

## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of Prajay Engineers Syndicate Limited will be held on Wednesday, the 27<sup>th</sup> day of September, 2017 at 12.00 Noon at Hotel Woodbridge, A.C. Guards, Lakadikapul, Hyderabad – 500004 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditors thereon.
2. To appoint a Director in the place of Mr. M. Raja Gopal Reddy (DIN-01657095) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and to authorise the board to fix their remuneration and in this regard, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141 & 142 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of Audit Committee, M/s. Karumanchi & Associates, Chartered Accountants, Hyderabad, bearing Firm Registration No. 001753S, who have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013, be and are hereby appointed as Statutory Auditors of the Company for 4 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 27<sup>th</sup> Annual General Meeting of the company subject to ratification at every subsequent Annual General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors or Audit Committee thereof, be and is hereby authorised to decide and finalise the terms and conditions of appointment, remuneration of the Statutory Auditors and out of pocket expenses as may be incurred by them during the course of audit.”

### SPECIAL BUSINESS:

4. To fix minimum fee for serving various documents on the members of the company and in this regard, to consider and if thought fit, to pass, with or without modifications(s), the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the company may serve documents on its members, by sending the document(s) that he / she is entitled to receive as a member under the Act by post or by registered post or by speed post or by courier or such electronic or other mode as may be prescribed, depending on event and circumstance of each case from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company or its duly constituted committee be and is hereby authorized to decide, in respect of any advance request for sending documents in a particular mode of delivery by any member provided at least one week in advance of the dispatch of the document by the company along with requisite fee duly received by the company and that no such request shall be entertained by the company post dispatch of such documents by the company to the member, the charges payable for such delivery, as prescribed below for each mode of dispatch.

Sl. No.	Mode of Dispatch	Minimum rate per document at the minimum slab of the weight of the document in each category in Rs.	
		Within India	International
1.	Ordinary post	10	1.2 times of the actual charges in each case
2.	Registered post	50	
3.	Speed post	50	
4.	Courier	50	
5.	Electronic mail (email)	10	20

RESOLVED FURTHER THAT the Board of Directors of the company or its duly constituted committee be and is hereby authorised to amend or alter such charges from time to time either keeping in view the change of charges as applicable to that mode or in any situation so warrants and to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To re-appoint Mr. D. Vijay Sen Reddy as Managing Director of the company 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 pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of Central Government, Mr. D. Vijay Sen Reddy (DIN: 00291185), be and is hereby reappointed as Managing Director of the Company for a period of 3 years with effect from 1st February, 2017, on such terms and conditions as recommended by the Nomination and Remuneration Committee and as detailed below:

1. Salary Rs.3,50,000/- per month
2. Provision of car for use on Company's business
3. Telephone for official use
4. Perks as permitted under the Companies Act, 2013.

Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Director.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. D. Vijay Sen Reddy, the remuneration by way of salary, perquisites, other allowances as specified above and in accordance with the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.”

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto.”

6. To re-appoint Mr. K. Ravi Kumar as Whole Time Director of the company 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 pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of Central Government, Mr. K. Ravi Kumar (DIN: 02789546), be and is hereby re-appointed as Whole Time Director of the Company for a period of 3 years with effect from 1st February, 2017, on such terms and conditions as recommended by the Nomination and Remuneration Committee and as detailed below:

1. Salary Rs.1,50,000/- per month
2. Provision of car for use on Company's business
3. Telephone for official use
4. perks as permitted under the Companies Act, 2013.

Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Director.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. K. Ravi Kumar, the remuneration by way of salary, perquisites, other allowances as specified above and in accordance with the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.”

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, it

may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto.”

7. To re-appoint Mr. Sumit Sen as Whole Time Director of the company 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 pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/amendment or re-enactment thereof for the time being in force), and subject to the approval of Central Government, Mr. Sumit Sen (DIN: 01028417), be and is hereby reappointed as Whole Time Director of the Company for a period of 3 years effective from 1st February, 2017, on such terms and conditions as recommended by the Nomination and Remuneration Committee and as detailed below:

1. Salary Rs.1,20,000/- per month
2. Provision of car for use on Company's business
3. Telephone for official use
4. Perks as permitted under the Companies Act, 2013.

Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Director.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay to Mr. Sumit Sen, the remuneration by way of salary, perquisites, other allowances as specified above and in accordance with the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration.”

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto.”

