

** Only Audit Committee and Stakeholders' Relationship Committee have been considered as per Clause 42 of the Model Listing Agreement-ITP Platform

Information as available on the date of cessation

Attendance of Directors at Board Meetings and Annual General Meeting

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM held on September 30, 2014
Mr. Anant Kulkarni	5	Yes
Mr. Rajan Singh	4	Yes
Mr. Vinode Thomas	6	Yes
Ms. Sunita Manwani	4	Yes
Mr. Manoj Jain (Resigned with effect from August 27, 2014)	1	Not Applicable
Mr. Guhan Subramaniam (Resigned on March 10, 2015)	5	Yes

Name of the Director	Attendance at the Board Meetings held on					
	June 16, 2014	September 1, 2014 at 4.00 pm*	September 1, 2014 at 4.30 pm**	September 24, 2014	November 12, 2014	March 10, 2015
Mr. Anant Kulkarni	√	√	√	√	√	Leave of Absence
Mr. Rajan Singh	Not Applicable	Not Applicable	√	Leave of Absence	√	√
Mr. Vinode Thomas	√	√	√	Leave of Absence	√	√
Ms. Sunita Manwani	√	√	√	Leave of Absence	Leave of Absence	√
Mr. Manoj Jain (Resigned with effect from August 27, 2014)	√	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr. Guhan Subramaniam (Resigned on March 10, 2015)	√	√	√	√	√	Not Applicable

Mr. Vinode Thomas and Ms Sunita Manwani attended the Board meeting held on September 1, 2014 at 4.00 p.m. through video conferencing

**Mr. Rajan Singh, Mr. Vinode Thomas and Ms Sunita Manwani attended the Board meeting held on September 1, 2014 at 4. 30 pm through video conferencing

Appointment/Re-appointment of Directors

- a. Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Sunita Manwani shall retire by rotation at the ensuing Annual General Meeting
- b. Mr. Anand Sadashiv Kapre has been appointed as Managing Director & Chief Financial Officer (CFO) of the Company
- c. The Board has recommended the appointment/re-appointment of Mr. Anand Sadashiv Kapre and Ms. Sunita Manwani to the shareholders of the Company

Code of Conduct

The Board has laid down a Code of Conduct for all its Board members and the Senior Management of the Company. The Code of Conduct includes the Code for the Independent Directors pursuant to Schedule IV of the Companies Act, 2013. The Code of Conduct as laid down by the Board has already been posted on the Company's website. The Company has obtained the confirmation of the compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2014-2015. As required by Clause 42 of the Model Listing Agreement-ITP Platform, the declaration on compliance of the Company's Code of Conduct signed by the Managing Director & Chief Financial Officer (CFO) forms part of this Annual Report

Selection Criteria for appointment of Board of Directors

- a. The Board has adopted a Selection Criteria for hiring of Members of the Board. The candidate is expected to meet certain criteria including one of following criteria:
 - Must have served on other Boards
 - Must bring a different dimension to the board due to the area of work or expertise (Legal, Compliance, HR, Marketing etc.)
 - General Management for last 5-10 years in the financial services or, Legal or Real Estate space
 - An independent, eminent Specialist or Professional
 - Experience in the financial services space as an owner of a financial services business
- b. Board Diversity:
 - The Company is sensitive to the need for a robust Board process that enables different views to be expressed, heard and considered. The Company believes that Board members armed with divergent skills, expertise, experience and knowledge will make the Company's Board more effective and make the Company more agile to face

complex issues. A Board comprising of members from divergent backgrounds allows tackling the same issues in differing ways and helps combat common limitations

- The Company is desirous of having suitable Board Diversity in terms of gender, religion, skills, educational and professional patronage, industry experience, and the Company's selection criteria of new Directors shall be guided by these principles

Evaluation of Board's Performance

- a. The objective of this evaluation is to review the performance of the individual Directors and the Board as a whole. The Board will undertake the following activities annually:
 - The Chairperson may meet with Non-Executive Directors to discuss individual performance and ideas for improvement
 - The Board as a whole will discuss and analyze its own performance during the year including suggestions for improvement
 - The performance of the Executive Directors shall also be reviewed annually which shall in turn reflect on their remuneration
 - The Board shall review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committees
 - Schedule IV of the Companies Act, 2013 prescribes the Code for Independent Directors (Code). The Company has adopted the Code by incorporating it in Company's Code of Conduct. Roles, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code
 - The various parameters to be considered while conducting the assessment of Board of Directors, Independent Directors and for Committees is posted on the website of the Company at <http://www.premierchennai.co.in>

Terms of Appointment of Independent Directors

The terms of appointment of Independent Directors is posted on the website of the Company at <http://www.premierchennai.co.in>

Independent Directors' Meeting

The Independent Directors met on November 12, 2014 inter alia:

- To review the performance of non-independent directors and the Board of Directors as a whole
- To review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors

- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

C. AUDIT COMMITTEE

Constitution of the Audit Committee

The Audit Committee presently comprises of three Directors of which two are Non-Executive Independent Directors. All the members of Audit Committee are financially literate and Ms. Sunita Manwani, who is a Non-Executive Woman Director is a Chartered Accountant by profession and has accounting and financial management expertise

Terms of Reference

Pursuant to the provisions of **Section 177** of the Companies Act, 2013 and **Clause 42** of the Model Listing Agreement – ITP Platform, the Board at its meeting held on September 24, 2014 has revised the terms of reference of the Audit Committee, to include the following:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommend to the Board, the appointment, remuneration, terms of appointment of the Auditor of the Company
- Review and monitor the Auditor's independence and performance and effectiveness of the audit process
- Approval of payment to the statutory auditors for any other services rendered by the statutory auditors
- Review with the management, the annual financial statements and the auditors' report thereon, before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management

- (iv) Significant adjustments made in the Financial Statements arising out of audit findings
- (v) Compliance with the listing and other legal requirements relating to the financial statements
- (vi) Disclosure of any related party transactions
- (vii) Qualifications in the draft audit report
- (viii) Review with the Management, the quarterly financial statements before submission to the Board for approval
- (ix) Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, monitoring related matters and making appropriate recommendations to the Board to take up steps in this matter
- (x) Approval of any subsequent modification of transaction of the Company with related parties
- (xi) Scrutiny of inter-corporate loans and investments
- (xii) Valuation of undertakings or assets of the Company, wherever it is necessary
- (xiii) Review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems
- (xiv) Evaluation of the internal financial controls and risk management systems
- (xv) Review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- (xvi) Discussion with Internal Auditors on any significant findings and follow up there on
- (xvii) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- (xviii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

- (xix) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- (xx) Review the functioning of the Vigil Mechanism
- (xxi) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- (xxii) Review the Management Discussion and Analysis
- (xxiii) Review the financial statements of unlisted subsidiary companies
- (xxiv) Carrying out any other function as is referred to it by the Board of Directors

Audit Committee Meetings

The Audit Committee met four times during the Financial Year ended June 16, 2014, September 1, 2014, November 12, 2014, and March 10, 2015 which was adjourned for want of quorum and was latter held on March 23, 2015.

