



Prajay Virgin County-Villas Entrance



Prajay Mega Polis - Site View



Prajay Princeton Towers - Original View

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

D. Vijay Sen Reddy	Chairman & Managing Director
K. Ravi Kumar	Whole Time Director (Technical)
Sumit Sen	Whole Time Director (Sales and Mktg.)
D. Chakradhar Reddy	Non Executive - Independent Director
Vijay Kishore Mishra	Non Executive - Independent Director
N. Nageshwara Rao	Non Executive - Independent Director
Rudresh Veerabhadrapa	Non Executive - Independent Director
M. Raja Gopala Reddy	Non Executive - Independent Director
Chief Financial Officer	P. Bhaskara Rao
Company Secretary	D. Madhavi Latha

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### BANKERS

Indian Overseas Bank, Alwal, Secunderabad  
Punjab National Bank, Mid Corp Branch, Banjara Hills, Hyderabad  
State Bank of India, Indl. Fin. Branch, Somajiguda, Hyderabad  
State Bank of Mysore, Secunderabad  
Tamilnad Mercantile Bank Limited, Secunderabad  
State Bank of Bikaner and Jaipur, Secunderabad

### REGISTRAR AND SHARE TRANSFER AGENTS

Karvy Computershare Private Limited  
Plot No 17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad 500081  
Andhra Pradesh, India  
Tel.: 91 40 2342 0818-28 Fax: 040-23420859  
Email: einward.ris@karvy.com mailmanager@karvy.com

### LISTING

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited

### REGISTERED OFFICE

8-2-293/82/A, Plot No.1091,  
Road No.41, Near Peddamma Temple,  
Jubilee Hills, Hyderabad 500 033

### WEBSITE

www.prajayengineers.com  
investorrelations@prajayengineers.com

### AUDITOR

S.V. Rangan  
Chartered Accountant



## **PROFILE OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT TEAM**

### **D. VIJAY SEN REDDY**

(Chairman and Managing Director)

Mr. Vijay Sen Reddy, a Chartered Accountant (Inter) has got more than two decades of rich and varied experience in the construction industry. Mr. Reddy's rich experience drives the successful completion of projects at Prajay. He is also involved with the expansion strategy of the Company and is entrusted with the responsibility of identifying new ventures. He oversees the entire construction activities with his vast / multi faceted experience and his broad vision helps energize the Prajay team.

### **K. RAVI KUMAR**

(Director - Technical)

Mr. Ravi Kumar is a Master of Technology and a Civil Engineer and brings a repository of technical expertise in construction and guides the adoption of progressive building practices to Prajay, steering innovation and quality in the Company.

### **SUMIT SEN**

(Director - Marketing & Sales)

A Post Graduate in Commerce and a Diploma Holder in Marketing and Personnel Management, he has served the Indian Air Force for 15 years and secured a diploma in Mechanical Engineering while in service. He is responsible for creating the sales strategy, identifying consumer trends and creating projects around these. He also oversees the administrative functions. His expertise lies in appropriate pricing and financial structuring.

### **VIJAY KISHORE MISHRA**

(Non Executive - Independent Director)

A qualified Chartered Accountant, with more than 25 years of professional experience in the fields of finance and taxation, Mr. Mishra guides the Company in the matters of accounting and taxation harnessing his vast experience in these areas.

### **N. NAGESHWARA RAO**

(Non Executive - Independent Director)

A B.Sc. graduate and a renowned figure in the hospitality business, Mr. Rao helps the Company in shaping its strategy for the hotels division. The company benefits from his rich experience and insight into the hospitality industry in the country.

### **RUDDRESH VEERABHADRAPPA**

(Non Executive - Independent Director)

An Architect by profession, he has executed many widely-acclaimed projects in and around Bangalore. Mr. Rudresh's presence on the Board enables Prajay to strengthen its design capabilities.

### **D. CHAKRADHAR REDDY**

(Non Executive - Independent Director)

Mr. Chakradhar is an Arts Graduate with more than 18 years of experience in Government Contract works and Civil works, including road construction. Mr. Reddy's presence on the board helps the Company to strengthen its infrastructure, related areas and further enables the company to strengthen its compliance functions.

### **M. RAJA GOPALA REDDY**

(Non Executive - Independent Director)

Mr. Raja Gopala Reddy is a Science Graduate with more than 32 years of experience in construction industry and completed many road projects. His rich experience in construction industry and infrastructure sectors helps the company in formulating its new policies in the relevant areas and further enables the company to strengthen its compliance functions.

