



Raghu & Gopal
Chartered Accountants

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
PRIME PROPERTY HOLDINGS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **PRIME PROPERTY HOLDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss 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) Rule 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

Auditors' 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 provision 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 of expressing an opinion whether the Company has in place an adequate internal financial controls system over financial reporting and the operative 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 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 31 March 2015, and its loss 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 in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, 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) In our opinion and to the best of our information and according to the explanations given to us, there are no matters which may have any adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no litigations on its financial position in its financial statements.
 - There is no provision, as required under the applicable law or accounting standards, for material foreseeable, if any losses on long-term contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

Chennai
4th May 2015

For Raghu & Gopal
Chartered Accountants
Firm Registration No: 0033355



Membership No: F 9035



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses 3(ii), (vi), (ix), (xi), of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has no Fixed Assets other than its investment in Land. The sale of portions of land in March 2010 and Decembr 2012, has not effected the going concern status of the Company.
 - (b) Being a Property Development Company, the matters in connection with verification, reporting and all other related matters on inventory are not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and the rendering of services and during the course of our audit, we have not observed any major weaknesses in such internal control system. The nature of activities of the Company does not involve purchase of inventories and sale of goods.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year
- (vi) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has no employees. The Company has no undisputed statutory dues remaining unpaid.
 - (b) There are no amounts that are required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (vii) The Company does not have accumulated losses at the end of the financial year and the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.





Raghu & Gopal
Chartered Accountants

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- (viii) According to the information and explanations given to us, the Company has not given guarantees for any loans taken by others from banks and financial institutions.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Raghu & Gopal
Chartered Accountants
Firm Registration No: 003335S



Membership No: F 9035

CHENNAI
4th May 2015

PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Balance Sheet as at 31st March 2015

(Amount in ₹)

Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	5,00,000.00	5,00,000.00
(b) Reserves and surplus	2	7,04,96,718.47	7,05,66,223.47
(c) Share application money		-	-
		7,09,96,718.47	7,10,66,223.47
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions	3	6,03,359.00	6,03,359.00
		6,03,359.00	6,03,359.00
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	4	25,222.00	19,922.00
(d) Short-term provisions		-	-
		25,222.00	19,922.00
TOTAL		7,16,25,299.47	7,16,89,504.47
II. ASSETS			
Non-current assets			
1 (a) Fixed assets	5	16,50,000.00	16,50,000.00
(b) Non-current investments	6	6,64,17,633.83	6,64,17,633.83
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	7	26,11,372.00	26,01,319.00
(e) Other non-current assets		-	-
		7,06,79,005.83	7,06,68,952.83
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	8	9,46,293.64	10,20,551.64
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
		9,46,293.64	10,20,551.64
TOTAL		7,16,25,299.47	7,16,89,504.47
Notes on Accounts	12		

For and on behalf of the Board

As per our report of even date

For Raghu & Gopal

Chartered Accountants

Firm Registration No: 0033355

 R-S RAGHAVAN
DIRECTOR

 R JAGANNATHAN
DIRECTOR

Membership No: F9035

 Chennai
4th May 2015

PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Statement of Profit and Loss for the year ended 31st March 2015

(Amount in ₹)

Particulars	Refer Note No.	For the year ended 31st March 2015	For the year ended 31st March 2014
I. Revenue From Operations		-	-
II. Other income	9	976.00	42,891.00
III. Total Revenue (I + II)		976.00	42,891.00
IV. Expenses:			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	10	79,558.00	62,931.25
Total expenses		79,558.00	62,931.25
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(78,582.00)	(20,040.25)
VI. Exceptional items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		(78,582.00)	(20,040.25)
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) before tax (VII- VIII)		(78,582.00)	(20,040.25)
X Tax expense:			
(1) Current tax	11	(9,077.00)	(24,22,779.00)
(2) Deferred tax		-	-
XI Profit (Loss) for the period from continuing operations (VII- VIII)		(69,505.00)	24,02,738.75
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII- XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		(69,505.00)	24,02,738.75
XVI Earnings per equity share:			
(1) Basic		(1.39)	4.81
(2) Diluted		(1.39)	4.81
Notes on Accounts	12		

For and on behalf of the Board

As per our report of even date

For Raghu & Gopal

Chartered Accountants

Firm Registration No: 0033355

R S RAGHAVAN
DIRECTOR

R JAGANNATHAN
DIRECTOR

Membership No: F9035

Chennai
4th May 2015

PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Notes to Balance Sheet as at 31st March 2015

Note 1 - Share Capital

Share Capital	As at 31st March 2015		As at 31st March 2014	
	Number	₹	Number	₹
Authorised Equity Shares of ₹ 10/- each	50,000	5,00,000	50,000	5,00,000
Issued Equity Shares of ₹ 10/- each	50,000	5,00,000	50,000	5,00,000
Subscribed & fully Paid up Equity Shares of ₹ 10/- each fully paid	50,000	5,00,000	50,000	5,00,000
Total	50,000	5,00,000	50,000	5,00,000

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31st March 2015		As at 31st March 2014	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	50,000	5,00,000	50,000	5,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000

Right and preferences attached to equity share:

(i) Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 1956.