8. To ratify the remuneration paid or payable to Mr. D. Vijay Sen Reddy, Managing Director for the period from 01.02.2015 to 31.01.2017 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sec. 196, Sec. 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/amendment or re-enactment thereof for the time being in force) the remuneration paid or payable to Mr. D. Vijay Sen Reddy (DIN-00291185), Managing Director, for the period from 01.02.2015 to 31.01.2017 is subject to the approval of the Central Government.”

RESOLVED FURTHER THAT the Board of Directors or the Nomination & Remuneration Committee of the Board, be and is hereby severally authorized to do all such acts, deeds, matters and things, as in its absolute discretion, if it considers necessary, expedient or desirable to give effect to the above resolution and to settle any question or doubt that may arise in relation thereto.”

9. To ratify the remuneration paid or payable to Mr. K. Ravi Kumar, Whole Time Director for the period from 01.02.2014 to 31.01.2017 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sec. 196, Sec. 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/amendment or re-enactment thereof for the time being in force) the remuneration paid or payable to Mr. K. Ravi Kumar (DIN-02789546), Whole Time Director, for the period from 01.02.2014 to 31.01.2017 is subject to the approval of the Central Government.”

RESOLVED FURTHER THAT the Board of Directors or the Nomination & Remuneration Committee of the Board, be and is hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, if it considers necessary, expedient or desirable to give effect to the above resolution and to settle any question or doubt that may arise in relation thereto.”

10. To ratify the remuneration paid or payable to Mr. Sumit Sen, Whole Time Director for the period from 01.02.2015 to 31.01.2017 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sec. 196, Sec. 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)/amendment or re-enactment thereof for the time being in force) the remuneration paid or payable to Mr. Sumit Sen (DIN-01028417), Whole Time Director, for the period from 01.02.2015 to 31.01.2017 is subject to the approval of the Central Government.”

RESOLVED FURTHER THAT the Board of Directors or the Nomination & Remuneration Committee of the Board, be and is hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, if it considers necessary, expedient or desirable to give effect to the above resolution and to settle any question or doubt that may arise in relation thereto.”

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

Sd/-

**D. Vijay Sen Reddy**

Chairman & Managing Director

Place : Hyderabad

Date : 28<sup>th</sup> August, 2017

## NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4-10 of the Notice, is annexed hereto.
2. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the persons seeking re-appointment/ appointment as Directors under Item No. 5-7 of the Notice are given in the Annexure and report on corporate governance.
3. **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/ HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE 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. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.

4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution authority, as applicable together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 20.09.2017 (Wednesday) to 27.09.2017 (Wednesday) both days inclusive.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Karvy Computershare Private Limited (KCPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to KCPL.

The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to KCPL.

8. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or KCPL for assistance in this regard.
9. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Members are requested to bring their copy of the Annual Report with them at the AGM and also bring the attendance slip duly filled and signed and submit at the entrance of the venue.
11. Members, who wish to obtain any information on the Company or view the accounts for the Financial Year ended March 31, 2017 may visit the Company’s website or send their queries at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company.
12. The route map showing directions to reach the venue of the 23<sup>rd</sup> AGM is annexed.
13. To support the ‘Green Initiative’, Members who have not registered their e-mail addresses are requested to register the same with DPs / KCPL. Members are requested to provide their e-mail address through SMS along with DP ID/Client ID to +91 99497 36675 / email at investorrelations@prajayengineers.com / einward.ris@karvy.com and ensure that the same is also updated with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
14. Members are requested to send all their 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  
Unit: Prajay Engineers Syndicate Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli Financial District,  
Nanakramguda, Hyderabad – 500 032.  
Tel. Nos.: 040-67161606 / 67161776  
Email Id: einward.ris@karvy.com

15. All documents referred to in the notice and explanatory statements are open for inspection at the Registered Office of the Company on all working days from 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
16. Electronic copy of the 23<sup>rd</sup> Annual Report ,Notice along with the Attendance Slip and Proxy Form is being sent to all the members whose email address are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

Members are entitled to receive the said Annual Report & Notice in physical form upon sending a request in writing to the Company’s registered office and / or sending an email to investorrelations@prajayengineers.com Members whose email address is not registered, a physical copy of the said Annual Report and Notice is being dispatched in the permitted mode.