The Composition of the Audit Committee is as under:

Name of the Director	Category	Designation
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Ms. Sunita Manwani	Non-Executive	Member
Mr. Manoj Jain (Resigned with effect from August 27, 2014)	Non-Executive/ Independent	Member

Attendance of the members at the Audit Committee Meetings

Name of Directors	Attendance at the Audit Committee Meetings held on			
	June 16, 2014	September 1, 2014	November 12, 2014	March 23, 2015 *
Mr. Anant Kulkarni	√	√	√	√
Mr. Rajan Singh	Not Applicable	√	√	√
Ms. Sunita Manwani	√	√	Leave of Absence	Leave of Absence
Mr. Manoj Jain (Resigned with effect from August 27, 2014)	√	Not Applicable	Not Applicable	Not Applicable

* The meeting originally held on March 10, 2015 was adjourned for the want of quorum to March 23, 2015

Attendees

The Statutory Auditors, the Managing Director & Chief Financial Officer and the Company Secretary are invited to attend the meetings. The Audit Committee also invites such other senior executives as it considers appropriate to be present at its meetings

D. NOMINATION AND REMUNERATION COMMITTEE

Composition

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Compensation Committee” as the “Nomination and Remuneration Committee”

Also, with the resignation of Mr. Manoj Jain and appointment of Mr. Rajan Singh, the Board reconstituted the Nomination and Remuneration Committee

The Committee comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Director

Terms of Reference

The Board at its meeting held on September 1, 2014 at 4.00 p.m. expanded the terms of reference of the Nomination & Remuneration Committee as per the requirements of Companies Act, 2013 to include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of Independent Director and the Board
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- Approve criteria and quantum of compensation for Whole-time Directors
- Recruitment of key management employees and their compensation
- Determination of the annual increments and performance related pay of the employees
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

Managerial Remuneration Policy

The Board has adopted the Managerial Remuneration policy to attract and to retain competent personnel and to provide competitive performance based compensation and benefits depending on various factors such as the market scenario, business performance of the Company and the remuneration practices and to ensure clear communication of vision and business plans

The structure of Managerial Remuneration policy is segregated in five parts namely remuneration pattern of Whole-time Directors, Key Managerial Personnel, Senior Management, Non-Executive Independent Directors and succession planning

a. Remuneration structure of the Whole-time Directors and Key Managerial Personnel:

Fixed Remuneration: This includes Salary based on seniority and experience paid on a monthly basis as per the Rules of the Company

b. Remuneration structure of the Senior Management:

- The expression “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads excluding the Key Managerial Personal
- The Senior Management have operational responsibilities
- Fixed Remuneration: This includes Salary based on seniority and experience paid on a monthly basis as per the Rules of the Company

c. Remuneration structure of Non-Executive Independent Directors:

Non-Executive Independent Directors are paid Sitting Fees for attending the Board/Board Committee/s Meetings in accordance with the Companies Act, 2013

d. Succession Planning:

- Succession Plan ensures continuity in operation and services, in the event of exit of key members of the organization, by supply of suitably qualified and motivated employees who can take up higher roles and responsibilities
- The Company is committed in creating a system of identifying, monitoring, assessing and developing a pipeline of talent. The Company shall continuously engage in the process of developing career path of employees, to recruit and retain top-performing or high talent employees; and gearing them up for the future organizational requirements
- If the Company is unable to fill a key position through internal promotions, the Company shall close the position by recruiting an external candidate whose experience and expertise best matches with its predecessor, in a time bound manner

Nomination and Remuneration Committee Meetings

The Nomination & Remuneration Committee passed two circular resolutions on August 28, 2014 and September 22, 2014 respectively and met once as on March 10, 2015.

Composition of the Nomination and Remuneration Committee

Name of the Director	Category	Designation
Mr. Vinode Thomas	Non-Executive	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Mr. Anant Kulkarni	Non-Executive/ Independent	Member

Attendance of the members at Nomination and Remuneration Committee Meeting

Name of the Director	Attendance at the Nomination and Remuneration Committee Meeting held on March 10, 2015
Mr. Vinode Thomas	√
Mr. Rajan Singh	√
Mr. Anant Kulkarni	Leave of Absence

Details of Remuneration

- a. Mr. Guhan Subramaniam, Managing Director & Chief Financial Officer (CFO) of the Company resigned from the services of the Company on March 10, 2015 and Mr. Anand Sadashiv Kapre has been appointed as the Managing Director & Chief Financial Officer (CFO) of the Company with effect from May 21, 2015
- b. Details of Remuneration paid to the Mr. Guhan Subramaniam during the Financial Year 2014-2015

Name of the Director	Salary (₹)	Perquisites (₹)	Total (₹)
Mr. Guhan Subramaniam	1,69,839	-	1,69,839

Details of payment made to the Non-Executive Directors

- a. The Company does not pay any remuneration to the Non-Executive Directors. Independent Directors of the Company are paid sitting fees for attending the Board Meetings and the Audit Committee Meetings of the Company
- b. During the Financial Year 2014-2015, the Independent Directors were paid sitting fees of ₹ 10,000 each for attending Board meetings and ₹ 5,000/- each for attending Audit Committee Meetings
- c. Details of Sitting Fees for the Financial Year 2014-2015 to be paid to the Independent Directors of the Company is as under:

Name of the Director	Sitting Fee for attending board/committee meetings	Commission
Mr. Anant Kulkarni	35,000	-
Mr. Rajan Singh	40,000	-

E. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board at its meeting held on September 24, 2014 renamed the existing 'Shareholders / Investors Grievance Committee' as the 'Stakeholders Relationship Committee'

The Committee oversees the following functions:

- Transfer/transmission of shares and such other securities as maybe issued
- Issuance of duplicate certificates and rematerialisation of shares and such other securities as maybe issued

- Issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities
- Monitoring expeditious redressal of investors/stakeholders grievances
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

Composition

- a. The Stakeholders Relationship Committee presently comprises of one Non-Executive Independent Director and two Non-Executive Directors. The Composition of the Stakeholders Relationship Committee is as under

Name of the Director	Category	Designation
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Ms. Sunita Manwani	Non-Executive	Member
Mr. Vinode Thomas	Non-Executive	Member

- b. Ms. Prabhjyot Kaur as the Company Secretary of the Company resigned from the services of the Company with effect from April 1, 2015

Ms. Nidhi Shah has been appointed as the Company Secretary and Compliance Officer of the Company with effect from May 18, 2015

- c. In compliance with Section 178 of the Companies Act, 2013, since the Company at present has less than 1,000 shareholders, it is therefore not mandatory for the Company to form a Stakeholders Relationship Committee and thus no Committee meetings were held by the committee members in the Financial Year 2014-2015. However the Company has renamed its previously constituted 'Shareholders/Investors Grievance Committee' as the 'Stakeholders Relationship Committee'
- d. During the Financial Year 2014-2015, the Company did not receive any complaints from shareholders and also there were no complaints pending at the end of the year

F. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee on September 24, 2014. The Committee has been constituted to:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company, as laid down in Schedule VII to the Act
- Identify the focus areas for the CSR activities on a yearly basis and review the same on a periodic basis
- Recommend the amount of expenditure to be incurred on the CSR activities
- Instituting a transparent monitoring mechanism for implementation of the CSR activities undertaken by the Company

Composition of the Corporate Social Responsibility Committee

The composition and attendance record of the members of the Corporate Social Responsibility Committee is given as under:

Name of the Member	Category	Designation
Mr. Anant Kulkarni	Non-Executive/ Independent	Chairman
Mr. Rajan Singh	Non-Executive/ Independent	Member
Mr. Vinode Thomas	Non-Executive	Member

Attendance of the members at the Corporate Social Responsibility Committee Meeting

Name of the Director	Attendance at the Corporate Social Responsibility Committee Meeting held on March 10, 2015
Mr. Anant Kulkarni	Leave of Absence
Mr. Rajan Singh	√
Mr. Vinode Thomas	√

G. WHISTLE BLOWER POLICY

Whistle Blower Policy aims to provide an avenue for employees and directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Vigil mechanism of the Company. The Whistle Blower policy details the procedure for inquiry and investigation of complaints, provides for

adequate safeguard for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy. The Policy is posted on the website of the Company at <http://www.premierchennai.co.in>

H. GENERAL BODY MEETINGS

Particulars of past three Annual General Meetings

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
7 th AGM	2013-2014	5J, 5 th Floor, Century Plaza 560, Anna Salai, Chennai-600 018, Tamil Nadu	30.09.2014	12.00 p.m.	1. Appointment of Mr. Anant Kulkarni as the Independent Director for a term of 5 years 2. Appointment of Mr. Rajan Singh as the Independent Director for a term of 5 years
6 th AGM	2012-2013		04.09.2013	10.00 a.m.	No Special Resolution was passed
5 th AGM	2011-2012		13.07.2012	4.30 p.m.	No Special Resolution was passed

Extraordinary General Meeting (EOGM)

The Company held an Extraordinary General Meeting on October 9, 2014 for the buy-back of 25,834 equity shares of the face value of ₹ 10/- at the price of ₹ 12,000/- per equity share aggregating to ₹ 31,00,08,000/- through tender offer route as prescribed under the Buy-Back Regulations

