



PRATIBHA INDUSTRIES LIMITED

Ideate Innovate Integrate



18th Annual Report
2012-13

DMRC Site - New Delhi - Tunnel Day Light (Break Through)



" We are committed to meet the expectations of our customers. Through our well designed and established service delivery system , that is sensitive and accommodative to continues technology upgradation and value analysis. We shall continuously strive to improve the effectiveness of our quality system . . . "



DMRC Tunnel - New Delhi



Board of Directors

Mrs. Usha B. Kulkarni
Chairperson

Mr. Ajit B. Kulkarni
Managing Director

Mr. Ravi A. Kulkarni
Whole Time Director

Mr. Sharad P. Deshpande
Whole Time Director

Mr. Awinash M. Arondekar
Director

Mr. Shrikant T. Gadre
Director

Dr. S. L. Dhingra
Director

Mr. V. Sivakumaran
Director

Mr. Vilas B. Parulekar
Director

Company Secretary

Mr. Pankaj S. Chourasia

Bankers To the Company

Bank of Baroda

Axis Bank Limited

Bank of India

ICICI Bank Limited

Punjab National Bank

State Bank of India

Statutory Auditors

Jayesh Sanghrajika & Co.,

Chartered Accountants

Internal Auditors

Choksi & Choksi

Chartered Accountants

Cost Auditors

Narasimha Murthy & Co.

Cost Accountants

Registered Office

Shrikant Chambers, Phase - II,

Next to R. K. Studio,

Sion Trombay Road,

Chembur, Mumbai - 400 071

(E) investors.relations@pratibhagroup.com

Website: www.pratibhagroup.com

Corporate Office

14th Floor, Universal Majestic,

P. L. Lokhande Marg, Off. Ghatkopar Mankhurd
Link Road, Govandi (W),

Mumbai - 400 043.

Tel: 91 - 22 - 3955 9999

Fax: 91 - 22 - 3955 9900

Works

Plot No. 215, Vijaypur, P.O. Kone,

Bhiwandi - Wada Road,

Tal. Wada, Dist. Thane - 421 303.

Registrars and Transfer Agents

Link Intime India Private Limited,

C-13, Pannalal Silk Mills Compound, L.B.S.

Marg, Bhandup (W),

Mumbai - 400 078

Tel No. 91 - 22 - 2596 3838

Fax: 91 - 22 - 2594 6969

Website: www.linkintime.co.in

E-Mail: rnt.helpdesk@linkintime.co.in

18th ANNUAL GENERAL MEETING

On 30th September, 2013 at 3.00 p.m.

The Bombay Presidency Golf Club Ltd.

Dr. C.G. Road. Chembur,

Mumbai - 400 071

Message from Chairperson



Dear Fellow Shareholders,

I am delighted to re-connect with you through this 18th annual report of the Company.

I would like to express our delight at presenting you the financial result of your Company. The performance of the Company is quite satisfactory during the year 2012-13. During the year, your Company grew its consolidated gross revenues from Rs. 1,68,942 lacs to Rs. 2,18,215 lacs, an increase about 29%. During the same period, the consolidated net profit grew marginally from Rs. 8110 lacs to Rs. 8270 lacs.

We are currently executing various projects of clients viz. Delhi Metro Rail Corporation (DMRC), Delhi Jal Board (DJB), Public Health and Engineering Department (PHED) Rajasthan and Bihar, Gujarat Water Infrastructure Limited (GWIL), Municipal Corporation of Greater Mumbai (MCGM), etc.

Depreciation in rupees and high interest rates may hinder investment and future growth. These are troublesome and may affect growth in the near terms even in India, but I do believe that the macro-economic fundamentals and the demographic characteristics are well in place to foster growth momentum in the long run.

We are vigilant, as responsible corporate, towards our CSR and initiated and maintained various efforts to meet this aspect and extend our helping hand for social, religious and cultural cause apart from helping under privileged section of our Society.

We stay committed to deliver value to our shareholders and renew our promise to constantly focus on exceeding client's expectations by providing excellent services.

I also take this opportunity to thank our Customers, Joint Venture Partners, Bankers and Shareholders for reposing their confidence in the Company and providing their unstinted support. I wish to express my appreciation to my colleagues on the Board and our employees for their dedication and commitment.

