

TRENDING NEW TERRAINS

Annual Report 2013-14



CONTENTS

4	CMD's Message
20	Notice
28	Directors' Report
32	Management Discussion and Analysis Report
35	Report on Corporate Governance
48	Auditors' Report
53	Standalone Balance Sheet
54	Standalone Profit & Loss Account
55	Standalone Cash Flow Statement
57	Schedules to the Standalone Balance Sheet and Profit & Loss Account
66	Notes to Standalone Accounts
73	Statement relating to Subsidiary Company
74	Auditors' Report on Consolidated Accounts
76	Consolidated Balance Sheet
77	Consolidated Profit & Loss Account
78	Consolidated Cash Flow Statement
80	Notes to the Consolidated Financial Statements
90	Attendance Slip and Proxy Form
113	Electronic Communication Form (Green Initiative)

BOARD OF DIRECTORS

Mr G Yoganand
Managing Director

Mr K Krishna Murty
Independent Director

Mr DLS Sreshti
Independent Director

Mrs G Padmaja
Additional Director
(w.e.f. 14.08.2014)

Mrs Gayatri Khatri
Company Secretary and Compliance Officer

AUDIT COMMITTEE

Mr DLS Sreshti
Mr K Krishna Murty
Mrs G Padmaja

NOMINATION & REMUNERATION COMMITTEE

Mr DLS Sreshti
Mr K Krishna Murty
Mrs G Padmaja

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr K Krishna Murty
Mr DLS Sreshti

STATUTORY AUDITORS

M/s A K Sabat & Co.
Chartered Accountants
Hyderabad

PRINCIPAL BANKERS

Oriental Bank of Commerce
Canara Bank
State Bank of Hyderabad

REGISTERED OFFICE

304, Aditya Trade Centre,
Aditya Enclave Road, Ameerpet,
Hyderabad – 500038.
Ph: +91-40-23735194 / 23743017 / 23730231
Fax: +91-40-23733763
Email: manjeera_group@yahoo.com
Website: www.manjeera.com

REGISTRAR & SHARE TRANSFER AGENTS

XL Softech Systems Limited
Plot No. 3, Sagar Society,
Banjara Hills, Road No. 2,
Hyderabad – 500034
Tel: +91-40-23545913 / 14 / 15
Fax: +91-40-23553214
Email: xlfield@gmail.com
Website: <http://www.xIsoftech.com>
Contact Person: Mr R Ram Prasad



CHAIRMAN'S MESSAGE

G Yoganand
Chairman and MD

Dear shareholders,

This is the 27th year of Manjeera's journey as an enterprise with a distinct identity, vision for growth and consolidation, and an unswerving commitment creating value for stakeholders consistently.

Manjeera has weathered the turbulences of the recent past in the global and domestic economies with strategic foresight and inherent resilience. 2013-14 has been an year of not only challenges and changes but also of fresh opportunities that are constantly gaining a cleaner outline.

Nationally, a new government is in place which has firmly displayed its commitment to reforms and economic growth. Regionally, the bifurcation of the state of Andhra Pradesh has brought in

clarity for businesses to plan ahead despite the fact that it will take time for the two new states to settle down on diverse fronts.

The interim budget of 2014 has come with the announcement of a slew of measures to revive the real estate sector including allocation of ₹ 7,060 crore for development of 100 smart cities, relaxation for the entry of foreign capital and tax relief on home loans.

The announcement of norms for the formation of Real Estate Investment Trusts (REITs) also has provision for pass-through for purposes of taxation, thereby avoiding double taxation. This is bound to help the sector raise long-term funds from both domestic investors and NRIs. The budget will aid the new governments' ambitious plans to provide housing for all by 2022. The deduction limit has been increased for interest on loans for self-occupied properties from ₹ 1.5 lakh to ₹ 2 lakh will be an attractive incentive for first-time buyers at the entry level. This new thrust to housing will push demand for low and mid-income housing.

Another area of the budget having great relevance for Manjeera is the stress on infrastructure and energy sectors. As per the budget, long-term funds raised for financing infrastructure will now attract lower regulatory requirements. The creation of infrastructure investment trusts, just as for real estate, will infuse more funds into the sector and reduce pressure in the banking system for funds.

Overall the budget aims for macro-economic stability with lower inflation, to be achieved over four years, through non-tax measures.

We are therefore witnessing a climate that allows Manjeera to extend the scope of its competencies and resources across new terrains strategically and diligently. Alongside, we shall continue to consolidate our established operations along even better value paradigms.

