



## Annual Report 2017 - 2018



● Celebrity Resorts  
Cottage  
Shamirpet

Celebrity Resorts  
Shamirpet ●



Prajay  
Waterfront City  
Shamirpet ●



Prajay  
Megapolis  
Hitech City ●





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>Mr. Dantapalli Rohit Reddy</b>	Chairman, Managing Director and CEO
<b>Mr. Dantapalli Vijaysen Reddy</b>	Chairman & Managing Director (upto 14.11.2017) Chief Operating Officer (w.e.f 14.11.2017)
<b>Mr. Ravi Kumar Kutikalapudi</b>	Director
<b>Mr. Sumit Sen</b>	Director
<b>Mr. Sokke Kaliveerappa Rudresh</b>	Independent Director
<b>Mrs. Padmaja Kota</b>	Independent Director
<b>Mr. Vijay Kishore Mishra</b>	Independent Director (upto 10.08.2018)
<b>Mr. Raghvender Reddy Marpadaga</b>	Independent Director (w.e.f. 14.11.2017)
<b>Mr. Neelakantam Nageswara Rao</b>	Independent Director (upto 06.08.2018)
<b>Mr. Bhaskara Rao Patnana</b>	Chief Financial Officer
<b>Mrs. Deevi Madhavi Latha</b>	Company Secretary & Compliance officer (upto 03.08.2018)
<b>Mrs. Y.K. Priyadarshini</b>	Company Secretary & Compliance Officer (w.e.f.29.08.2018)

#### Corporate Identity Number

L45200TG1994PLC017384

#### Registered Office:

8-2-293/82/A, Plot No.1091,  
Road No.41, Near Peddamma Temple,  
Jubilee Hills, Hyderabad-500033, Telangana.

#### Website:

www.prajayengineers.com  
Email:investorrelations@prajayengineers.com

#### Internal Auditor

Mr. M. Shanker, B.Com, MBA-Finance,  
Hyderabad.

#### Listing:

Bombay Stock Exchange Limited – BSE  
National Stock Exchange of India Limited – NSE

#### Secretarial Auditors:

Mr. M. Ramana Reddy  
Practicing Company Secretary, Hyderabad

#### Bankers:

Indian Overseas Bank, Secunderabad  
State Bank of India, Hyderabad  
The A.P. Mahesh Co-operative Urban Bank Ltd., Hyderabad  
HDFC Bank, Hyderabad

#### Registrar and Share Transfer Agents:

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad – 500 032.  
Tel. Nos.: 040-67161606  
Email:einward.ris@karvy.com

#### Statutory Auditors:

M/s. Karumanchi & Associates  
Chartered Accountants  
Flat No.301, Swarga Nivas Enclave, 7-1-619/A,  
Behind HUDA Complex,  
Ameerpet, Hyderabad-500038

Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders Relationship Committee
Mr. Raghvender Reddy Marpadaga – Chairman	Mr. Raghvender Reddy Marpadaga – Chairman	Mr. Dantapalli Rohit Reddy – Chairman	Mr. Raghvender Reddy Marpadaga – Chairman
Mr. Sokke Kaliveerappa Rudresh – Member	Mrs. Padmaja Kota – Member	Mr. Ravi Kumar Kutikalapudi – Member	Mr. Sumit Sen – Member
Mrs. Padmaja Kota – Member	Mr. Dantapalli Rohit Reddy – Member	Mr. Sumit Sen – Member	Mr. Dantapalli Rohit Reddy – Member
Mr. Sumit Sen – Member		Mr. Raghvender Reddy Marpadaga – Member	Mrs. Padmaja Kota – Member

## PROFILE OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### DIRECTORS:

#### Mr. Dantapalli Rohit Reddy (Chairman, Managing Director & CEO)

Mr. Dantapalli Rohit Reddy is a Graduate of Civil Engineering from Pennsylvania State University. He oversees the progress of the construction work at all project sites in coordination with the project team. Being a Project Co-ordinator, he has experience in co-ordinating, leading and controlling the project activities, and implementing production, productivity, quality, and customer-service standards, and also having experience in resolving operational problems, and identifying work process improvements.