With Best Wishes

Usha B. Kulkarni
Chairperson

Corporate Social Responsibility (CSR)

Pratibha Foundation, a trust operating under Pratibha Industries Limited leads the Company's philanthropic outreach programs and social upliftment. Pratibha Foundation ably led by Mrs. Usha B. Kulkarni (fondly called as "Mousiji"). We, Pratibha, firmly believe that as organizations grow in size and scale, they must play an active role in public welfare. Organizations accountability must go beyond business interests towards society at large and in transforming communities they operate in.

We are committed in delivering our corporate social responsibilities by making a positive contribution to the underprivileged communities by supporting a wide range of socio-economic, educational, cultural, health and environment initiatives. Our employees-volunteers enjoy spending their personal time with less fortunate sections of the society, which includes visiting orphanages and old age homes. We want our CSR initiatives to have a long lasting and positive imprint on the society at large.

We will integrate our business values and operations to meet the expectations of our shareholders, customers, employees, regulators, investors, suppliers and the community and take care of environment with best interest.



Five Years at a Glance (Consolidated)

(₹ in million)

Particulars	2012 - 13	2011 - 12	2010 - 11	2009 - 10	2008 - 09
Total Income	21,821.51	16,894.19	12,734.22	10,134.33	8,107.63
Operating Expenses	18,733.91	14,465.47	10,960.61	8,705.24	7,141.48
Operating Profit	3,087.53	2,428.72	1,773.61	1,429.09	966.15
Finance Charges	1,582.95	960.69	635.55	522.35	340.51
Depreciation	309.98	227.89	170.17	140.43	71.26
Profit before Tax	1,194.60	1,106.09	967.89	766.31	554.38
Provision for Tax	367.65	295.06	253.59	201.21	107.11
Profit after Tax	826.95	811.03	714.30	565.10	447.28
What we owned					
Fixed Assets					
Gross Block	9,568.61	5,461.23	3,585.58	3,169.00	1,683.21
Less : Depreciation	908.01	615.55	427.17	278.43	139.41
Net Block	8,660.60	4,845.68	3,158.41	2,890.57	1,543.80
Capital Work in Progress	303.71	2,766.26	544.85	113.66	607.46
Investments	3.22	29.68	1.43	51.43	0.93
Working Capital	11,844.87	7,235.43	5,701.72	4,176.18	2,640.88
Miscellaneous Expenditure	-	-	0.67	0.87	0.30
Total	20,812.40	14,877.06	9,407.08	7,232.71	4,793.37
What we owed					
Secured Loans	13,412.47	7,026.67	3,270.38	3,047.78	2,179.33
Unsecured Loans	733.64	2,034.55	1,118.03	1,300.09	305.13
Deferred Tax Liability	335.11	240.67	183.96	131.10	61.70
Total	14,481.22	9,301.89	4,572.37	4,478.97	2,546.16
Networth					
Share Capital	202.11	348.85	348.85	166.85	166.85
Reserves & Surplus	6,129.07	5,226.32	4,485.86	2,586.89	2,080.35
Total	6,331.18	5,575.17	4,834.71	2,753.74	2,247.20
EPS	8.20	8.15	7.90	33.87	26.81
Divident per Share	0.60	0.60	0.60	3.00	2.00
Book Value per Share	62.65	56.07	48.62	165.04	134.68
Debt Equity Ratio	2.23	1.47	0.77	1.58	1.11

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Notice

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Pratibha Industries Limited will be held on Monday, 30th September, 2013 at 3.00 p.m., at The Bombay Presidency Golf Club Ltd., Dr. C. G. Road, Chembur, Mumbai - 400 071, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2013, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To consider declaration of final dividend, if any;
3. To appoint a Director in place of Mr. Awinash Arondekar, who retires by rotation under Article 152 of Articles of Association of the Company, and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Mr. Shrikant T. Gadre, who retires by rotation under Article 152 of Articles of Association of the Company, and being eligible, offers himself for re-appointment;
5. To appoint a Director in place of Dr. S. L. Dhingra, who retires by rotation under Article 152 of Articles of Association of the Company, and being eligible, offers himself for re-appointment;
6. To appoint 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 M/s. Jayesh Sanghrajka & Co., Chartered Accountants, Mumbai, the retiring Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors 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 on such remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Sharad Prabhakar Deshpande, who was appointed as an additional Director of the Company by the Board of Directors, pursuant to Section 260 of the Companies Act, 1956, w.e.f. 25th February, 2013 and in respect of whom the Company has received notice in writing under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