## **P. BHASKARA RAO**

CFO and GM - Fin. & Accounts

A Graduate in Law and a Member of ICWAI, Mr. Bhaskara Rao has got more than 30 years of experience in various industries. He is overall in-charge of finance and accounting responsibilities and further acts as Chief Financial Officer of the company.

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## **C.N. RAO**

Dy. General Manager – Fin. & Accounts

An Honors Graduate in Commerce and a Member of ICAI, Mr. Rao has rich industrial and banking experience of more than 24 years in various industries like Power sector, Aeronautical industry and Banking sector. He is heading the corporate finance section of the company and also responsible for liaising with banks and institutions.

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## **JAYADEVA**

Sr. GM – Projects

Mr. Jayadeva is a Graduate in Civil Engineering with more than 24 years of experience in building various High Rise Residential Towers, IT Parks, Commercial Buildings, Five Star Hotels, in reputed corporates like Raheja, Lodha, NCCL, Mind space –IT Park. His rich experience of building high rise towers will strengthen the technical team of the company.

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## **SAMIR DE**

GM – Projects

Mr. Samir is a Graduate in Civil Engineering with specialization in construction management from North Bengal University. He has rich experience of more than 19 years in administering EPC contracts of various mini and medium sized power projects.

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## **MADHAVI LATHA**

Company Secretary & Compliance Officer

A Commerce Graduate and a qualified member of The Institute of Company Secretaries of India (ICSI) with more than seven years of working experience in software and construction industry. Ms. Latha's experience of handling various issues under Companies Act, SEBI and Listing Agreement helps the company to have good compliance of corporate governance and other statutes.

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## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Prajay Engineers Syndicate Limited will be held on Friday, the 1<sup>st</sup> day of November, 2013 at 3.00 P.M. at Prajay Corporate House, 1-10-63 & 64, Chikoti Gardens, Begumpet, Hyderabad – 500016 to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2013 and the Profit and Loss Account for the year ended on that date together with Notes annexed thereto and the reports of the Director's and Auditors thereon.
2. To appoint a Director in the place of Sri Vijay Kishore Mishra, Director, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Sri N. Nageshwara Rao, Director, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Sri M. Raja Gopala Reddy, Director, who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Sri S.V. Rangan, Chartered Accountant, Secunderabad (Registration No. 022037) be and is hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board plus service tax as applicable from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to fix the remuneration of the Statutory Auditor and to reimburse the actual out of pocket expenses as may be incurred in the performance of his duties."

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements with the Stock Exchanges and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and other rules and regulations, prescribed by the Securities and Exchange Board of India ("SEBI") or any other relevant authority, from time to time, to the extent applicable and subject to any approvals, consents, permissions and sanctions of any authorities as may be required, and subject to any such conditions or modifications as may be prescribed or imposed by such authorities while granting such approvals, consents, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to introduce and implement the Employee Stock Options Scheme (ESOS) as detailed in explanatory statement to this notice and to create, grant, offer issue and allot, to directly or through allotment to the trust created/ to be created for this purpose, or to utilize the shares held by the Trust created for this purpose, for the benefit of such person(s) who are in the permanent employment of the Company and the "Directors (including Whole-Time Directors) of the Company (hereinafter collectively referred to as the "Employees") equity shares of the company and/or options giving right to purchase such number of equity shares of the company, at such price, in such manner, during such period in one or more tranches and on such terms and conditions as the Board may decide upto a limit not exceeding 50,00,000 equity shares of ₹10/- each.

**RESOLVED FURTHER THAT** the maximum number of Securities issued/granted in terms of this resolution, to any single Employee (including any Director) during any one year shall be less than one percent of the issued and paid-up equity shares of the company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect the ESOS on such terms and conditions as contained in the Explanatory Statement to this Item in the Notice and to make any modification(s), changes, variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS from time to time including but not limited to, amendment(s) or revision(s) with respect to vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOS.

RESOLVED FURTHER THAT the shares may be allotted in accordance with the ESOS either directly and/or through an existing trust or a trust which may be set up and/or in any other permissible manner and that the ESOS may also envisage for providing any financial assistance to the trust to enable the trust to acquire, purchase or subscribe the Securities of the Company as per the ESOS.

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid Resolution shall in all respects rank pari passu inter se with the then existing equity shares of the company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of Securities, without requiring the Board to secure any further consent or approval of the Members of the Company to that end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors with a power to further delegate to any executives/officers of the company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard.