(ii) There are no restrictions attached to the equity shares.

Particulars of shares held by the Holding company

Out of Equity shares issued by the Company, shares held by its holding company and its nominees are as below:

Particulars	Nature of Relationship	As at 31st March 2015	As at 31st March 2014
Equity Shares			
TVS Electronics Limited and its nominees	Holding Company	50,000	50,000
		50,000	50,000

Details of shareholder holding more than five percent shares

Name of Shareholder holding more than 5% shares	Equity Shares			
	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
TVS Electronics Limited and its nominees	50,000	100%	50,000	100%

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PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Notes to Balance Sheet as at 31st March 2015

Note 2 - Reserves and Surplus

<u>Reserves & Surplus</u>	As at 31st March 2015	As at 31st March 2014
	₹	₹
Surplus/(Debit balance in Statement of Profit and Loss)		
Opening balance	7,05,66,223.47	6,81,63,484.72
(+) Net Profit/(Net Loss) for the current year	(69,505.00)	24,02,738.75
Closing Balance	7,04,96,718.47	7,05,66,223.47
Closing Balance	7,04,96,718.47	7,05,66,223.47

Note 3 - Long Term Provisions

<u>Long Term Provisions</u>	As at 31st March 2015	As at 31st March 2014
	₹	₹
Provision for Tax	6,03,359.00	6,03,359.00
Total	6,03,359.00	6,03,359.00

Note 4 - Other Current Liabilities

<u>Other Current Liabilities</u>	As at 31st March 2015	As at 31st March 2014
	₹	₹
Liabilities for expenses	25,222.00	19,922.00
Total	25,222.00	19,922.00

Note 7 - Long Term Loans and Advances

<u>Long Term Loans and Advances</u>	As at 31st March 2015	As at 31st March 2014
	₹	₹
Other loans and advances		
Unsecured, considered good		
Income tax refund receivable	26,11,372.00	25,98,903.00
Tax Deducted at Source	-	2,416.00
	26,11,372.00	26,01,319.00

PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Notes to Balance Sheet as at 31st March 2015

Note 8 - Cash and Cash equivalents

Cash and cash equivalents	As at 31st March 2015		As at 31st March 2014	
	₹	₹	₹	₹
Balances with banks		9,46,293.64		10,20,551.64
		9,46,293.64		10,20,551.64



Note 5 - Fixed Assets

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1st April 2014	Additions/ (Disposals)	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation charge for the year	Balance as at 31st March 2015	Balance as at 31st March 2015	Balance as at 31st March 2014
	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets - (Not Under Lease)								
Land	16,50,000.00	-	16,50,000.00	-	-	-	16,50,000.00	16,50,000.00
Total	16,50,000.00	-	16,50,000.00	-	-	-	16,50,000.00	16,50,000.00

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Notes to Balance Sheet as at 31st March 2015

Note 6 - Non Current Investments

	Particulars	As at 31st March 2015	As at 31st March 2014
		₹	₹
	Other Investments - Non Trade		
	Investment in Equity instruments	50,00,000.00	50,00,000.00
	Other non-current investments	6,14,17,633.83	6,14,17,633.83
	Total	6,64,17,633.83	6,64,17,633.83

	Particulars	As at 31st March 2015	As at 31st March 2014
		₹	₹
	Aggregate amount of unquoted investments	6,64,17,633.83	6,64,17,633.83
	Total	6,64,17,633.83	6,64,17,633.83

Details of Other Investments - Non Trade											
Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation
			2015	2014			2015	2014	2015	2014	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
A)	Investment in Equity Instruments										
	Equity shares of ₹ 10 each in TVS Training and Services Limited, Chennai	Others	5,00,000	5,00,000	Unquoted	Fully paid	10.99%	10.99%	50,00,000.00	50,00,000.00	At cost
	Total								50,00,000.00	50,00,000.00	
B)	Other non-current investments										
	Units of TVS Shriram Growth Fund - 1A	Others	58,437.33	58,437.33	Unquoted	Fully paid	-	-	▲ 6,14,17,633.83	▲ 6,14,17,633.83	At cost
	Total								6,14,17,633.83	6,14,17,633.83	
	Grand Total								6,64,17,633.83	6,64,17,633.83	

PRIME PROPERTY HOLDINGS LIMITED

Jayalakshmi Estates, No: 29, Haddows Road, Chennai - 600 006

Notes to Statement of Profit and Loss for the year ended 31st March 2015**Note 9 - Other Income**

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	₹	₹
i) Interest on Fixed Deposit (A)	-	25,644.00
ii) Income Others - Income Tax Refund (B)	976.00	-
iii) Income Others (C)	-	17,247.00
Total (A+B+C)	976.00	42,891.00