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

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines for managerial remuneration issued by the Central Government or any other competent authority, from time to time, the consent of members be and is hereby accorded to the appointment of Mr. Sharad Prabhakar Deshpande, as Whole Time Director of the Company for a period of five years with effect from 25th February, 2013, on the terms and conditions, as are set out in the agreement to be entered into between the Company and Mr. Sharad Prabhakar Deshpande, is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Remuneration Committee or any other Committee constituted by the Board in this behalf) to alter and vary the terms and Conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modifications or re-enactment thereof for the time being in force

or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Sharad Prabhakar Deshpande.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:

Shrikant Chambers, Phase II, 5th Floor,
Next to R. K. Studio, Sion Trombay Road,
Chembur, Mumbai – 400 071.

Date : 13th August, 2013

Place : Mumbai

By the Order of the Board of Directors

For Pratibha Industries Limited

Pankaj S. Chourasia
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution in original authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
5. Members who hold shares in dematerialized form are requested to write their **Client ID and DP ID** Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11 a.m. and 1 p.m. up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, 26th September, 2013 to Monday, 30th September, 2013 (both days inclusive).
9. Non-Resident Indian members are requested to inform the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited, immediately of:
 - (a) The change in the residential status on return to India for permanent settlement;
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
10. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to

send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited.

11. Re-appointment of Directors:

At the ensuing Annual General Meeting, Mr. Awinash M. Arondekar, Mr. Shrikant T. Gadre and Dr. S. L. Dhingra, retire by rotation and being eligible offer themselves for re-appointment. As per the provisions of Clause 49 (IV) (G) of the Listing Agreement with the Stock Exchanges, the information or details pertaining to these Directors are furnished in the statement on Corporate Governance published in this Annual Report.

12. After declaration of dividend, if any, at the Annual General Meeting, the dividend Warrants / Pay Orders / Drafts for the dividend amount are scheduled to be posted from onwards to the members, whose names appear on the Register of Members on close of business hours on 25th September, 2013. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per details to be furnished for this purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

13. The dividend will be paid through NECS in respect of shareholders having demat accounts, to the credit of related bank accounts as furnished by the depositories. Members who desire the warrants and would like to have their bank accounts details incorporated in their dividend warrants may please furnish the following details;

- i. Folio No./DP ID/ Client ID
- ii. Name and Address of sole/ first shareholder.
- iii. Bank Account No. (With prefix SB/ CA etc.).
- iv. Name of the bank and branch.
- v. Full address of the bank with Pin Code.

14. The Ministry of Corporate Affairs, New Delhi ("MCA") has taken a "Green Initiative" in the Corporate Governance by permitting paperless compliances by companies (vide its Circular No. 17/2011 dated April 21, 2011 and Circular No. 18/ 2011 dated April 29, 2011) and clarified that the service of documents/communications including the Notice of calling the Annual General Meeting, audited financial statements, directors' report, auditors' report etc. via electronic mode by a company can be made through electronic mode

instead of sending the physical copy of the document(s).

Henceforth, the email addresses indicated in your respective Depository Participants (DP) accounts which will be periodically downloaded from Depositories will be deemed to be your registered email address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, directors' report, auditors' report etc. will also be displayed on the website of the company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the company at the address mentioned in (e) above quoting their Folio No(s).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 7 & 8

The Board of Directors at the meeting held on 08th February, 2013 has appointed Mr. Sharad P. Deshpande as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956. Pursuant to Section 260, a Director appointed under the section, holds office upto the date of next Annual General Meeting. The Company has received notice from a member of the Company under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director.

Mr. Sharad P. Deshpande, B. E. Civil, aged 62, is having a more than 35 years of experience in Civil Engineering and Execution of large infrastructure projects.

Keeping in view the experience and qualifications of Mr. S. P. Deshpande with the Company, your directors considered it to be in the interest of the Company, if he is appointed as Director of the Company, liable to retire by rotation, as per the provisions of the Companies Act, 1956.

The Board of Directors and also the Remuneration Committee in their respective meetings held on 08th February, 2013, have approved appointment and remuneration of Mr. Sharad P. Deshpande, w.e.f. 25th February, 2013 for a period of five years.