Regionally, the continued growth of Hyderabad as one of the country's leading metropolises is ensuring a renewed energy in its real estate

activity. Along with the fast paced metropolitan infrastructure activities such as the Hyderabad Metro and completion of the ORR and its extended radial road connectivity, the government has announced positive policies and road maps for improving the city's status as one of the country's most attractive destinations.

In such a scenario, Manjeera, while on track in completing ongoing projects, is putting a special focus on the mid and affordable housing segments as to leverage opportunities and further enhance revenue streams.

Manjeera is also giving its proven civil engineering and project management skills and resources a greater play by extending them to strategically chosen sectors. Manjeera has now become eligible for Special Class Registration and is in the process of obtaining a formal certification as 'Special Class Contractor', which will enable it to take up projects of any magnitude.

Manjeera has drawn up a well planned roadmap to have a strong presence in Highways & Roads, Buildings, and Energy Sectors.

We shall display the same keen sense of anticipation, swift response and the careful nurturing of competencies and strategizing for success that has underscored our success across the years in this new and exciting phase of growth.

I express Manjeera's gratitude to all our stakeholders, partners and well wishers and look forward to your continued support in the eventful days ahead.

With best wishes,





BENCHMARKED FOR LEADERSHIP

MANJEERA IS TODAY A
DISTINCTIVE AND ADMIRABLE
SIGNATURE IN HYDERABAD'S
SKYLINE.

We have always been unerring in anticipating the aspirations and expectations of a new generation of home buyers. We innovate on all fronts, from design, features and specifications to timely deliveries and transparent transaction to consistently delight our customers.

Scrupulous compliance of statutory guidelines, adherence to the highest engineering standards and ensuring higher value for customers has been our hallmark.

Manjeera is a member of the confederation of Real Estate Developers' Association of India (CREDAI), and Indian Green Building Council.

We are future focused in pursuing leadership and benchmark ourselves continuously with the best international standards.

We carefully tailor projects for different customer segments, and have been consistently appreciated for our foresight in identifying high potential locations that ensure the highest rate of appreciation in value for our customers.

"Life Elevated" has been our promise to our customers and we have lived up to it with passion and total commitment.

To prevail and succeed, organizations have to turn themselves into 'Change Agents', and the most effective way to manage change successfully is to create it. Merely grafting innovation on to traditional ways of doing things is not enough. The enterprise as a whole has to become a Change Agent. This requires the organized and continuous improvement of every product, service and process within the enterprise. It requires the replication and scaling up of successes through systematic innovation.

The way to be a Change Agent is to change the mind-set of the entire organization, ensuring that its people see change not as a threat but as an opportunity. An instance of this at Manjeera was the launching of 'Project Antarvahini', and 'Project Antaryami' to streamline system and procedures across the group companies.

A CHANGE AGENT IN PURSUIT OF LEADERSHIP

EMBRACING INFORMATION TECHNOLOGY TO STREAMLINE OUR OPERATIONS

PROJECT ANTARVAHINI

*Designing Policy, Procedure and Process (PPP) and
Position, Role, Responsibility (PRR)*

- Operational guidelines designed for all business, technical and administrative functions, covering role responsibilities of departments and functionaries, policies, system and procedures, records maintenance, and MIS reporting mechanisms.
- Crusading that all employees follow uniform procedures and systems which are also imparted during training of new recruits and juniors in orienting them to enterprise-specific requirements.
- Improving efficiency and productivity, minimizing operational risks and achieving the highest possible customer satisfaction.

Since its roll out in 2012-13 project Antarvahini has made considerable progress and played a key role in our growing success.

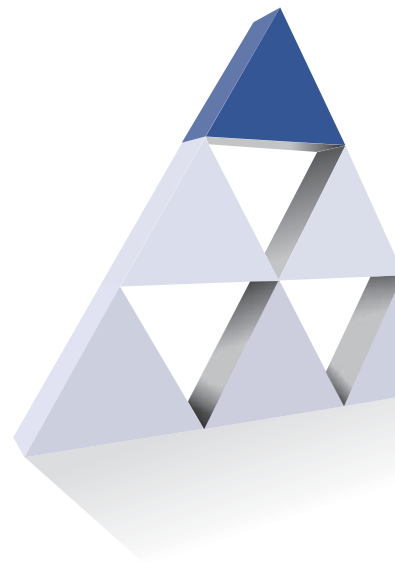
PROJECT ANTARYAMI

Implementation of Enterprise-wide Integrated Software Solution

Manjeera Group wide Enterprise Resource Planning (ERP) is Project ANTARYAMI. Aimed at supporting the present and future business expansion across projects in different segments and geographies, ANTARYAMI is based on QNeon which is a stable ERP Solution for engineering, construction and real estate (ECCR) industry.