17. Members may note that the Notice of the 23<sup>rd</sup> Annual General Meeting and the Annual Report for FY 2016-17 will also be available on the Company’s website at [www.prajayengineers.com](http://www.prajayengineers.com) in a downloadable format.
18. **Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members, facility to exercise their right to vote on the resolutions proposed to be considered at the 23<sup>rd</sup> AGM by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the AGM (remote e-voting). The remote e-voting facility is made available by Company’s Registrar and Share Transfer Agent, Karvy Computershare Private Limited (‘KCPL’ or ‘Karvy’) and is available at the link <https://evoting.karvy.com>.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.

**General instructions:**

- i. The e-voting period will commence from 9.00 A.M. on Saturday, 23<sup>rd</sup> September, 2017 and will end at 5.00 P.M. on Tuesday, 26<sup>th</sup> September, 2017.
  - ii. The persons who have become Members of the Company after the dispatch of the Notice and Annual Report and their names appear in the Register of Members/List of Beneficial owners as on the Cutoff date may contact the Registrars & Share Transfer Agents to obtain the Notice of AGM and the login id and password for casting vote electronically or may cast their vote through physical ballot at the AGM. The Cut-off date for the purpose of remote e-voting is Wednesday, 20<sup>th</sup> September, 2017.
  - iii. Mr. Paleti Narendar, Advocate, has been appointed as the Scrutinizer to scrutinize the e-voting process and poll through ballot at the AGM in a fair and transparent manner.
  - iv. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs along with physical copy of the Annual Report. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants, are being forwarded the login ID and password for e-voting along with process, manner and instructions by email.
19. Once the vote on a resolution is cast by a shareholder, the Shareholders shall not be allowed to change it subsequently. Further, the Shareholders who have cast their vote electronically shall not be allowed to vote again at the AGM.
20. In case of members who are entitled to vote but have not exercised their right to vote by electronic means, the chairman may offer an opportunity to such members to vote at the meeting for all businesses specified in the accompanying notice. If a member casts votes by both the modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
21. The Scrutinizer shall within a period not exceeding 48 hours from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the meeting
22. The results declared along with the scrutinizers' report (s) will be available on the website of the company at [www.prajayengineers.com](http://www.prajayengineers.com) and on Karvy's website at <https://evoting.karvy.com> within 48 hours of passing of the resolutions and communication of the same be sent to the BSE Limited and NSE Limited.



## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No.4

Section 20 of the Companies Act, 2013 which deals with service of documents, inter-alia, enables the company to dispatch any document to a member as per his preferred mode on receipt of specific request subject to deposit of such fee as determined by the members in the Annual General Meeting. Accordingly, consent of the members is sought for passing a resolution authorizing the board of directors to decide the fee payable as set out at item no. 4 of the notice on dispatch of document as per the choice of mode selected by any member of the company.

The board recommends the resolution for approval of the members in the best interest of the company. The rate indicated in the resolution is minimum rate per document at the minimum slab of the weight in the respective category of each mode of dispatch as mentioned thereat.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any other officials of the Company is, in any way, financially or otherwise, concerned or interested in the resolution.

### Item No.5

The current term of Mr. Vijay Sen Reddy as Managing Director of the Company expires on 31<sup>st</sup> January, 2017. Considering his contributions to the business development of the company from its inception and the results exhibited by him, the Board of Directors, at its' meeting held on 30<sup>th</sup> January, 2017, on the recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders and Central Government, re-appointed him as Managing Director for a further period of 3 years, effective from 1st February, 2017.

Mr D. Vijay Sen Reddy, a semi qualified Chartered Accountant has got more than 3 decades of rich experience in the industry and plays vital role in formulating business and expansions strategies of the company. He also plays a crucial role in guiding the company and formulating its operational policies and their implementation.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services for a term of 3 more years.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013:

#### I. General information:

1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial and residential and construction and maintenance of hotels and resorts.

2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

3. Financial performance based on given indicators:

During the year ended 31.3.2017, the company achieved a total income of Rs.5674.03 lacs a profit before depreciation and tax of Rs.(7.48) lakhs and net loss after tax of Rs.(2150.36) lakhs.

The detailed financial performance of the company is discussed in the enclosed Annual Report for the year ended 31.3.2017.

4. Foreign investments or collaborations, if any:

Investments by Foreign Body Corporates – Nil

Investments by NRIs ( repatriation & non-repatriation) – 9.42% in the paid up share capital of the company as on 31.03.2017.

#### II. Information about the appointee:

1. Background details:

Mr. D. Vijay Sen Reddy (DIN-00291185) aged 61 years is one of the promoters of the company and is associated with the company since its inception.