As the total number of shareholders are less than 200, the Company was not required to pass the special resolution through postal ballot approval pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014

Special Resolutions passed through Postal Ballot

None of the resolutions approved at the last Annual General Meeting required postal ballot approval

During the year under review, no resolution has been passed through the exercise of postal ballot

I. DISCLOSURES

- a. The Management Discussion & Analysis forms part of this Annual Report
- b. **Related Party Transactions:** All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 42 of the Model Listing Agreement-ITP Platform during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements and Form AOC-2 in **Annexure I**
- c. None of the Directors of the Company are related to each other
- d. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large
- e. **Strictures or Penalties:** No strictures or penalties were imposed on the Company by the Stock Exchange or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matter related to the capital markets during the last three years
- f. **Compliance with Accounting Standards:** In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements
- g. **CEO & MD/CFO Certification:** The Managing Director and Chief Financial Officer (CFO) has issued certificate pursuant to the provisions of Clause 42 of the Model Listing Agreement-ITP Platform certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

J. MEANS OF COMMUNICATION

- a. The Company does not send any half-yearly report to the members of the Company
- b. The Financial results of the Company for the Financial Year 2014-2015 is available on the website of the Company at <http://www.premierchennai.co.in>
- c. The Company's website contains a separate dedicated section 'Investor Relations' which provides all the information on Financials, Shareholding Pattern, Policies, Notices and Updates

- d. The Annual Report of the Company is also placed on the Company's website: <http://www.premierchennai.co.in> and can be downloaded

K. GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting Day, Date and Time:	Friday, September 4, 2015 at 2.00 p.m.
Annual General Meeting Venue:	Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103, Tamil Nadu
Financial Year:	The Company follows April-March as its Financial Year
Book Closure:	Monday, August 31, 2015 to Friday, September 4, 2015 (both days inclusive)
Dividend Payment:	The Company does not intend to declare Dividend to its shareholders for the Financial Year 2014-2015
Listing on Stock Exchange:	The Company has already paid its Annual Listing Fees for the Financial Year 2015-2016 to the Stock Exchange (BSE-SME)
Security Identification Number (ISIN):	INE245Q01019
Scrip Code/Symbol:	Scrip ID: PCPL; Scrip Code: 780007
Corporate Identification Number:	L70101TN2007PLC065552
Board Meeting to be held for approving financial statements for the quarter ending:	
September 30, 2015	On or before November 15, 2015
March 31, 2016	On or before May 30, 2016

The shares of the Company have not been traded on the exchange since the Company got listed on the Institutional Trading Platform of BSE-SME Exchange with effect from Friday, June 20, 2014

L. SHARE TRANSFER SYSTEM

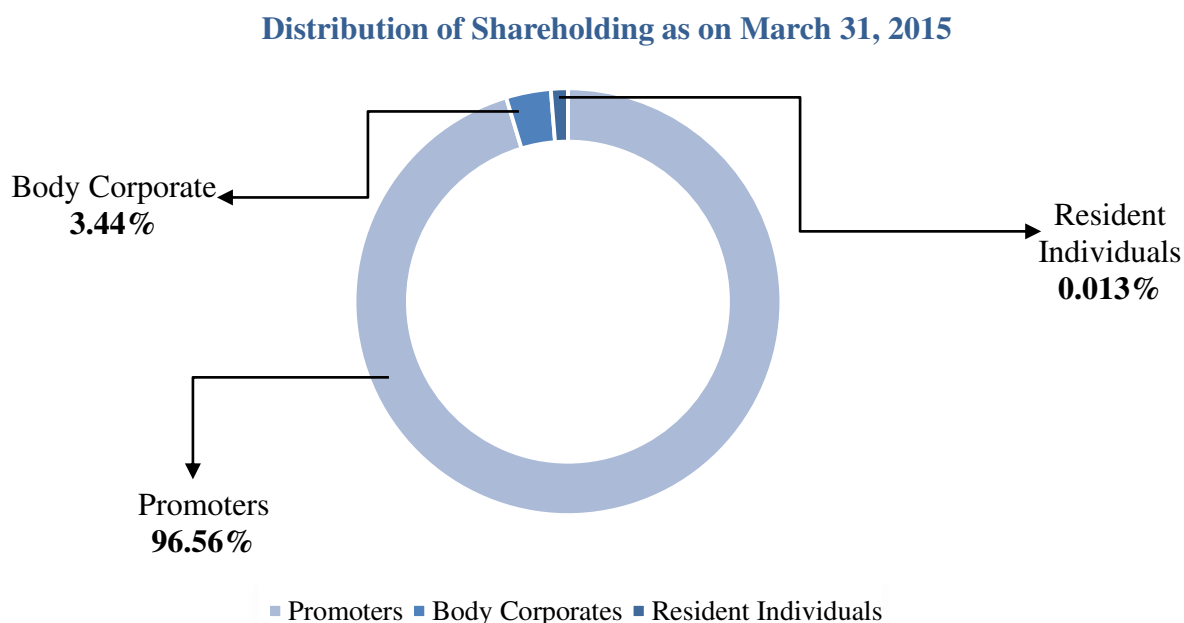
The Registrar and Share Transfer Agent (RTA) of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities of the Company

Shares held in the dematerialized form are electronically transferred on the Depositories. The RTA of the Company periodically receives the beneficiary holdings from the Depositories which enables the RTA to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed within a period of 21 days from the date of receipt, provided they are in order in every respect

M. CATEGORY WISE SHAREHOLDING AS ON MARCH 31, 2015

Sr. No.	Category	No. of Shares held	%
1.	Promoters	2,16,003	96.556
2.	Body Corporates	7,700	3.442
3.	Resident Individuals	3	0.013
	Total	2,23,706	100.000



N. DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2015 (IN ₹)

Nominal Shareholding	No. of Shareholders	% of Total	Share Amount	% of Total
1-5000	5	71.4286	5,040	0.2253
50001-100000	1	14.2857	72,000	3.2185
100001-9999999999	1	14.2857	21,60,020	96.5562
Total	7		22,37,060	100.000

O. RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external practicing company secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Audit Certificate in regard to the same is submitted to BSE-SME Limited

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby members have an option to dematerialize their shares with either of the depositories

P. DEMATERIALIZATION OF SHARES AND LIQUIDITY

100% of the equity shares have been dematerialized as on March 31, 2015

Q. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Nil

R. ADDRESS FOR CORRESPONDENCE

Registrar and Share Transfer Agents:

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Saki-Vihar Road,
Saki Naka, Andheri (East),

Mumbai-400 072
Tel. No.: +91-22-4043 0200
Fax. No.: +91-22-2847 5207

Registered Office:

5J, 5th Floor, Century Plaza 560,
Anna Salai,
Chennai-600 018
Tel. No.: +91-44-2431 3535
Fax No.: +91-44-2431 5353
(Shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai,
Chennai-600 035, Tamil Nadu with effect from July 1, 2015)

Correspondence Address:

IL&FS Investment Managers Limited,
The IL&FS Financial Centre, 1st Floor,
Plot No C-22, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai-400 051
Tel. No.: +91-22-2659 3793
Fax No.: +91-22-2653 3056

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Clause 42 of the Model Listing Agreement of the Institutional Trading Platform with the BSE-SME Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics for the year ended March 31, 2015

For **Premier Chennai Properties Limited**

Sd/-
Anand Sadashiv Kapre
Managing Director & CFO
DIN: 00019530

Place: Mumbai
Date: May 21, 2015

MD & CFO CERTIFICATION

I, the undersigned, in my capacity as Managing Director and Chief Financial Officer of Premier Chennai Properties Limited ("the Company") to the best of my knowledge and belief certify that:

- a. I have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2015 and that to the best of my knowledge and belief, I state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any 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. I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. I hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company
- d. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies

- e. I have indicated, based in my most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
- i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting

For **Premier Chennai Properties Limited**

Sd/-
Anand Sadashiv Kapre
Managing Director & CFO
DIN: 00019530

Place: Mumbai
Date: May 21, 2015

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF PREMIER CHENNAI PROPERTIES LIMITED

We have examined the compliance of conditions of Corporate Governance by **PREMIER CHENNAI PROPERTIES LIMITED** ("the Company") for the year ended March 31, 2015, as stipulated in Clause 42 of the Model Listing Agreement for listing on Institutional Trading Platform of SME Exchange at BSE Limited

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements

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

For **Kaushal Dalal & Associates**
Company Secretaries

Sd/-
Kaushal Dalal
Proprietor
M. No: 7141 CP No: 7512

Place: Mumbai
Date: May 21, 2015

AUDITORS REPORT

To the members of
Premier Chennai Properties Limited
(formerly Premier Chennai Properties Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Premier Chennai Properties Limited (formerly Premier Chennai Properties Private Limited) (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 of 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 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 misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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, but not for the purpose expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears in front 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 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified

as on 31st March, 2015 from being appointed as a director in terms of Section 154 (2) of the Act.

