



PRAJAY ENGINEERS SYNDICATE LIMITED

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5 th ANNUAL REPORT

1998-99

PRAJAY ENGINEERS SYNDICATE LIMITED

BOARD OF DIRECTORS

SRI D.S. CHANDRA MOHAN REDDY
SRI D. VIJAYSEN REDDY
SRI K. RAVI KUMAR
SRI D.S.P. REDDY

**MANAGING DIRECTOR
EXECUTIVE DIRECTOR
WHOLE TIME DIRECTOR
DIRECTOR**

AUDITORS

SRI S.V. RANGAN
Chartered Accountant
1-8-229/10,
Prender Ghast Road,
Secunderabad - 500 003.

BANKERS

INDIAN OVERSEAS BANK
Plot No. 183, P.B. No. 2,
Alwal,
Secunderabad - 500 010.

A.P. MAHESH CO-OPERATIVE URBAN BANK LTD
Himayath Nagar Branch,
Hyderabad - 500 029.

REGISTERED OFFICE

4-1-2/4, Eden Garden Road,
Ramkote,
Hyderabad - 500 001.

PRAJAY ENGINEERS SYNDICATE LIMITED

NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of Prajay Engineers Syndicate Limited will be held on Thursday, the 30th day of September, 1999 at 11.30 A. M. at Central Court Hotel, 6-1-71, Lakdi-kapool, Hyderabad - 500 004 to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the audited profit and loss Account for the period ended 31st March, 1999 and the Balance Sheet as on that date and the reports of Directors and Auditors thereon.
- (2) To appoint a Director in place of Sri. D.S.P. Reddy, who retires by rotation and being eligible, offers himself for reappointment.
- (3) To reappoint the retiring auditor and to fix their remuneration.

**By Order of the Board
for Prajay Engineers Syndicate Limited**

Place : Hyderabad
Date : 31 st August, 1999

**(D.S. Chandra Mohan Reddy)
Managing Director**

NOTES :

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. Proxy, in order to be effective, must be deposited at the company's Registered Office not less than 48 hours before the meeting.
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 1999 to 30th September, 1999 (both days inclusive).
- (3) Members are requested to bring their copies of Annual Report and Admission Slip to the meeting.

PRAJAY ENGINEERS SYNDICATE LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors have pleasure in presenting the Fifth Annual Report of the company together with the Audited Accounts for the 9 months period ended 31st March, 1999.

ACCOUNTING YEAR

The Annual Accounts for the year under review are prepared for 9 months period commencing from 1st July, 1998 and ending with 31st March, 1999. This is consequent to extension of previous Accounting Year 1997-98 by 3 months upto 30th June, 1998 and preparation of Annual Accounts for 15 months period commencing from 1st April, 1997 and ending with 30th June, 1998.

1. FINANCIAL RESULTS : (Rs. in Lacs)

	1998-99 (9 months)	1997-98 (15 months)
Gross Turnover	977.80 762.23	1435.86
Profit before interest and Depreciation	73.42	193.55
Profit before Tax	3.12	77.25
Provision for taxation	0.40	28.00
Profit after tax	2.72	49.25

2. DIVIDEND

The Directors express their inability to declare dividend for the year under review in view of insufficient profits.

3. REVIEW OF OPERATIONS :

During the period under review, the company recorded a sales turnover of Rs. ~~977.80~~ 762.23 lacs (including other income) as against previous period's turnover of Rs. 1435.86 lacs and earned a net profit of Rs. 2.72 lacs. Presently, 10 projects are on hand with your company which includes prestigious Commercial Complex "PRAJAY CORPORATE PLAZA" located at Chikoti Gardens, Begumpet at a cost of Rs. 1140 lacs. The company had completed 2 projects during the period under review.

4. PROJECTIONS VS. PERFORMANCE :

(Rs. in lakhs)

	Projections	Performance
Turnover	1638.40	977.80 762.23
Net profit	245.05	2.72

The performance for the period under review was affected due to slump in the real estate market on account of severe recession in the economy and this has affected both the projected turnover & profitability of the Company.

5. CURRENT YEAR OUTLOOK :

With the boost given by the Government of India to the Housing Sector in the 1999-2000 Budget by way of various tax reliefs and concessions, the outlook of your company appears to be positive.

6. DIRECTORS

Sri D.S.P. Reddy, Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

7. DEPOSITS

The Company has not accepted any deposits from the public during the period under review.

8. AUDITORS

The present Auditor of the Company Sri S.V. Rangan, Chartered Accountant, will retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

The Auditors' observation is dealt with in the notes on accounts.

9. PARTICULARS OF EMPLOYEES :

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with the provisions contained in Companies (Particulars of Employees) Rules, 1975 as amended to date were not applicable to your company, as none of the employees was in receipt of remuneration which in aggregate was Rs. 6,00,000/- or more per year nor was in receipt of remuneration for any part of the year of Rs. 50,000/- or more per month.

10. INDUSTRIAL RELATIONS :

The Company has had harmonious industrial relations throughout the period under review at all levels of organisation. The Company would endeavour hard to maintain this cordial relationship in future also.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information pursuant to Section 217(i) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo have not been provided, as the same is not applicable to the Company.

12. ACKNOWLEDGEMENTS :

The Directors have pleasure in recording their appreciation for the valuable assistance extended to the Company by the Indian Overseas Bank, A.P. Mahesh Co-operative Urban Bank and SBI HOME FINANCE LTD., as also Housing Finance Companies such as LIC Housing Finance, HDFC, CAN FIN, Deewan Housing Finance and Andhra Bank Housing Finance, Home Trust Finance etc., for extending loan facilities to the customers of the company.

Your Directors also place on record their deep sense of appreciation for the dedicated services rendered by all the executives, staff and workers of the company.

For and on behalf of the Board

(D.S. CHANDRA MOHAN REDDY)

MANAGING DIRECTOR

Place : Hyderabad

Date : 31st August, 1999