Other Directorships as on 31.3.2017:

1. Prajay Velocity Developers Private Limited
2. Prajay Holdings Private Limited
3. Prajay Developers Private Limited

4. Prajay Properties Private Limited
5. Prajay Lifestyle UPVC Windows Private Limited
6. Prajay Land Capital Private Limited
7. Secunderabad Golf and Leisure Resorts Private Limited
8. Prajay Retail Properties Private Limited
9. Prajay Chit fund Pvt. Ltd.
10. Prajay Princeton Hotel Pvt. Ltd.
11. Prajay Princeton Developers Pvt. Ltd.

Chairman / member of following Committees:

He is not a member / chairman of any Audit Committee or Stakeholders' Committee either in the company or any other company in which he is a director.

2. Past Remuneration:

Rs. 3,50,000/- p.m.

3. Recognition or awards: Nil

4. Job profile and his suitability:

Mr. Vijay Sen Reddy shall be responsible for the management of day to day operations of the company under the superintendence, guidance and control of the board. He is functioning as Chairman and Managing Director of the company since 2012. He is a semi qualified Chartered Accountant and has more than three decades of vast experience in the field of construction and hospitality business and an expert adviser on land acquisitions & usage and identifying suitable locations/demographics for acquiring properties.

5. Remuneration proposed:

Rs. 3,50,000/- per month plus perks as permitted under the Companies Act, 2013.

6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. D. Vijay Sen Reddy, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. D. Vijay Sen Reddy is one of the promoters of the company and holding 17.61% equity shares in the paid up capital of the company. Mrs. D. Sharmila Reddy, wife of Mr. Vijay Sen Reddy is interested in the resolution pertaining to the re-appointment and remuneration payable to Mr. Vijay Sen Reddy as they are related to each other.

### III. Other information:

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth and continued recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

The infrastructure status accorded to the affordable housing will open up more institutional sources for developers to raise funds at a competitive price. This move will help the company to tap this segment of construction.



The combination of improved consumer confidence with far improved affordability as a result of rising incomes, stagnant prices and reduced interest rates will propel this sector in a very positive direction over the next several years.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.

#### IV. Disclosures:

The details required to be furnished under the disclosures, are already provided wherever applicable under explanatory statement and corporate governance report.

Mr. D. Vijay Sen Reddy is interested in the resolution as set out in the notice which pertains to his re-appointment and remuneration payable to him.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Vijay Sen Reddy and his wife is concerned or interested, financially or otherwise in the Resolution, except to the extent of their shareholding.

The Board commends the **Resolution** as set out at Item no. 5 of the notice for your approval.

#### Item No.6

The current term of Mr. Ravi Kumar as the Whole Time Director of the Company expires on 31<sup>st</sup> January, 2017. Considering the commitment consistently shown and results exhibited, the Board of Directors, at its' meeting held on 30<sup>th</sup> January, 2017, on the recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders and Central Government, re-appointed Mr. Ravi Kumar as the Whole Time Director of the Company for a further period of 3 (three) years, effective from 1<sup>st</sup> February, 2017.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013:

#### I. General information:

1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial & residential and construction and maintenance of hotels and resorts.

2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

3. Financial performance based on given indicators:

During the year ended 31.3.2017, the company achieved a total income of Rs 5674.03 lakhs, a profit before depreciation and tax of Rs. (7.48) lakhs and net loss after tax of Rs.(2150.36) lakhs.

The detailed financial performance of the company is discussed in the enclosed Annual Report for the year ended 31.3.2017.

4. Foreign investments or collaborations, if any:

Investments by Foreign Body Corporates – Nil

Investments by NRIs (repatriation & non-repatriation) – 9.42% in the paid up share capital of the company as on 31.3.2017.

#### II. Information about the appointee:

1. Background details:

Mr. K. Ravi Kumar (DIN-02789546) aged 64 years is a Whole Time Director and associated with the company from 1999.

Other Directorships as on 31.3.2017: Nil

Chairman / member of following Committees:

He is not a member / chairman of any audit Committee or Stakeholders' Committee in the company.

2. Past Remuneration:

Rs. 1,50,000/- p.m.

3. Recognition or awards: Nil

4. Job profile and his suitability:

Mr. Ravi Kumar, as a Whole Time Director, is responsible to oversee the technical issues involved in business models, development and execution of structural plans / designs related to various projects of the company. He 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 the company, steering innovation and quality in the Company.