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Vishnu Daya & Co.,
Chartered Accountants
F.R.N. No.: 008456S

Sd/-
Shankar D
Partner M No: 216547

Place: Bengaluru
Date: May 21, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

1. Fixed Assets:

The Company has not acquired any fixed assets as on Balance Sheet date. Accordingly clause 3(i) of the Order is not applicable to the Company for the current year.

2. Inventories:

- a. As per the information and explanation given to us, inventories representing land under development held by the Company which have been physically verified / reviewed by the Management at regular intervals during the year.
- b. In our opinion and accordingly to the information and explanation given to us, the procedure of physical verification / review of inventories followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its above inventories and no material discrepancies were noticed on physical verification.

3. Loans and advances:

- a. The Company has granted demand loan to the fellow subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year is ₹ 15,00,00,000/- and the year-end balance of the loan ₹ 15,00,00,000/-.
- b. In the case of the loans granted to the bodies corporate listed 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 the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- c. There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

4. Internal control:

In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

5. Deposits from public:

The Company has not accepted any deposits from the public during the period under review. Accordingly, clause 3 (v) of the Order is not applicable.

6. Cost Records:

According to the information and explanation given to us, for the activities carried out by the Company, Central Government has prescribed the maintenance of cost records, under Section 148 (1) of the Act as per the Companies (cost records and audit) Rules, 2014. However, the Company turnover is not in excess of the limits prescribed for maintenances of Cost Records for the current year under reporting, accordingly, clause 3 (vi) is not applicable to the Company.

7. Statutory dues:

- a. According to the information and explanation given to us and records of the Company examined by us, in our opinion, the Company has been generally regular in depositing the undisputed statutory dues if any, including provident fund, employee's state insurance, income tax, value added tax, service tax, cess and any other applicable statutory dues with the appropriate authorities. No undisputed amounts payable in respect thereof were outstanding at the last day of the financial year for a period of more than six months from the date they become payable.
- b. According to the information and explanation given to us and records of the Company examined by us, there are no dues in respect of income tax, value added tax, service tax, customs duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- c. According to the information and explanation given to us and records of the Company examined by us, there are no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of Companies Act, 2013 and rules made there under has been transferred to such fund within time.

8. Accumulated losses:

The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the period under review and in the immediately preceding financial year.

9. Dues to Financial institutions etc.:

The Company has not availed any credit facilities from financial institution or bank or debenture holders. Accordingly, clause 3 (ix) of the Order is not applicable.

10. Guarantee for others:

According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 3 (x) of the Order is not applicable.

11. Term loans:

Based on our verification of records and financial statements and according to the information and explanation given to us, the Company has not obtained any term loan during the year. Accordingly, clause 3 (xi) of the Order is not applicable.

12. Frauds etc.:

As per the information and explanation given to us and based on our examination, of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud on or by the Company, nor have we been informed of such cases by the management during the year.

For Vishnu Daya & Co.,
Chartered Accountants
F.R.N. No.: 008456S

Sd/-
Shankar D
Partner M No: 216547

Place: Bengaluru
Date: May 21, 2015

BALANCE SHEET
As on 31st March, 2015

	Notes No.	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2.01	22,37,060	24,95,400
Reserves and Surplus	2.02	1,07,60,92,825	1,24,09,04,712
		1,07,83,29,885	1,24,34,00,112
Current Liabilities			
Trade payable	2.03	9,12,703	19,65,350
Other Current liabilities	2.04	46,04,23,893	34,64,04,683
Short- term provisions	2.05	35,27,477	1,25,28,000
		46,48,64,073	36,08,98,033
Total		1,54,31,93,958	1,60,42,98,145
ASSETS			
Current assets			
Current investments	2.06	-	40,11,49,783
Inventories - Land under development	2.07	1,11,79,72,642	1,16,32,68,504
Trade receivables	2.08	11,06,45,981	1,49,18,955
Cash and bank balance	2.09	14,76,98,332	4,72,197
Short term loans and advances	2.10	15,00,00,000	-
Other current assets	2.11	1,68,77,003	2,44,88,705
Total		1,54,31,93,958	1,60,42,98,145

Summary of Significant accounting policies 1

The notes referred to above form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

for Vishnu Daya & Co.,
Chartered Accountants
FRN No.: 008456S

Sd/-
Shankar D
Partner
M. No: 216547

Place: Mumbai
Date: May 21, 2015

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

Sd/- Anand Sadashiv Kapre Managing Director & Chief Financial Officer DIN: 00019530	Sd/- Vinode Thomas Director DIN: 01893613
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Sd/-
Nidhi J. Shah
Company Secretary

STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2015

Particulars	Notes No.	Current year	Previous Year
Revenue from Operations	2.12	22,69,79,619	8,28,88,191
Other income	2.13	3,82,35,097	1,63,70,003
Total revenue		26,52,14,716	9,92,58,194
Expenses:			
Project expense	2.14	4,52,95,862	1,37,71,749
Employee cost	2.15	3,61,404	9,032
Finance cost	2.16	2,58,170	13,09,000
CSR Expenditure	2.17	5,35,000	-
Other expenses	2.18	1,05,69,507	35,19,394
Total expenses		5,70,19,943	1,86,09,175
Profit/(loss) before tax		20,81,94,773	8,06,49,019
Tax expenses:			
Current tax		6,32,57,000	2,12,19,000
Deferred tax		-	-
Profit / (Loss) for the period		14,49,37,773	5,94,30,019
Earnings per Equity Share			
Equity shares of par value ₹ 10/- each			
Basic		589.18	238.55
Diluted		589.18	238.55
Weighted average number of shares			
Basic		2,46,001	2,49,133
Diluted		2,46,001	2,49,133

Summary of Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

for Vishnu Daya & Co.,

Chartered Accountants

FRN No.: 008456S

Sd/-

Shankar D

Partner

M No: 216547

Place: Mumbai

Date: May 21, 2015

For and on behalf of the Board of Directors

Sd/-

Anand Sadashiv Kapre

Managing Director &

Chief Financial Officer

DIN: 00019530

Sd/-

Vinode Thomas

Director

DIN: 01893613

Sd/-

Nidhi J. Shah

Company Secretary

CASH FLOW STATEMENT
For the year ended 31st March, 2015

Particulars		Current Year (₹)	Previous Year (₹)
Cash flow from operating activities			
Net Profit/(loss) before taxation		20,81,94,773	8,06,49,019
Less:			
Interest expenses relating to income tax		2,58,170	13,09,000
Interest income		(1,41,49,123)	-
Dividend and gain from Mutual Fund investment		(2,40,85,974)	(1,62,79,999)
Operating profit before working capital changes		17,02,17,847	6,56,78,020
Changes in Working Capital:			
(Increase)/Decrease in Inventories		4,52,95,862	1,37,71,749
(Increase)/Decrease in other current assets & loans & advances		2,05,05,132	(21,72,656)
(Increase)/Decrease in Trade receivables		(9,57,27,026)	(1,49,18,955)
Increase/(Decrease) in Current Liabilities		11,29,66,563	26,88,27,416
Cash generated / (used in) from investing activities		25,32,58,378	33,11,85,574
Taxes paid		(7,26,74,913)	(1,00,00,000)
Net Cash generated/ (used in) from operations	A	18,05,83,465	32,11,85,574
Cash flow from Investing Activities			
Current investment in Mutual fund		40,11,49,783	(32,68,81,065)
Interest received		14,14,913	-
Inter-corporate deposits		(15,00,00,000)	-
Dividend earned from Mutual Fund investment		2,40,85,974	1,62,79,999
Dividend earned reinvested in Mutual Fund		-	(1,62,79,999)
Cash generated / (used in) from investing activities	B	27,66,50,670	(32,68,81,065)
Cash flow from Finance Activities			
Share capital including securities premium		-	50,30,000
Share capital buy back		(31,00,08,000)	-
Cash generated/ (used in) from finance activities	C	(31,00,08,000)	50,30,000