#### Mr. Dantapalli Vijaysen Reddy (Chief Operating Officer)

Mr. Dantapalli Vijaysen Reddy, a Semi-qualified Chartered Accountant, has got more than Three 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.

#### Mr. Ravi Kumar Kutikalapudi (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.

#### Mr. Sumit Sen (Director - Marketing & Sales)

A Post Graduate in Commerce and a P.G. 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. His expertise lies in appropriate pricing and financial structuring.

### NON-EXECUTIVE & INDEPENDENT DIRECTORS

#### Mr. Sokke Kaliveerappa Rudresh (Independent Director)

Mr. Rudresh is a Bachelor of Architecture and has wide experience in the relevant field for more than two and half decades and executed many prestigious projects in and around Bangalore. Mr. Rudresh's presence on the Board enables the company to strengthen its design capabilities and help the company to explore new opportunities outside the state.

#### Mrs. Padmaja Kota (Independent Director)

Mrs. Padmaja is a Commerce Graduate and did her P.G. Diploma in Taxation and has more than 25 years of experience in Accounts and Taxation and her presence on the board helps the company to get benefitted from her experience and strengthen its compliance functions.

#### Mr. Raghavender Reddy Marpadaga (Independent Director)

Mr. Raghavender Reddy Marpadaga is Graduate of Science and Holds Masters Degree and Posses an expertise in Project Management.

## **SENIOR MANAGEMENT AND OTHER:**

### **Mr. Bhaskara Rao Patnana, GM – (Fin. & Accounts) & CFO**

A graduate in Law and a Member of ICWAI, Mr. Bhaskara Rao has got more than 34 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.

### **Ms. Y.K Priyadarshini, Company Secretary & Compliance Officer**

Ms. Y.K Priyadarshini is a post graduate a member of ICSI, and has more than 5 years experience as company secretary and compliance officer of listed company(ies).

### **Mr. Samir De, GM – Projects**

Mr. Samir is a Civil Engineering Graduate with specialization in the subject of Construction Management from North Bengal University. He has more than 22 years of experience in administering EPC contracts of various mini and medium sized power projects.

### **Mr. K. Purushotham Rao, Asst. G.M. – MEP**

Mr. Purushotham Rao is a Post Graduate Diploma holder in Energy Management with more than 15 years of experience in construction industry.

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## NOTICE

**NOTICE** is hereby given that the 24<sup>th</sup> (Twenty Fourth) Annual General Meeting of the Members of Prajay Engineers Syndicate Limited ("the Company") will be held on Saturday, the 29<sup>th</sup> day of September, 2018, at 3.00 P.M., at 1-10-63 & 64, 5th Floor, Prajay Corporate House, Chikoti Gardens, Begumpet, Hyderabad - 500 016, Telangana, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018, together with the report of the Board of Directors and Statutory Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018, together with the report of Statutory Auditors thereon.
2. To appoint a Director in place of Mr. Ravi Kumar Kutikalapudi (holding DIN 02789546), who retires by rotation, and being eligible offers himself for re-appointment.
3. To ratify the appointment Statutory Auditors and to fix their remuneration and in this regard, to consider, and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in terms of Section 139 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (as may be amended from time to time, including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Karumanchi & Associates (ICAI Firm Registration No: 00175S), Chartered Accountants, as Statutory Auditors of the Company, be and hereby ratified from the conclusion of this Annual General Meeting till the conclusion of the 27<sup>th</sup> Annual General Meeting, on such remuneration as may be agreed upon by or between the Board of Directors and the Auditors, in addition to the reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid resolution."

### SPECIAL BUSINESS:

#### 4. Regularisation of Appointment of Mr. Dantapalli Rohit Reddy, as a Director of the Company

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provision of Section 152 and other applicable provisions of the Companies 2013, ("the Act") and Rules made there under(as may be amended from time to time, including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee of the Company, the consent of the members of the company be and is hereby accorded to appoint Mr. Dantapalli Rohit Reddy (holding DIN:07560450), (whose term of office as an Additional Director of the Company expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act, from a member proposing his candidature for the office of Director of the Company), as a Director of the Company".