5. Remuneration proposed:

Rs. 1,50,000/- per month plus perks as permitted under the Companies Act, 2013.

6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. K. Ravi Kumar, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. K. Ravi Kumar does not any pecuniary relation with the company other than the remuneration he receives as Whole Time Director. He holds 50,000 equity shares in the paid up capital of the company.

**III. Other information:**

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth and continued recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

The infrastructure status accorded to the affordable housing will open up more institutional sources for developers to raise funds at a competitive price. This move will help the company to tap this segment of construction.

The combination of improved consumer confidence with far improved affordability as a result of rising incomes, stagnant prices and reduced interest rates will propel this sector in a very positive direction over the next several years.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.

**IV. Disclosures:**

The details required to be furnished under the disclosures, are already provided wherever applicable under explanatory statement and corporate governance report.

Mr. K. Ravi Kumar is interested in the resolution as set out in the notice which pertains to his re-appointment and remuneration payable to him.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Ravi Kumar, is concerned or interested, financially or otherwise in the Resolution set out at item no. 6

The Board commends the **Resolution** as set out at Item no. 6 of the notice for your approval.

#### **Item No.7**

The current term of office of Mr. Sumit Sen as Whole Time Director of the Company expires on 31<sup>st</sup> January, 2017. Considering the commitment consistently shown and results exhibited by him, the Board of Directors, at its' meeting held on 30<sup>th</sup> January, 2017, on the recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders and Central Government, re-appointed, Mr. Sumit Sen as the Whole Time Director of the Company for a further period of 3 (Three) years effective, from 1<sup>st</sup> February, 2017.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services for a term of 3 more years.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 213:

#### **I. General information:**

1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial and residential and construction and maintenance of hotels and resorts.

2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

3. Financial performance based on given indicators:

During the year ended 31.3.2017, the company achieved a total income of Rs.5674.03 lakhs, a profit before depreciation and tax of Rs.(7.48) lakhs and net loss after tax of Rs.(2150.36) lakhs.

The detailed financial performance of the company is discussed in the enclosed Annual Report for the year ended 31.3.2017.

4. Foreign investments or collaborations, if any:

Investments by Foreign Body Corporates – Nil

Investments by NRIs (repatriation & non-repatriation) – 9.42% in the paid up share capital of the company as on 31.03.2017.

#### **II. Information about the appointee:**

1. Background details:

Mr. Sumit Sen (DIN-01028417) aged 60 years is one of the Whole Time Directors of the company and is associated with the company since 2000.

Other Directorships as on 31.3.2017:

1. Prajay Holdings Private Limited
2. Secunderabad Golf and Leisure Resorts Private Limited
3. Prajay Retail Properties Private Limited
4. Prajay Princeton Hotel Pvt. Ltd.
5. Prajay Princeton Developers Pvt. Ltd.

Chairman / member of following Committees:

a. Prajay Engineers Syndicate Limited:

Stakeholders Relation Committee – Member

2. Past Remuneration:

Rs. 1,20,000/- p.m.

3. Recognition or awards: Nil

4. Job profile and his suitability:

Mr. Sumit Sen, as a Whole Time Director, is responsible for creating the sales strategy, identifying consumer trends and creating projects around these. His expertise lies in appropriate pricing and financial structuring. He is 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

5. Remuneration proposed:

Rs. 1,20,000/- p.m. plus perks as permitted under the Companies Act, 2013.

6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. Sumit Sen, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. Sumit Sen does not have any pecuniary relation with the company other than the remuneration he receives as Whole Time Director. He holds 1468693 shares in the paid up capital of the company.

Wife Mrs Rina Sen, Ms Sunayana Sen, daughter of Mr Sumit Sen may be interested in the resolution pertaining to the re-appointment and remuneration payable to Mr Sumit Sen as they are related to each other.

### III. Other information:

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth and continued recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

The infrastructure status accorded to the affordable housing will open up more institutional sources for developers to raise funds at a competitive price. This move will help the company to tap this segment of construction.

The combination of improved consumer confidence with far improved affordability as a result of rising incomes, stagnant prices and reduced interest rates will propel this sector in a very positive direction over the next several years.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.

### IV. Disclosures:

The details required to be furnished under the disclosures, are already provided wherever applicable under explanatory statement and corporate governance report.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Sumit Sen, his wife and daughter, is concerned or interested, financially or otherwise in the Resolution except to the extent of their shareholding.

The Board commends the **Resolution** as set out at Item no. 7 of the notice for your approval.