Net Increase in cash and cash equivalents	A+B+C	14,72,26,135	(6,65,492)
Cash and Cash equivalent at the beginning of the year		4,72,197	11,37,689
Cash and Cash equivalent at the end of the year		14,76,98,332	4,72,197
Net Increase in cash and cash equivalents		14,72,26,135	(6,65,492)

This is the cash flow statement referred to our report of even date

for Vishnu Daya & Co.,

Chartered Accountants

FRN No.: 008456S

Sd/-

Shankar D

Partner

M No: 216547

Place: Mumbai

Date: May 21, 2015

For and on behalf of the Board of Directors

Sd/-

Anand Sadashiva Kapre

Managing Director &

Chief Financial Officer

DIN: 00019530

Sd/-

Vinode Thomas

Director

DIN: 01893613

Sd/-

Nidhi J. Shah

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March, 2015

Corporate Information

Premier Chennai Properties Limited ("The Company"), was incorporated on November 28, 2007, in the name Pallanishamy Properties Private Limited, and subsequently on September 08, 2012 changed the name to Premier Chennai Properties Private Limited, further, on January 27, 2014 name of the Company was changed to Premier Chennai Properties Limited. The objective of the Company is carrying out activities in the area of construction of buildings and related infrastructure development activities. The Company is subsidiary company of M/s. Sunshine Holdings (Mauritius) Ltd.

Note - 1 - Significant Accounting Policies

1.01 Basis of Preparation

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting policies in India and comply with the mandatory accounting standards specified under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rule, 2014.

1.02 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, as of the balance sheet date and the reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the date of the balance sheet. Actual amount could differ from these estimates. The differences if any will be dealt accordingly in subsequent years.

1.03 Valuation of Inventories representing properties acquired for development

Properties acquired for development represent land acquired for development & construction, and is stated at cost including the cost of land, the related costs of acquisition and other costs like share of project development cost incurred to get the properties registered in the name of the Company and ready for its intended use. The Company has entered into joint development agreement with M/s. Pacifica Chennai Infrastructure Company Pvt. Ltd and its 100% subsidiary M/s. Sylvanus Builders & Developers Limited (Sylvanus) who have started the construction activities.

Value of inventory representing land includes cost of acquisition, share of project development cost and other allocable expenses and is valued at lower of cost and net realizable value.

1.04 Revenue recognition

The Company is in the business of property development. The Company acquired the land and entered in to agreement with M/s. Pacifica Chennai Infrastructure Company Private Limited., (for construction of flats) and with its 100% subsidiary M/s. Sylvanus Builders & Developers Ltd., (for construction of villas) (Developer) for development of said property. The land is developed as an integrated residential complex comprising of flats and villas. The units are sold by Developer after entering into agreement to sell the

undivided interest in the land, by virtue of composite transaction with the customer jointly by the Developer. The land is developed as an integrated residential complex comprising of flats and villas. Further, the Company as per the joint development agreement entitled to receive as consideration 14.58% of collection in the case of every flat sold and 12.07% of collection in the case of every villa sold. The Company recognizes its share of revenue on registration of Undivided Share of Land (UDS) in favour of purchase of flat or villa resulting in transfer of significant risk and reward.

Dividend income on investments is accounted for when the right to receive the payment is established.

1.05 Taxation

a. Income tax

Income tax expense comprises current tax for the year determined in accordance with the Income-tax Act, 1961

b. Deferred tax

Deferred taxation is provided using the liability method in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods.

Deferred tax assets are recognized in the financial statements only when such assets are virtually expected to be realizable in the foreseeable future.

1.06 Earnings per share

In determining earning per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

1.07 Impairment of assets:

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired.

1.08 Segment reporting:

The Company is in the business of property development and at present the Company has acquired the land and entered into agreement with other parties for development of said land for an agreed percentage of consideration from the sale proceedings of the said developed properties. Hence operates on only one segment.

1.09 Provisions and Contingencies

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its

present value and are determined based on the best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect a current best estimate.

All known liabilities wherever material are provided for. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Notes No. - 2.01 -Share capital

	As at March 31, 2015			As at March 31, 2014	
	Par Value of Shares	No. of Shares	Amount	No. of Shares	Amount
a. Authorized					
Equity Shares	10	2,50,000	25,00,000	2,50,000	25,00,000
b. Issued, subscribed and fully paid up					
Equity Shares, ₹ 10/- par value	10	2,49,540	24,95,400	2,49,540	24,95,400
Less: Buyback of shares during the year (Refer Note No. 2.27-c)	10	25,834	2,58,340	-	-
Total	-	2,23,706	22,37,060	2,49,540	24,95,400

- i. The Company has only one class of shares referred to as equity shares having a par value of 10/- each
- ii. Holder of Equity shares is entitled to one vote per share
- iii. The aggregate number of bonus shares issued in the last five years immediately preceding the balance sheet date is- **NIL**

	As at March 31, 2015		As at March 31, 2014	
c. Reconciliation of the number of shares Outstanding	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,49,540	24,95,400	2,49,037	24,90,370
Add: Allotment of shares during the year	-	-	503	5,030
Less: Buyback of shares during the year	25,834	2,58,340	-	-
Shares outstanding at the end of the reporting date	2,23,706	22,37,060	2,49,540	24,95,400

d. Shareholding pattern

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% of shares	No. of Shares	% of shares
Holding Company -M/s. Sunshine Holdings (Mauritius) Limited				
Equity Shares, ₹ 10/- par value	2,16,003	96.56	2,41,004	96.58

e. List of shareholder holding over 5% shares as at reporting date

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% of shares	No. of Shares	% of shares
M/s. Sunshine Holdings (Mauritius) Limited				
Equity Shares, ₹ 10/- par value	2,16,003	96.56	2,41,004	96.58

f. Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment, including terms and amount: **Nil**

(Company has not reserved any shares for issue under options or otherwise and contracts/ commitments for sale/disinvestment as on reporting date.)

g. Shares information related to immediately preceding five years from reporting date:

Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : **Nil**

Share allotted as fully paid up bonus shares : **Nil**

Shares brought back - Aggregate number and amount: 25,834 Equity Shares of ₹ 10 each for a premium of ₹ 11,990 aggregating to ₹ 31,00,08,000/-

h. Terms of securities convertible in to equity / preference shares as at reporting date: **NA**

i. Calls unpaid as at reporting date: **Nil**

j. Calls unpaid by directors and officers as at reporting date: **Nil**

k. Forfeited shares as at reporting date: **Nil**

Notes No. - 2.02 - Reserves and surplus

a. Securities Premium Reserve

Opening balance
 Add: Additions during the period
 Less: Reductions during the year on account of buyback of shares

b. Capital Redemption Reserve

Opening balance
 Add: Transfer from Statement of Profit and Loss

c. Surplus - Balance in Statement of Profit and Loss

- Opening balance - Profit / (Loss)

Add: Profit after tax from Statement of Profit and Loss for the year

Less: Appropriations

Transfer to Capital Redemption Reserve

- Closing balance - Profit

Total (a+b+c)

As at 31 st March 2015	As at 31 st March 2014
1,18,36,04,889	1,17,85,79,919
-	50,24,970
30,97,49,660	-
87,38,55,229	1,18,36,04,889
-	-
2,58,340	-
2,58,340	-
5,72,99,823	(21,30,196)
14,49,37,773	5,94,30,019
(2,58,340)	-
20,19,79,256	5,72,99,823
1,07,60,92,825	1,24,09,04,712

Notes No. - 2.03 - Trade Payables

Dues to Micro and Small enterprises
 Others
 - Creditors for expenses

As at 31 st March 2015	As at 31 st March 2014
-	-
9,12,703	19,65,350

Notes No. - 2.04 – Other Current Liabilities

Advance from customers
 Other Liabilities

Total

As at 31 st March 2015	As at 31 st March 2014
46,02,96,707	34,61,46,733
1,27,186	2,57,950
46,04,23,893	34,64,04,683

(Advance from Customers represents the Company's share of amount received from JD Partners as per the agreement. The advance amount received from buyers as per the agreement to sell are first deposited into Escrow Account and thereafter after duly appropriating towards taxes, if any, as per joint development agreement, balance amount will be shared between the parties as per agreed ratio. Thus, the collection from the customers is recorded in the books of the Company only on receipt by the Company.)