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, things and matters as may be required and necessary for giving effect to the aforesaid resolutions including filing of necessary forms if any with the Registrar of Companies."

#### 5. To approve the appointment of Mr. Dantapalli Rohit Reddy as Managing Director of the Company

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** subject to the provisions of Sections 196 and 203 read with Schedule V to the Act, and all other applicable sections and provisions of the Companies Act, 2013, and Rules made there under (as may be

amended from time to time, including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to Article 88 of the Articles of Association of the Company the members of the such modification and conditions, if any, consent of the members of the company be and is hereby accorded for the appointment of Mr. Dantapalli Rohit Reddy (holding DIN: 07560450), as Managing Director of the Company for a period of 3 years w.e.f. from 15<sup>th</sup> November, 2017.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, things and matters as may be required and necessary for giving effect to the aforesaid resolutions including filing of necessary forms if any with the Registrar of Companies.”

**6. Appointment of Mr. Raghavender Reddy Marpadaga, as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 149 and 150, of the Companies Act, 2013 (“the Act”) read with Schedule IV, and other applicable provisions of the Act if any, and rules made thereunder, and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendations of the Nomination and Remuneration Committee of the Company, the members of the Company be and are hereby accord their consent to appoint Mr. Raghavender Reddy Marpadaga (holding DIN: 06936544), (whose term of office as an Additional Director (under Non-Executive Independent category) of the Company expires at this Annual General Meeting and in respect of whom Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director), as an Independent Director of the Company not liable to retire by rotation, and to hold office for a term of 5 consecutive years from the date of this annual general meeting.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, things and matters as may be required and necessary for giving effect to the aforesaid resolutions including filing of necessary forms if any with the Registrar of Companies.”

**7. Issue of Warrants (“Warrants”) Convertible into Equity shares on preferential basis**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of section 62 (1)(c), Section 42 and other applicable provisions if any of the Companies Act, 2013 and rules thereunder (including any statutory modification or re-enactment thereof for the time being in force), and subject to applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“ICDR Regulations”), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, (the “Takeover Regulations”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), amendments thereto as in force, and subject to other applicable rules, regulations and guidelines of the Securities and Exchange Board of India (“SEBI”) (“SEBI Regulations”), and the stock exchanges where the shares of the Company are listed (“Stock Exchanges”), and enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such necessary approvals, consents, permissions and/or sanctions of the Government of India (including any statutory modification or reenactment thereof, for the time being in force) and other applicable laws, and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any Committee, constituted/to be constituted and authorised by the Board to exercise its powers including the powers conferred by this Resolution) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the Company be and is hereby accorded to Board and the Board be and is hereby authorised to offer, issue, allot and deliver upto



69,93,578 (Sixty Nine Lakhs Ninety Three Thousand Five Hundred and Seventy Eight) convertible warrants of face value of Rs. 10/- each in one or more tranches to the following identified persons of promoter group ("Warrant Holders"), at a price of Rs. 11/- per Warrant (Rupees Eleven Only) including premium, or at such higher price as may be arrived at in accordance with the guidelines for Preferential Issue contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, (SEBI ICDR Regulations") exercisable into equal number of Equity Shares of face value of Rs. 10/- each, on Preferential basis.

List of Identified Persons of Promoter Group.

Sl. No	Name of the proposed Allottees	Nature of persons who are ultimate beneficial owner	No of convertible warrants to be allotted	Category: Promoter/ Non-promoter	Allottee is : QIB/MF/FI/ Trust/Banks
1	Mr. Dantapalli Rohit Reddy	Individual	3496789	Promoter - PAC	Not Applicable
2	Ms. Dantapalli Sarojini Reddy	Individual	3496789	Promoter - PAC	Not Applicable
	<b>TOTAL</b>		<b>6993578</b>		

**"RESOLVED FURTHER THAT** said Warrants shall be converted within a period not exceeding 18 (eighteen) months from the date of allotment of the Warrants, in one or more tranches, in accordance with the SEBI Regulations and other relevant guidelines as may be prevailing at the time of allotment of shares, and that the Warrants so issued or allotted give rise (on allotment or conversion/ exercise of right) to not more than 69,93,578 (Sixty Nine Lakhs Ninety Three Thousand Five Hundred and Seventy Eight) Equity Shares of Rs. 10/- each fully paid-up."