RESOLVED FURTHER THAT all the lapsed options will be added back to ESOS pool and the Board be and is hereby authorised to allot these lapsed options to the eligible employees as per the ESOS Scheme.

By Order of the Board

Place : Hyderabad

Date : 17.09.2013

**D. Vijay Sen Reddy**

Chairman

## NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself or herself. A proxy need not be a member of the company.
2. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to Special Business to be transacted at the meeting (Item No. 6) is annexed herewith.
3. The details of Directors seeking re-appointment, in terms of Clause 49 of the Listing Agreement, are annexed hereto and forms part of this Notice.
4. Instrument of Proxy, in order to be effective, must be received by the company, not less than 48 hours before the commencement of the meeting. Completion and return of the form of proxy will not prevent a member from attending the meeting and voting in person, if he or she wishes. A form of proxy is given at the end of the Annual Report.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 23.10.2013 (Wednesday) to 01.11.2013 (Friday) both days inclusive.
6. Members are requested to send all communication relating to transfer, transmission, dividend, demat etc. of shares (Physical and Electronic) to the Company's Registrar and Share Transfer agents at the following address:

**M/s Karvy Computershare Private limited**

Plot No: 17-24, Vittalrao Nagar,  
Madhapur, Hyderabad-500081  
Andhra Pradesh  
Tel.: 91 40 2342 0818-28  
Fax: 040-23420859  
Email: einward.ris@karvy.com  
mailmanager@karvy.com

7. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS, mandates, nominations, power of attorney, change of address/ name etc. to their Depository Participant only and not to the Company's Registrar and Share Transfer Agent.
8. Pursuant to Sec. 205A (5) of the Companies Act, 1956, the unpaid/unclaimed dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Date of Declaration	Last date for claiming unpaid dividend	Due for transfer on
2006-07	26 <sup>th</sup> September, 2007	31.10.2014	01.11.2014
2007-08	29 <sup>th</sup> September, 2008	04.10.2015	04.11.2015

Members who have not encashed their dividend pertaining to the aforesaid years may approach the company/ it's Registrar for obtaining payments thereof at least 30 days before they are due for transfer to the said fund.

9. Investor grievance Redressal – the company has designated an exclusive email id **investorrelations@prajayengineers.com** to enable the investors to register their grievances, if any.
10. Members/ Proxies are requested to bring duly filled in attendance slips sent therewith for attending the meeting.
11. The Ministry of Corporate Affairs (MCA) has introduced 'Green Initiative' whereby the documents are permitted to be served on the Members through electronic mode i.e., e-mail. This initiative is a step towards protection of environment and enabling faster communication with the Members. Accordingly, the Company proposed to serve all the documents to e-mail addresses of the Members. Members are requested to provide / update their e-mail addresses with their respective Depository Participants (DPs) or send an e-mail at **investorrelations@prajayengineers.com** to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to intimate their e-mail address to Karvy either by e-mail at **einward.ris@karvy.com** or by sending a communication at the address mentioned at Note 6 above.



**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

**Item-6: Employee Stock Option Scheme (ESOS):**

To attract talented employees / Directors, it is necessary to provide incentive to the employees to remain with the company and to reward them with the opportunities to have a share in the success of the company. To achieve this objective, it is proposed to grant an option to the employees to subscribe to the shares of the company.

The SEBI Guidelines have provided a conducive environment for the implementation of an Employee Stock Option Scheme. The Company proposes to introduce the following Stock Option Scheme for the benefit of employees of the Company, its Directors, and such other persons / entities as may be prescribed by SEBI from time to time, and in accordance with the provisions of prevailing regulations.

**Employee Stock Option Scheme**

Under this scheme, employees will be granted an option to acquire a certain number of equity shares at a Price as mentioned hereinafter. The broad terms and conditions of the Scheme are as under:

The Company's Compensation Committee, which is a committee of the Board of Directors and consisting of a majority of independent Directors, will be responsible for administration and superintendence of the ESOS. The Compensation Committee will formulate the detailed terms and conditions of the ESOS; Compensation Committee will specify, inter alia, the following.

1. Quantum of options to be granted under the Scheme per employee.
2. Conditions under which options vested in employees may lapse in case of termination of employment for misconduct.
3. Time period within which an employee may exercise vested options in the event of termination or resignation.
4. The exercise period within which the employee should exercise the options and that option would lapse on failure to exercise the options within the exercise period.
5. Rights of employees to exercise all the vested options at one time or at various points of time.
6. Procedure for making a fair and reasonable adjustment to the number of options and to the exercise period, in case of rights issues, bonus issues, other corporate actions, or otherwise.
7. Lock-in period for the shares issued pursuant to exercise of the options, if any.
8. Any other related or incidental matters.