Notes No. - 2.05 - Short term provisions

Provision for taxation (net)

As at 31 st March 2015	As at 31 st March 2014
35,27,477	1,25,28,000

Notes No. - 2.06 - Current investments - at cost

(unquoted)

Mutual fund units

Aggregate amount of unquoted investment

Aggregate amount of provision made for non-current investments

As at 31 st March 2015	As at 31 st March 2014
-	40,11,49,783
-	40,11,49,783
-	40,11,49,783
-	-

**Notes No. - 2.07 - Inventories - Land under development
(Valued at lower of cost and net realisable value)**

a. Land under development including share of development cost

Opening balance

Less: Proportionate value of UDS registered to flat owners

Total

As at 31 st March 2015	As at 31 st March 2014
1,16,32,68,504	1,17,70,40,253
4,52,95,862	1,37,71,749
1,11,79,72,642	1,16,32,68,504

Notes No. - 2.08 - Trade receivable

(unsecured, considered good)

dues exceeding six months

Others

Total

As at 31 st March 2015	As at 31 st March 2014
-	-
11,06,45,981	1,49,18,955
11,06,45,981	1,49,18,955

Notes No. - 2.09 - Cash and Bank balances**Cash and cash equivalents:**

Balance with bank -in Current accounts

In fixed deposit

Total

As at 31 st March 2015	As at 31 st March 2014
11,98,332	4,72,197
14,65,00,000	-
14,76,98,332	4,72,197

Notes No. - 2.10 - Short term loans and advances

(unsecured, considered good)

Inter-corporate deposits

As at 31 st March 2015	As at 31 st March 2014
15,00,00,000	-

Notes No. - 2.11 - Other current assets

(unsecured, considered good)

Interest accrued on ICD

Interest accrued on Fixed Deposit

Tax refund due

Share of project receipts due from Joint developer

Total

As at 31 st March 2015	As at 31 st March 2014
1,25,31,920	-
2,02,290	-
1,59,220	-
39,83,573	2,44,88,705
1,68,77,003	2,44,88,705

Notes No. - 2.12 - Revenue from operations

Project income

Year ended 31st March 2015	Year ended 31st March 2014
22,69,79,619	8,28,88,191

Notes No. - 2.13 - Other income

Mutual fund dividend income

Gain on sale of Mutual Fund units net

Interest income

Total

Year ended 31st March 2015	Year ended 31st March 2014
2,38,88,455	1,62,79,999
1,97,519	90,004
1,41,49,123	-
3,82,35,097	1,63,70,003

Notes No. - 2.14 - Project expense

Project expense

Year ended 31st March 2015	Year ended 31st March 2014
4,52,95,862	1,37,71,749

Notes No. - 2.15 - Employee benefit expense

Salaries

Year ended 31st March 2015	Year ended 31st March 2014
3,61,404	9,032

Notes No. - 2.16 - Finance cost

Finance Charges

Year ended 31st March 2015	Year ended 31st March 2014
2,58,170	13,09,000

Notes No. - 2.17 - Corporate Social Responsibility

Corporate Social Responsibility - Contribution to Prime Minister Relief Fund

Year ended 31st March 2015	Year ended 31st March 2014
5,35,000	-

Notes No. - 2.18 - Other Expenses

	Year ended 31st March 2015	Year ended 31st March 2014
Professional fees	87,17,791	33,29,071
Directors Sitting fees	75,000	-
Rates and taxes	7,41,854	43,260
Insurance	30,337	31,461
Travelling expenses	1,05,635	95,422
Miscellaneous expenses	8,98,891	20,180
Total	1,05,69,507	35,19,394

Notes No. - 2.19 - Other additional information - Balance Sheet

	As at 31st March 2015	As at 31st March 2014
Contingent liabilities and commitments		
a. Contingent liabilities	Nil	Nil
b. Commitments	Nil	Nil

c. In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the balance sheet.

Notes No. - 2.20 Additional information - Statement of Profit and Loss

	As at 31st March 2015	As at 31st March 2014
a. Net gain/loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
b. Payment to the auditors for		
- Audit including tax audit	1,40,000	1,90,000
- Other services	55,000	-
- Service tax and reimbursement of expenses	24,102	23,484
Total	2,19,102	2,13,484

Notes No. - 2.21 - Other disclosures

- a. Earnings in Foreign Currency
b. Foreign Exchange outflow

As at 31 st March 2015	As at 31 st March 2014
-	-
-	-

Notes No. - 2.22 Related Party Disclosure**a. Names of related parties and description of relationship**

- | | |
|--|--|
| i. Holding Company | M/s. Sunshine Holdings (Mauritius) Limited |
| ii. Ultimate Holding Company | M/s. IL & FS India Realty Fund II LLC |
| iii. Subsidiaries | - |
| iv. Fellow subsidiaries | GK Industrial Park Private Limited |
| v. Associates | - |
| vi. Companies under common control of the promoters | - |
| vii. Key Management personnel - (KMP)
(# Resigned on March 10, 2015)
(* Appointed KMP on 24th March, 2014) | Managing Director
Mr. Guhan Subramaniam # (*) |

b. Transactions with Related Parties:**Income:**

Interest Income

Expenses:

Remuneration to Managing Director

Year-end balance:

Short term loan to Fellow Subsidiary

Interest on short term loan (net of TDS)

Remuneration Payable

As at 31 st March 2015		As at 31 st March 2014	
KMP	Fellow Subsidiaries	KMP	Fellow Subsidiaries
-	1,39,24,356	-	-
1,69,839	-	3,871	-
-	15,00,00,000	-	-
-	1,25,31,920	-	-
-	-	3,871	-

Notes No. - 2.23 - Earnings per share

The Company has evaluated its earnings per share as per the requirements of Accounting Standard-20

	Current Year	Previous Year
a. Net Profit/(loss) attributable to shareholders (₹)	14,49,37,773	5,94,30,019
b. Weighted average number of shares Basic Earnings per share	2,46,001	2,49,133
c. Earnings per share of ₹ 100 each (₹) basic and diluted	589.18	238.55

*The Company does not have any outstanding dilutive potential equity shares as at March 31, 2015. Consequently, the basic and diluted earnings per share of the Company remain the same.

Notes No. - 2.24 - Corporate Social Responsibility Activities:

	Current Year	Previous Year
a. Gross amount required to be spent by the Company during the year	5,32,849	-

Nature of CSR Activities

	In Cash	Yet to be paid	Total
a. Construction / acquisition of any asset	-	-	-
b. On purpose other than (a) above Contribution made to Prime Minister Relief fund	5,35,000	-	5,35,000

Notes No. - 2.25 - Segment reporting

The Company Operates in only one segment of business, namely, development of housing project.

Notes No. -2.26 - Derivatives and foreign currency exposure

The Company has not entered into any derivative contracts during the year and previous year under review and also does not have any foreign currency exposure as at March 31, 2015.