Note 10 - Other expenses

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	₹	₹
a. Rates and taxes	5,000.00	7,420.25
b. Payments to the auditor as		
i) auditor	10,000.00	10,000.00
ii) for other services	5,000.00	5,000.00
iii) for reimbursement of expenses	1,854.00	1,854.00
c. Printing and Stationery	-	420.00
d. Bank charges	10.00	1,665.00
e. Professional Fees	57,694.00	21,349.00
f. Miscellaneous expenses	-	15,223.00
Total	79,558.00	62,931.25

Note 11 - Tax expense

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	₹	₹
Excess Provision for Tax Relating to earlier years written back	(9,077.00)	(24,22,779.00)
Total	(9,077.00)	(24,22,779.00)

15. Notes forming part of accounts for the year ended 31st March 2015

- a The financial statements have been prepared in accordance with the norms and principles prescribed in the Accounting Standards issued by the Institute of Chartered Accountants of India.
- b The Company is following accrual basis of accounting on a going concern concept.
- c The Directors have waived their sitting fees payable to them for attending Board Meetings.
- d The Company adopts completed contract basis for the purpose of recognition of income from property development. There was no income from property development during the year.
- e The Company has no tax liability either under normal provisions or under Section 115JB of the Income Tax Act, 1961.
- f The Accounting Standards, to the extent they are applicable to the company have been complied with.
- g According to the information furnished to the company by its suppliers and service providers, there are no dues payable to Micro, Small and Medium Enterprises.
- h Previous year figures have been reclassified wherever necessary, to conform to current year's classification.
- i **List of Related Parties**

Reporting Entity

Prime Property Holdings Limited, Chennai

A. Name of the Related Party

T.V. Sundaram Iyengar & Sons Private Limited, Madurai
Sundaram Investment Limited, Chennai

Relationship

Holding Company of Sundaram Investment Limited, Chennai
Holding Company of TVS Capital Funds Limited (Formerly TVS Investments Limited, Chennai). Holding Company of TVS Electronics Limited effective 14th Oct'13.
Holding Company of TVS Electronics Limited, Chennai till 13th Oct'13

TVS Capital Funds Limited
(Formerly TVS Investments Limited, Chennai)
TVS Electronics Limited, Chennai

Holding Company of the Reporting Entity

B. Related Party Transaction

1 i) **Name of the Related Party**

TVS Electronics Limited, Chennai

ii) Nature of Transaction

Repayment of dues
Interest on unsecured loan
Acquisition of 8,000 units of TVS Shriram Growth Fund - 1A
(Current year - Nil Previous year - 8,000 units)

31.03.2015	31.03.2014
Rs.	Rs.
-	26,60,577
-	-
-	84,08,000

2 i) **Name of the Related Party**

TVS Capital Funds Limited, Chennai
(Formerly TVS Investments Limited)

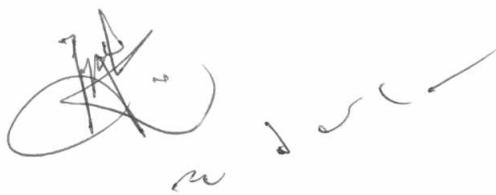
ii) Nature of Transaction

Amount received towards dues recoverable

31.03.2015	31.03.2014
Rs.	Rs.
	29,95,279

For and on behalf of the Board

As per our report of even date



For Raghu & Gopal
Chartered Accountants
Firm Registration No: 0033355

Chennai

R S Raghavan

R. Jagannathan

4th May 2015

Director



Membership No: F9035

Prime Property Holdings Limited
Jayalakshmi Estates
29, Haddows Road, Chennai-600006

Cash Flow Statement for the year ended 31st March 2015

Rupees

	Year ended 31.03.2015	Year ended 31.03.2014
Cash Flow From Operating Activities		
Profit/(Loss) before Tax	(78,582.00)	(20,040.25)
Less:		
Tax relating to earlier years	9,077.00	24,22,779.00
Operating Cash Flow before Working Capital changes	(69,505.00)	24,02,738.75
(Increase)/Decrease in Loans and Advances	(10,053.00)	1,02,76,284.00
(Increase)/Decrease in Trade Receivables	-	29,95,279.00
Increase/(Decrease) in Liabilities/Provisions	5,300.00	(1,57,35,238.55)
Net Cash Outflow in operating activities (A)	(74,258.00)	(60,936.80)
Cash Flow from Investing Activities		
Investments in units of Private Equity Fund (Net of redemption)	-	(84,08,000.00)
Net cash used in Investing Activities (B)	-	(84,08,000.00)
Increase/(Decrease) in Cash and Cash Equivalent (A)+(B)	(74,258.00)	(84,68,936.80)
Opening Cash and cash equivalents as at 01.04.2014	10,20,551.64	94,89,488.44
Closing Cash and cash equivalents as at 31.03.2015	9,46,293.64	10,20,551.64
The above Statement has been prepared in Indirect method. Cash and Cash equivalent represents bank balance.		

For and on behalf of the Board

As per our report of even date

Chennai
4th May 2015

R S Raghavan

R.Jagannathan

DIRECTOR

**For Raghu & Gopal
Chartered Accountants
Firm Registration No: 0033355**

**A. Gopal
Partner
Membership No: F 9035**