**Item No. 8:**

Mr. D. Vijay Sen Reddy was re-appointed as Managing Director of the company for a period of 2 years w.e.f. 01.02.2015 on a monthly remuneration of Rs. 3,50,000 and other permitted perks, by the Board of Directors at its meeting held on 28.1.2015 and a special resolution was passed by the shareholders approving the same at the Annual General meeting of the members held on 30.09.2015.

However, the above remuneration fixed for Mr. D. Vijay Sen Reddy, Managing Director, was also required to be approved by the Central Government. Hence, to ratify the remuneration paid or payable to him for the period from 01.02.2015 to 31.01.2017, a special resolution as set out at item no. 8 of the notice of the AGM is proposed authorizing the board to seek the approval of the Central Government.

Your board commends the resolution for your approval.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and pertaining to the period ended 31.3.2015:

**I. General information:**

## 1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial and residential and construction and maintenance of Hotels and Resorts.

## 2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

## 3. Financial performance based on given indicators:

During the year ended 31.3.2015, the company achieved a total income of Rs. 5,812.10 lakhs, a profit before depreciation and tax of Rs. (1,016.09) lakhs and a net loss after tax of Rs.(2,360.18) lakhs.

## 4. Foreign investments or collaborations, if any, as on 31.3.2015:

Investments by Foreign Institutional Investors – 1.58%

Investments by NRIs – 9.74% in the paid up share capital of the company

**II. Information about the appointee:**

## 1. Background details:

Mr. D. Vijay Sen Reddy (DIN-00291185) aged 59 years is one of the promoters of the company and is associated with the company since its inception.

Other Directorships as on 31.3.2015:

1. Prajay Velocity Developers Private Limited
2. Prajay Holdings Private Limited
3. Prajay Developers Private Limited
4. Prajay Properties Private Limited
5. Prajay Lifestyle UPVC Windows Private Limited
6. Prajay Land Capital Private Limited
7. Secunderabad Golf and Leisure Resorts Private Limited
8. Prajay Retail Properties Private Limited
9. Prajay Chit fund Pvt. Ltd.
10. Prajay Princeton Hotel Pvt. Ltd.
11. Prajay Princeton Developers Pvt. Ltd.

Chairman / member of the following Committees:

He is not a member / chairman of any Audit Committee or Stakeholders' Committee either in the company or in any other company in which he is a director.

2. Past Remuneration : Rs. 2,00,000/- p.m.
3. Recognition or awards : Nil
4. Job profile and his suitability:

Mr. Vijay Sen Reddy shall be responsible for the management of day to day operations of the company under the superintendence, guidance and control of the board. He is functioning as Chairman and Managing Director of the company since 2012. He is a semi qualified Chartered Accountant and has more than three decades of vast experience in the field of construction and hospitality business and an expert adviser on land acquisitions, usage and in identifying suitable locations / demographics for acquiring properties.

5. Remuneration proposed : Rs. 3,50,000/- per month
6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. D. Vijay Sen Reddy, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. D. Vijay Sen Reddy is one of the promoters of the company and holding 17.61% equity shares in the paid up capital of the company. Mrs. D. Sharmila Reddy, wife of Mr. Vijay Sen Reddy is interested in the resolution pertaining of the re-appointment and remuneration payable to Mr. Vijay Sen Reddy as they are related to each other.

### III. Other information:

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth, recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

In the given scenario, company continues to implement its strategy to concentrate on its core business and to develop a right mix well suited for the market.

Super infrastructure, affordability and cosmopolitan ethos will make the city in which the company mainly operates making it a choice of many home buyers. The Government of Telangana is aiming to rebuild brand 'Hyderabad' by concentrating on the information technology sector. Company expects demand from the mid income residential segment to remain strong as there is a significant demand in this category across the country and state as well. Increasing disposable incomes, rapid urbanization and strong demographics are some of the factors favoring the mid income residential market in the state and would increase the sales of the company as the company is mainly engaged in the business of building affordable houses.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.



#### IV. Disclosures:

The details required to be furnished under the disclosures are already provided wherever applicable under explanatory statement and corporate governance report pertaining to the period ended 31.3.2015.

Mr. D. Vijay Sen Reddy, along with his wife is interested in the resolution as set out in the notice which pertains to ratification of remuneration paid or payable to him.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Vijay Sen Reddy, his wife is concerned or interested, financially or otherwise in the Resolution except to the extent of their shareholding.