Notes No. - 2.27 - Other disclosures

- a. The Company has entered in to joint development agreement with M/s. Pacifica Chennai Infrastructure Company Pvt Ltd (Pacifica) on April 18, 2008 for the development of land and construction activities and handed over the possession of the land to the developer for its intended use. As per the said Joint Development Agreement, the Company is entitled to receive 13.66% of total sales proceeds of the said project. Further, the Company renegotiated the share of revenue, after providing the additional land to the extent of 6.98 Acres acquired subsequently and also contributing ₹ 630,00,000 towards project cost. As per the renegotiated terms of revenue share with Pacifica / its 100% subsidiary Sylvanus Builders and Developers Private Limited, the Company share of revenue for Flats is 14.58% and for Villas is 12.07% of consideration received.
- b. Integrated Residential complex of flats are built on 84.02 Acre of land, out of which the Company contributed 35 Acres and balance being contributed by M/s. Pacifica (Chennai Project) Infrastructure Private Limited, M/s. Pallanishamy Builders Private Limited and Mr. K C P Shivaraman, other JDA Parties. The JDA partner has gifted land admeasuring 8.14 Acres to vide two deeds dated May 24, 2011 registered as Document Nos. 4783/2011 & 4784/2011 in the office of Sub Registrar Tirupur in favour of Pudupakkam Village Panchayat and Padur Village Panchayat respectively. Balance left 75 Acres 88 Cents comprised under various survey numbers, situated in No. 43 Padur Village, Chengalpattu Taluk, Kancheepuram District are considered as Available Land Extent for sale as part of construction. Accordingly Company's contribution of land 35 Acres were reduced by 3.50 Acres representing 10% of contributed land as part of Gift Deed referred above, and the balance land available for sale as part of Undivided Share of Land (UDS) from time to time as and when the project developed sold. During the year UDS was registered in favour of both residential complex and Villa purchasers.
- c. During the year the Company pursuant to Extra Ordinary General Meeting held on October 09, 2014, wherein the Members of the Company accorded its consent to Buy Back of Equity Shares pursuant to Section 68, 69, 70 and other applicable provisions of the Companies Act., 2013 and the rules made thereunder and subject to provisions of the Securities and Exchange Board of India (SEBI), Institutional Trading Platform of BSE-SME Limited, (BSE (SME) - ITP).

Details of Buyback are hereunder:

	Year ended 31st March, 2015	Year ended 31st March, 2014
Date of public announcement	13-10-2014	-
Number of shares purchased	25,834	-
Face value of Shares purchased	10	-
Consideration paid towards buyback	31,00,08,000	-
Share capital reduction	(2,58,340)	-
Securities premium utilised	30,97,49,660	-
General Reserve utilised	-	-
Amount transferred to Capital Redemption Account on Extinguishment of share capital	2,58,340	-

- d. During the year the Company listed its Equity Shares with BSE (SME) Institutional Trading Platform on June 20, 2014.
- e.

f. Dues to Micro Small and Medium Enterprises –

The Principle amount and the interest due thereon remaining unpaid to any supplier as at March 31, 2015: Nil (Pr. Yr. Nil)

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. The above information has been relied upon by the auditors.

- g. During the year the Company, extended Inter Company Deposit of ₹ 15,00,00,000 to fellow subsidiary for a period of one year bearing interest @ 18% per annum payable along with principle on due date. The said Inter Corporate Deposit was extended by the Company to meet operating expenses of recipient fellow subsidiary.
- h. There are no claims against the Company during the year which is not acknowledged as debt.
- i. Previous year figures have been reclassified and regrouped as necessary to meet the current year classifications

**As per our report of even date attached
for Vishnu Daya & Co.,**
Chartered Accountants
FRN No.: 008456S

Sd/-
Shankar D
Partner
M No: 216547

Place: Mumbai
Date: May 21, 2015

For and on behalf of the Board of Directors

Sd/-
Anand Sadashiv Kapre
Managing Director &
Chief Financial Officer
DIN: 00019530

Sd/-
Vinode Thomas
Director
DIN: 01893613

Sd/-
Nidhi J. Shah
Company Secretary

NOTICE

Notice is hereby given that the Eight Annual General Meeting of the Members of PREMIER CHENNAI PROPERTIES LIMITED will be held on Friday, September 4, 2015 at 2.00 p.m. at Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103, Tamil Nadu to transact the following business:

ORDINARY BUSINESS

- (1) To receive, consider and adopt the Audited Financial statements of the Company for the financial year ended March 31, 2015, including Audited Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon
- (2) To appoint a Director in place of Ms. Sunita Manwani (DIN 01839009) who retires by rotation and being eligible, has offered herself for re-appointment
- (3) 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 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Vishnu Daya & Co., Chartered Accountants, Bangalore, having Firm Registration No.008456S, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a remuneration to be fixed by the Board of Directors of the Company”

SPECIAL BUSINESS

- (4) To consider, and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**

“RESOLVED THAT Mr. Anand Kapre (DIN 00019530), who was appointed as an Additional Director of the Company with effect from May 21, 2015 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and who is not disqualified to become Director under the Act and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing Mr. Anand Kapre (DIN 00019530) as a candidate for the office of Director, be and is hereby appointed as a Director of the Company”

- (5) To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of the Articles of Association of the Company, Section 196, Section 197 and Section 203 of the Companies Act, 2013 read with Schedule V and The Companies (Appointment and Remuneration) Rules, 2014, Mr. Anand Kapre (DIN 00019530), be and is hereby appointed as the Managing Director and Chief Financial Officer (CFO) of the Company for a period of three years with effect from May 21, 2015 on the following remuneration:

- a) **Consolidated Salary:** Remuneration not exceeding ₹40,000/- per month and ₹ 4,80,000 per annum, to be determined by the Board of Directors from time to time
- b) **Perquisites:** NIL
- c) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding five years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V to the Companies Act, 2013, whichever is lower, unless otherwise determined by the Board of Directors, subject to approval of the Central Government, if required
- d) **General Conditions:**
 - i. The total remuneration payable to the Managing Director as per (a) & (b) above in aggregate shall not exceed such limits as may be prescribed in the Companies Act, 2013 and by the Central Government
 - ii. The Managing Director & Chief Financial Officer shall be entitled to such other privileges, facilities and amenities in accordance with the Company's Rules as may be applicable to other employees of the Company within the overall limits prescribed under the Companies Act, 2013”

“RESOLVED FURTHER THAT Mr. Anand Kapre's (DIN 00019530), appointment as the Managing Director and Chief Financial Officer (CFO) shall be in the capacity of Key Managerial Personnel in pursuance of Section 203 of the Companies Act, 2013”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

- (6) To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company”

“RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

By Order of the Board of Directors
For **Premier Chennai Properties Limited**

Sd/-
Nidhi J. Shah
Company Secretary

Place: Mumbai
Date: May 21, 2015

***Registered Office:**
5J, 5th Floor, Century Plaza 560,
Anna Salai,
Chennai-600 018,
Tamil Nadu

* The Registered Office of the Company has now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600 035, Tamil Nadu with effect from July 1, 2015

NOTES

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 4, 5 and 6 of the accompanying Notice are annexed hereto
2. A statement giving the relevant details of the Director seeking re-appointment/appointment under Item No. 2, Item No. 4 and Item No. 5 respectively of the accompanying Notice, as required by Clause 42 of the Model Listing Agreement for Institutional Trading Platform of BSE-SME Exchange
3. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Monday, August 31, 2015 to Friday, September 4, 2015 (both days inclusive)
4. 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY

The instrument appointing the proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting i.e. by 3.00 p.m. on Wednesday, September 2, 2015

5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No
7. Members/ proxies are requested to bring their copies of Annual Report at the Annual General Meeting

8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting

By Order of the Board of Directors,
For **Premier Chennai Properties Limited**

Sd/-
Nidhi Shah
Company Secretary

Place: Mumbai
Date: May 21, 2015

***Registered Office:**
5J, 5th Floor, Century Plaza 560,
Anna Salai,
Chennai-600 018,
Tamil Nadu

<p>* The Registered Office of the Company has now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing Nandanam, Anna Salai, Chennai-600 035, Tamil Nadu with effect from July 1, 2015</p>
--

EXPLANATORY STATEMENTS

The following Explanatory Statements, as required under Section 102 of The Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4, 5 and 6 of the accompanying Notice dated May 21, 2015

Item No. 4 & 5

Mr. Anand Kapre was appointed as an Additional Director of the Company by the Board of Directors at their Board Meeting held on May 21, 2015 of the Company. Pursuant to provisions of Section 161 of the Companies Act, 2013, he holds office upto the date of the ensuing Annual General Meeting

The Company has received a notice in writing from a member signifying his intention to propose appointment of Mr. Kapre as a Director of the Company. It is proposed to appoint Mr. Kapre as a Director of the Company