**"RESOLVED FURTHER THAT** the Convertible Warrants on Preferential basis shall be issued by the Company on the following terms and conditions:

- An amount equivalent to 25 percent of the Warrant Issue Price shall be payable at the time of subscription and allotment of each warrant and the balance 75 percent of the Warrant Issue Price shall be payable by the warrant holder(s) on or before the exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted/set-off against the issue price for the resultant Equity Shares.
- In accordance with the provisions of ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of the Equity Shares to be issued upon exercise of Warrants in terms hereof shall be 30<sup>th</sup> August, 2018, being the date 30 days prior to this General Meeting.
- The Warrant holder(s) shall, subject to ICDR Regulations, the Takeover Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (eighteen) months from the date of the allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly, issue and allot the corresponding number of Equity Shares of Rs.10/- each to the Warrant holders.
- The Warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the SEBI LODR Regulations and the Securities Contracts (Regulation) Rules, 1957.
- In the event, the Warrant holders do not exercise the Warrants within a period of 18 (Eighteen) months from the date of allotment, the Warrants shall lapse and the amount paid by the Warrant holder(s) on such Warrants shall stand forfeited by the Company.
- That the Warrants do not give any rights/entitlements to the Warrant holders as a shareholder of the Company.
- The Company shall ensure that the listing and trading approvals for Equity Shares to be issued and allotted to the Warrant holder(s) upon exercise of Warrants are received from the relevant stock exchanges in accordance with the ICDR Regulations and SEBI LODR Regulations.
- The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

- (i) The Warrants and the Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under Chapter VII of the ICDR Regulations from time to time.
- (j) In the event that the Company completes any form of capital restructuring prior to the exercising of the Warrants, then, the number of Equity Shares that are issued against the exercise of each Warrant and the price payable for such Equity Shares, shall be appropriately adjusted.

**“RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorised to determine the terms and conditions of the issue including face value, quantity, issue price (Including Price range), manner of calls etc. in such manner as the Board may deem fit and proper in its absolute discretion to be most beneficial to the Company and to approach SEBI and/or any other competent authority to do all such acts, deeds, matters and things as may be necessary, appropriate and proper or expedient for giving effect to the above resolution.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the said Special Resolution under section. 62 and other applicable provisions of the Companies Act, 2013 the Board of Directors of the Company are hereby Authorised to take such steps and to do all such acts, deeds, matters and things and agree and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as they deem fit and appropriate and give such directions/instructions as may be necessary to settle any question or difficulty for the offer/issue and allotment of Equity Shares in such manner as may be deemed fit and appropriate by the Board of Directors and or any legal/regulatory body, to be most beneficial to the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for the powers conferred upon it by this resolution, to any individual so authorised by the Board.”

**“RESOLVED FURTHER THAT** Board of Directors be and are hereby to enter execute all such deeds, arrangements, agreements documents, instruments and writings for giving effect to the aforesaid resolutions including filing of necessary documents, intimations including filing of requisite, e-forms with regulatory authorities.

#### **8. Approval for payment of fee to Non-Executive Director(s) of the Company**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** subject to the applicable provisions of the Companies Act, 2013, and Rules made there under, read with relevant schedule(s) if any (as may be amended from time to time, including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the company be and are hereby accord their consent for the payment fee (including professional fee for expert/professional services in the relevant area) to Non-Executive Director(s) (other than the Whole-time Director(s)/Managing Director), as may be determined by the Board of Directors of the Company from time to time, not exceeding an amount of Rs.2,00,000/- (Rupees Two Lakhs Only) per such director per month, in addition to the fees for attending the meetings of the Board and/ or Committee(s) thereof.

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, things and matters as may be required and necessary for giving effect to the aforesaid resolutions including filing of necessary forms if any with the Registrar of Companies.”

By order of the board of Directors  
of **Prajay Engineers Syndicate Limited**

Place : Hyderabad  
Date : 29.08.2018

Sd/-  
**Dantapalli Rohit Reddy**  
Chairman, Managing Director & CEO  
DIN:07560450