#### Item No. 9:

Mr. K. Ravi Kumar was re-appointed as Whole Time Director of the company for a period of 3 years w.e.f. 01.02.2014 on a monthly remuneration of Rs. 1,50,000 and other permitted perks, by the Board of Directors at its meeting held on 24.1.2014 and a special resolution was passed by the shareholders approving the same at the Annual General meeting of the members held on 30.09.2014.

However, the above remuneration fixed for Mr. K. Ravi Kumar, Whole Time Director, was also required to be approved by the Central Government. Hence, to ratify the remuneration paid or payable to him for the period from 01.02.2014 to 31.01.2017, a special resolution as set out at item no. 9 of the notice of the AGM is proposed authorizing the board to seek the approval of the Central Government.

Your board commends the resolution for your approval.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and pertaining to the period ended 31.3.2014:

#### I. General information:

##### 1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial and residential and construction and maintenance of Hotels and Resorts.

##### 2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

##### 3. Financial performance based on given indicators:

During the year ended 31.3.2014, the company achieved a total income of Rs. 8,747.78 lakhs, a profit before depreciation and tax of Rs. (317.44) lakhs and a net loss after tax of Rs.(202.91) lakhs.

##### 4. Foreign investments or collaborations, if any, as on 31.3.2014:

Investments by Foreign Institutional Investors – 5.92%

Investments by NRIs – 7.55% in the paid up share capital of the company.

#### II. Information about the appointee:

##### 1. Background details:

Mr. K. Ravi Kumar (DIN-02789546) aged 61 years is a Whole Time Director and associated with the company from 1999.

Other Directorships as on 31.3.2014: Nil

Chairman / member of following Committees:

He is not a member / chairman of any Audit Committee or Stakeholders' Committee in the company.

##### 2. Past Remuneration : Rs. 1,50,000/- p.m.

##### 3. Recognition or awards : Nil

##### 4. Job profile and his suitability:

Mr. Ravi Kumar, as a Whole Time Director, is responsible to oversee the technical issues involved in business models, development and execution of structural plans / designs related to various projects

of the company. He 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 the company, steering innovation and quality in the Company.

5. Remuneration proposed:

Rs. 1,50,000/- per month plus perks as permitted under the Companies Act, 2013.

6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. K. Ravi Kumar, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. K. Ravi Kumar does not have any pecuniary relation with the company other than the remuneration he receives as Whole Time Director. He holds 50,000 equity shares in the paid up capital of the company.

### III. Other information:

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth, recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

In the given scenario, company continues to implement its strategy to concentrate on its core business and to develop a right mix well suited for the market.

Super infrastructure, affordability and cosmopolitan ethos will make the city in which the company mainly operates making it a choice of many home buyers. The Government of Telangana is aiming to rebuild brand 'Hyderabad' by concentrating on the information technology sector. Company expects demand from the mid income residential segment to remain strong as there is a significant demand in this category across the country and state as well. Increasing disposable incomes, rapid urbanization and strong demographics are some of the factors favoring the mid income residential market in the state and would increase the sales of the company as the company is mainly engaged in the business of building affordable houses.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.

### IV. Disclosures:

The details required to be furnished under the disclosures are already provided wherever applicable under explanatory statement and corporate governance report pertaining to the period ended 31.3.2014.

Mr. K. Ravi Kumar is interested in the resolution as set out in the notice which pertains to his re-appointment and remuneration paid/payable to him.

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Ravi Kumar, is concerned or interested, financially or otherwise in the Resolution set out at item no. 9

The Board commends the Resolution as set out at Item no. 9 of the notice for your approval.

**Item No.10:**

Mr. Sumit Sen was re-appointed as Whole Time Director of the company for a period of 2 years w.e.f. 01.02.2015 on a monthly remuneration of Rs. 1,20,000 and other permitted perks, by the Board of Directors at its meeting held on 28.1.2015 and a special resolution was passed by the shareholders approving the same at the Annual General meeting of the members held on 30.09.2015.

However, the above remuneration fixed for Mr. Sumit Sen, Whole Time Director, was also required to be approved by the Central Government. Hence, to ratify the remuneration paid or payable to him for the period from 01.02.2015 to 31.01.2017, a special resolution as set out at item no. 10 of the notice of the AGM is proposed authorizing the board to seek the approval of the Central Government.

Your board commends the resolution for your approval.