Accordingly, the Board recommends the resolution set forth in Item No. 4 for the approval of members as an **Ordinary Resolution**

At the aforesaid Board Meeting, the Board also approved the appointment and remuneration of Mr. Kapre as the Managing Director & Chief Financial Officer (CFO) of the Company pursuant to Section 196, Section 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, for a period of three years, subject to approval of the shareholders

Copies of the Letter of Appointment regarding his appointment are available for inspection at the Registered Office of the Company during business hours on all working days till the date of the ensuing Annual General Meeting

Schedule V to the Companies Act, 2013 provides for the conditions for payment of remuneration in case of inadequacy of profits. It is expected that the Company would make sufficient profits. However, as a matter of abundant caution the following information as prescribed in Schedule V to the Companies Act, 2013 is being provided. However, in the event the remuneration exceeds the limits under Schedule V, the Company will apply to the Central Government for necessary approval

I. General Information:

Nature of Industry

The Company is in the business of Property Development

Date of Commencement of commercial production

The Company was incorporated on November 28, 2007 as a Private Limited Company

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

The Company is not a new company so the date of commencement of activities as per prospectus does not apply

Financial Performance based on given indicators

The Financial Performance of the Company for the year ended March 31, 2015 is as follows:

Particulars	In ₹
Total Income	26,52,14,716/-
Net Profit Before Tax	20,81,94,773/-
Tax Expenses	6,32,57,000/-
Net Profit After Tax	14,49,37,773/-

Foreign Investments or collaborations

The Company does not export any product of the Company. The Company has no foreign exchange earnings. There are no foreign investments made by the Company.

II. Information about the appointee:

Mr. Anand Kapre, aged 66 years, is an Engineering Graduate (B.Tech-Elect) from IIT Madras and also a Law Graduate. Mr. Kapre has over 44 years of varied business experience in the financial and industrial sector. He has been working as an independent financial and management consultant since the year 2000. His initial career from the Year 1970 onwards was with ACC Limited and then Indian Oxygen Limited. He worked for 24 years from the Year 1976 to 2000 with ICICI Limited. During his tenure with ICICI Limited, he worked in various capacities ranging from Operations and Rehabilitation, Finance and head of Management Audit and Credit Risk functions. He left ICICI Limited as Deputy GM in the Year 2000

Mr. Kapre does not have any other pecuniary relationship directly or indirectly with the Company

III. Other Information:

The Company is a development company, focused on residential and other projects in and around Chennai. The Company has a diversified portfolio of projects covering real estate market, which target the upper end of the respective income or market segment. The Company aims to acquire and develop land that has locational advantages and reasonably priced. The Company is mainly engaged in property development which includes location identification, site selection, land acquisition, planning outsourcing construction activity and marketing

The 'Abstract' containing details of remuneration of Mr. Kapre is contained in the Resolution No. 5 above

The Board considers that Mr. Kapre's association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Anand Kapre as Managing Director and Chief Financial Officer (CFO) of the Company

Accordingly, the Board recommends the resolution set forth in Item No. 5 for the approval of the Members as a **Special Resolution**

None of the Directors or the Key Managerial Personnel of the Company or their relatives except Mr. Kapre to the extent of his appointment are concerned or interested in the resolutions at Item No. 4 & Item No. 5

Item No. 6

Many provisions of the existing Article of Association of the Company have references to specific sections of the Companies Act, 1956 and are inconsistent with the extent of the provisions of Companies Act, 2013. Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific sections from Table "F" provided in Schedule I of the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares

The proposed new draft Articles of Association is uploaded on the Company's website at <http://www.premierchennai.co.in> for perusal by the shareholders

Accordingly, the Board recommends the resolution set forth in Item No. 6 for the approval of members as a **Special Resolution**

None of the Directors or the Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution at Item No. 6

By Order of the Board of Directors,
For **Premier Chennai Properties Limited**

Sd/-
Nidhi J. Shah
Company Secretary

Place: Mumbai
Date: May 21, 2015

***Registered Office:**
5J, 5th Floor, Century Plaza 560,
Anna Salai, Chennai-600 018,
Tamil Nadu

* The registered office of the Company has now shifted to 498, Karumuttu Centre, 3rd Floor, South Wing, Nandanam, Anna Salai, Chennai-600035, Tamil Nadu with effect from July 1, 2015

ANNEXURE TO ITEM NOS. 2, 4 AND 5 OF THE NOTICE
Details of Directors in pursuance of Clause 42 of the Model Listing Agreement - ITP Platform

Name of Director	Ms. Sunita Manwani
Director Identification Number	01839009
Date of Birth	17/01/1972
Nationality	Indian
Date of Appointment	March 24, 2014
Qualification	Chartered Accountant
Shareholding in Premier Chennai Properties Limited	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Company)	IIML Asset Advisors Limited, Kolte-Patil Real Estate Private Limited (subsidiary of a Listed Company)
Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Premier Chennai Properties Limited (Member of Audit Committee and Stakeholders Relationship Committee) Kolte-Patil Real Estate Private Limited (Member of Audit Committee)

Name of Director	Mr. Anand Sadashiv Kapre
Director Identification Number	00019530
Date of Birth	01/05/1949
Nationality	Indian
Date of Appointment	May 21, 2015
Qualification	B.Tech-Elect and L.L.B
Shareholding in Premier Chennai Properties Limited	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Company)	Ferro Alloys Corporation Limited, Facor Steels Limited, Facor Alloys Limited, Facor Power Limited, QVC Realty Co. Limited
Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Ferro Alloys Corporation Limited (Chairman of Audit Committee & Stakeholders' Relationship Committee) Facor Steel Limited (Chairman of Audit Committee & Stakeholders' Relationship Committee) Facor Alloys Limited (Member of Audit Committee) Facor Power Limited (Member of Audit Committee) QVC Realty Co Limited (Member of Stakeholders' Relationship Committee)

FORM NO. MGT-11
PROXY FORM

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

CIN L70101TN2007PLC065552

Name of Company Premier Chennai Properties Limited

Registered Office *5J, 5th Floor, Century Plaza 560, Anna Salai,
Chennai-600 018, Tamil Nadu
*(Now shifted to 498, Karumuttu Centre, 3rd Floor,
South Wing, Nandanam, Anna Salai, Chennai-600
035, Tamil Nadu)

Name of the member(s) : Registered address : E-mail Id : Folio No/Client Id : DP ID :

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

(1) Name: _____ Address _____
_____ E-mail ID : _____ Signature _____, or failing him;

(2) Name: _____ Address _____
_____ E-mail ID : _____ Signature _____, or failing him;

(3) Name: _____ Address _____
_____ E-mail ID : _____ Signature _____, or failing him;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 8th Annual General Meeting of the Company, to be held on Friday, September 4, 2015 at 2.00 p.m. at Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

- i. Adoption of the Audited Financial statements for the financial year ended March 31, 2015
- ii. Re-appointment of Ms. Sunita Manwani (DIN: 01839009), who retires by rotation
- iii. Ratification of appointment of M/s. Vishnu Daya & Co., as the Statutory Auditors of the Company

Special Business:

- i. Appointment of Mr. Anand Kapre (DIN: 00019530) as the Director of the Company
- ii. Appointment of Mr. Anand Kapre (DIN: 00019530) as the Managing Director and Chief Financial Officer (CFO) of the Company
- iii. Alteration of the Articles of Association of the Company

Signed this _____ day of _____ 2015

Signature of Member

Signature of Proxy Holder (s)

Re. 1/-
Revenue Stamp

Signature

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

ATTENDANCE SLIP

Annual General Meeting of Premier Chennai Properties Limited on Friday, September 4, 2015 at 2.00 p.m. at Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103, Tamil Nadu

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

DP Id*

Registered Folio No.

Client Id*

NAME AND ADDRESS OF THE MEMBER:

No. of Share(s) held:

I hereby record my presence at the Eighth Annual General Meeting of the Company on Friday, September 4, 2015 at 2.00 p.m. at Pacifica Aurum, Rajiv Gandhi Salai (Old Mahabalipuram Road), Padur, Chennai-603103, Tamil Nadu

Signature of the Member/Proxy _____