ANTARYAMI is designed to efficiently manage material, labour, equipment, sub-contractors and operations (MLESO), integrate various functional departments, optimise time and cost and maximize gain. Its in-depth, layered architecture supports capturing data without duplication and generation of intelligent reports using business analytical tools.

The training and migration of data has been completed during the year 2013-14. We have achieved 'Go Live' status from 16th April 2014.





THE WINNING FACTOR

WHERE TALENT IS A CORE COMPONENT OF STRATEGY

At Manjeera we believe that equipping our people with the right skills and inspiring them to own our shared enterprise purpose is essential to fuel growth and insulate against the dynamic challenges of the future. People are the core component of strategy to stay ahead of the curve and drive change rather than react to change.

Our HR team plays the role of key driver of growth through well measured talent acquisition, their management and, most importantly, talent development.

We organise our talent around business objectives, clearly articulated organisational vision communicated with impact and empathy creating optimism, clarity and certainty within and without the organisation.

We go beyond tangibles in nurturing, retaining and developing talent through intangibles that appreciate diversity, recognize aspirations and provide an empowered environment with development opportunities.

A balanced work culture energized our people resources to bond and work in harmony.

Among our people initiatives are:

Feedback processes and encouragement to ideate for process improvements and innovation.

Informal cross-departmental dinner meetings to enable people from different departments to understand and appreciate one another's roles and enable seamless teamwork.

At Manjeera People are the primary winning factor that propels our growth and diversification. They are the repositories of our collective experience and core competencies. They are the strength underlying our strategies for trending new terrains.



AT MANJEERA
WE HAVE AN
ENLIGHTENED
OUTLOOK ON
THE CONCEPT OF
'SUSTAINABILITY'
WHICH SUBSUMES
INTERNAL AND
EXTERNAL
DIMENSIONS INTO
A SINGLE WEAVE
WHICH GIVES OUR
ENTERPRISE ITS
UNIQUE
CHARACTER,
VALUE SYSTEM AND
EXTENDED BRAND
PROMISE.

SUSTAINABILITY

The elements of the sustainability philosophy of Manjeera include:

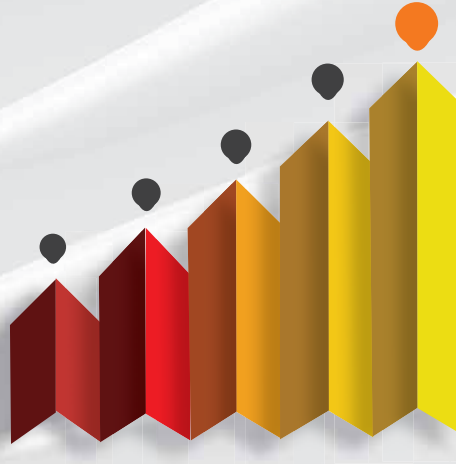
- A business model strategized for the long term, with constant innovation and cultivation of competencies to tide business cycles successfully and find opportunities in the challenges of change.
- A Safety, Health and Environment (SHE) policy that brings the best not only to our people but also to customers who buy into our projects and society at large.
- A scientific and sensitive approach to environment and resources in planning, designing and executing projects.

A Corporate Social Responsibility (CSR) programme that gives back to society and earns as the goodwill of all stakeholder groups and the general public.

In Health and Safety, Manjeera has a 'Zero Incident' philosophy and strives to ensure that best of safety practices at the followed at all levels of construction activity.

Technically validated field procedures and regular training programmes for women, and collective ownership of the 'safety performance' is also elicited from sub-contractors and partners.





CORPORATE SOCIAL RESPONSIBILITY (CSR)

Manjeera, as a responsible corporate citizen, is committed to a business model aligned to sustainable social development. Our CSR initiatives have focused on education, public health and community outreach programmes. Among these are:

- Free health and blood donation camps.
- Free medicines and screening facilities for the needy.
- 'Student Adoption Plan' for giving scholarships and awards to meritorious students.
- Support to a number of schools and colleges in and around its primary region of housing construction activity, Hyderabad metropolis.
- Active Support to NGOs and social organization in the neighbourhoods of its projects and operational location.

The broad canvas of its outlook on 'Sustainability, is elemental to the long-term mission Manjeera has set for itself.