Additional information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and pertaining to the period ended 31.3.2015:

**I. General information:**

## 1. Nature of the industry:

The company is a real estate company. The main business of the company is construction and development of properties both commercial and residential and construction and maintenance of Hotels and Resorts.

## 2. Date or expected date of commencement of commercial production:

As the company is not a manufacturing company the same is not applicable.

## 3. Financial performance based on given indicators:

During the year ended 31.3.2015, the company achieved a total income of Rs. 5,812.10 lakhs, a profit before depreciation and tax of Rs. (1,016.09) lakhs and a net loss after tax of Rs.(2,360.18) lakhs.

## 4. Foreign investments or collaborations, if any, as on 31.3.2015:

Investments by Foreign Institutional Investors – 1.58%

Investments by NRIs – 9.74% in the paid up share capital of the company.

**II. Information about the appointee:**

## 1. Background details:

Mr. Sumit Sen (DIN-01028417) aged 58 years is one of the Whole Time Directors of the company and is associated with the company since 2000.

Other Directorships as on 31.3.2015:

1. Prajay Holdings Private Limited
2. Secunderabad Golf and Leisure Resorts Private Limited
3. Prajay Retail Properties Private Limited
4. Prajay Princeton Hotel Pvt. Ltd.
5. Prajay Princeton Developers Pvt. Ltd.

Chairman / member of following Committees:

## b. Prajay Engineers Syndicate Limited:

Stakeholders Relation Committee – Member

2. Past Remuneration : Rs. 1,20,000/- p.m.

3. Recognition or awards : Nil

## 4. Job profile and his suitability:

Mr. Sumit Sen, as a Whole Time Director, is responsible for creating the sales strategy, identifying consumer trends and creating projects around these. His expertise lies in appropriate pricing and financial structuring. He is a Post Graduate in Commerce and a P.G. Diploma Holder in Marketing and Personnel Management; served the Indian Air Force for 15 years and secured a diploma in Mechanical Engineering while in service.

5. Remuneration proposed: Rs. 1,20,000/- p.m. plus perks as permitted under the Companies Act, 2013.
6. Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person:

Keeping in view the type of the industry, size of the company, the responsibilities, experience and profile of Mr. Sumit Sen, the proposed remuneration is much lower and well within the comparative limits paid by other companies in similar line of business to such managerial personnel.

7. Pecuniary relation with the company, or relationship with the Managerial Personnel:

Mr. Sumit Sen does not have any pecuniary relation with the company other than the remuneration he receives as Whole Time Director. He holds 14,68,693 shares in the paid up capital of the company.

Wife Mrs. Rina Sen, Ms. Sunayana Sen, Daughter of Sumit Sen, may be interested in the resolution pertaining of the re-appointment of and remuneration payable to Mr. Sumit Sen as they are related to each other.

### III. Other information:

1. Reasons for loss or inadequate profits:

Uncertain economic conditions, poor economic growth, high inflation, slow down in industrial growth, recession coupled with the division of the state into two, in which the company mainly operates its business, have severally affected the profitability of the company and caused for the losses of the company for the past few years.

2. Steps taken or proposed to be taken for improvement:

The company continues its efforts to generate non-fund based business. The company also continues to recover dues from the debtors /clients by negotiations. The company business development strategies will be aligned towards less capital intensive projects, sharing and development management models. Additionally, it will focus on sourcing land with large capital requirements in its target geographies under the residential co-investment platform with the company acting as the development manager for these projects and sharing the equity projects as well.

3. Expected increase in productivity and profits:

The infrastructure status accorded to the affordable housing will open up more institutional sources for developers to raise funds at a competitive price. This move will help the company to tap this segment of construction.

The combination of improved consumer confidence with far improved affordability as a result of rising incomes, stagnant prices and reduced interest rates will propel this sector in a very positive direction over the next several years.

Company's brand, long history, demonstrated track record and capabilities put it in a strong position to benefit from any improvement in the environment and will allow it to remain on a high growth trajectory in the years ahead.

### IV. Disclosures:

The details required to be furnished under the disclosures, are already provided wherever applicable under explanatory statement and corporate governance report pertaining to the period ended 31.03.2015.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Sumit Sen, his wife and daughter, is concerned or interested, financially or otherwise in the Resolution except to the extent of their shareholding.

The Board commends the Resolution as set out at Item no. 10 of the notice for your approval.

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

Sd/-

**D. Vijay Sen Reddy**

Chairman & Managing Director

Place : Hyderabad

Date: 28<sup>th</sup> August, 2017