The following is the explanatory statement, which sets out the various disclosures as required by clause 6 of the SEBI Guidelines.

**The salient features of the Scheme are as under:**

**1. The total number of options to be granted:**

The total number of options to be granted under this scheme cannot exceed 50,00,000 equity shares of the issued equity share capital of the Company as on date or such additional quantity as may be required on account of Corporate Action. The options which lapse/expire or are forfeited will be available for grant to the eligible employees.

One option would entitle the holders of the options a right to apply for one equity share of face value of ₹ 10/- each and / or equity linked instrument including any depository receipt entitling for one equity share of ₹ 10/- each of the company, as may be decided by the Board. The option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner. The Committee has power to choose the quantum of options for each of the plans.

**2. Identification of classes of employees entitled to participate in the ESOS**

Employees entitled to participate in the ESOS are:

- a. Persons as are in the permanent employment of the company in such grade and with such experience / association with the company, as may be decided by the board / committee.
- b. Directors (Including Whole Time Directors) of the company at any time.
- c. Such other persons, as may, from time to time, be allowed under prevailing laws and regulations and as may be approved by the board for this purpose.

Above persons are referred herein collectively as the "Eligible Employees"

An employee who is a promoter or belongs to promoter group or a director who either by himself or through his relative or through any Body Corporate, directly or indirectly, holds more than 10 percent of the outstanding equity shares of the company at the time of granting of option, shall not be eligible to participate in ESOS.

### 3. Requirements of vesting, period of vesting and maximum period of vesting

There shall be a minimum period of one year between the grant of options and vesting of options. The Vesting of options may be spread over a period of six years from the date of grant. The committee is empowered to implement and decide the vesting schedule to suit the needs of the organization.

The options may vest in tranches subject to the terms and conditions as may be stipulated by the Committee, which may include satisfactory performance of the Employee/Directors and their continued employment with the company, as the case may be, unless such employment is discontinued on account of death, permanent/total disability or on retirement.

If the employee/Director voluntarily terminates employment with the Company, the options to the extent not vested shall lapse/expire and be forfeited forthwith. However, this shall not be applicable to the employee/Director (including Whole Time Director) of the company who has resigned or who may resign from time to time to join in the subsidiary companies or as approved by the Committee.

### 4. Exercise price or pricing formula

The exercise price shall be closing Market Price before the Grant date, subject to a minimum price of par value.

### 5. Exercise period and the process of Exercise

The exercise period shall commence from the date of vesting, and will expire not later than six years from the date of first vesting. The options will be exercisable by the Eligible Employees by a written application to the Committee to exercise the options, in such manner, and on execution of such documents, in such manner, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period.

### 6. Process for determining the eligibility of employees to ESOS

The process for determining the eligibility criteria for the eligible employees will be specified by the Compensation committee, and will be based on, such criteria such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential., etc., and such other factors as may be appropriate / decided by the Compensation Committee, in its discretion, from time to time.

### 7. Maximum number of options to be issued per employee and in aggregate

The maximum number of options granted per an eligible employee will not exceed one percent of the Shares of the Company in any financial year and shall not be more than 5% in aggregate to a single employee.

### 8. Disclosure and Accounting Policy

The company shall comply with the disclosure and accounting policies prescribed by securities and exchange board of India (SEBI) and any other appropriate authority, from time to time.

### 9. Method of Valuating the Options

The company will adopt the fair value method to value the options granted under the Scheme.

### 10. Disclosure in Director's Report

The Company calculates the Employee Compensation cost using the fair value of the Stock Options.

As the Scheme will entail further shares to be offered to persons other than existing shareholders of the company, consent of the members is sought pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and as per the requirement of SEBI Guidelines.

The Options to be granted under the Plan shall not be treated as an offer or an invitation made to public for subscription in the securities of the company.

The Directors other than i) Promoter Director and (ii) those directors if any, holding directly or indirectly more than 10% of the outstanding equity shares of the company, namely, Sri D. Vijay Sen Reddy shall be deemed to be interested or concerned in passing of this resolution to the extent of benefit he may derive under the Scheme.

The Board accordingly recommends the resolution for approval of the members as a special resolution.