



Praveen Properties Limited

Regd. Office:

New No. 6, Crescent Park Street,
T. Nagar, Chennai - 600 017.

Admn. Office:

“Praveen House”
No. 11, Sarangapani Street,
T. Nagar, Chennai - 600 017.

TWENTIETH ANNUAL REPORT - 2014

C O N T E N T S

Notice to Members	5
Nomination Form 2B	7
Directors' Report	9
Annexure `A' - to the report of the Board	12
General Shareholder's Information	19
Auditor's Report	21
Annexure to Auditor's Report	23
Auditor's Report on Corporate Governance	25
Balance Sheet	26
Profit and Loss Account	27
Schedules	28
Notes forming part of the Accounts	31
Significant Accounting Policies	32
Cash Flow - Auditor's Report	33
Cash Flow Statement	34
Attendance Slip and Proxy Form	35

PRAVEEN PROPERTIES LIMITED	
BOARD OF DIRECTORS	Sri. B. Gnanasekaran Chairman & Managing Director Sri. G. Madhan Smt. G. Praveena
REGD. OFFICE	New No.6, Crescent Park Street, T. Nagar, Chennai - 600 017.
ADMN. OFFICE	“PRAVEEN HOUSE” No.11, Sarangapani Street, T. Nagar, Chennai - 600 017.
BANKER	CANARA BANK, T. Nagar Branch, Chennai - 600 017.
AUDITORS	Sri. RANGAN N KANNAN Chartered Accountant, Old No. 12-C, New No. 6, Veerapandi Nagar, 2nd Street, Chennai - 600 094. Cell : 98411 64814
LEGAL ADVISOR	Sri. V. GAJAPATHY Advocate, 18, Chellammal Street, Shenoy Nagar, Chennai - 600 030.

NOTICE TO THE SHARE HOLDERS

NOTICE is hereby given that the **TWENTIETH Annual General Meeting** of the members of the Company will be held at Saidai Varthagar Trust, No.107, Bazaar Road, Saidapet, Chennai 600 015 on Tuesday, the 30th day of September, 2014 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March 2014 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditor's thereon.
2. To appoint Director in place of Sri. B. Gnanasekaran, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Statutory Auditors and fix their remuneration. Mr. Rangan N Kannan. The retiring Auditor is eligible for reappointment.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification(s) ,the following resolution as an ordinary resolution.

"RESOLVED THAT Mrs. G. Praveena, be and is hereby appointed as a Director of the Company."
5. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution.

"RESOLVED THAT Mr. G. Madhan, be and is hereby appointed as a Director of the Company."

By Order of the Board
For **PRAVEEN PROPERTIES LIMITED**

Place : Chennai - 600 017
Date : 30.05.2014

sd/- **B. GNANASEKARAN**
Chairman and Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The register of Share Transfer and Register of Members will remain closed from 26th day of September, 2014 to 30th day of September, 2014 (both days inclusive).
 4. Members desiring to have any clarification on Accounts are requested to write to the Company at an early date so as to enable the company keep the information ready.
 5. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
 6. Members are requested to notify any change in address, if any, to the Company.
 7. Members are requested to inform the company their Income Tax Permanent Account Number (PAN) / General Index Register Number (GIR), if any, allotted to them by the Income Tax Department, to be stated in the Tax Deduction Certificate and particulars of their bank account, in case the same have not been sent earlier.
 8. Members are hereby informed that the company has its own-in-house registry and handles share transfers, transmission etc., and therefore the shareholders are requested to send their share certificates for transfer to the Registered Office of the Company.
 9. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to submit to the registered office of the company the prescribed Form 2B, which is attached for this purpose.
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FORM 2B

NOMINATION FORM

(To be filled in by the Individual(s) applying singly or jointly)

I/We ----- and ----- and ----- the holders of shares ----- bearing number(s) ----- of **PRAVEEN PROPERTIES LIMITED** wish to make a nomination and do hereby nominate the following person(s) in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of my or our death.

Name and Address of Nominee

Name

Date of Birth *

(* to be furnished in case the nominee is a minor)

** The Nominee is a minor whose guardian is

Name

Address

(** to be deleted if not applicable)

1. Signature
Name
Address
Date

2. Signature
Name
Address
Date

3. Signature
Name
Address
Date

Name, Address and Signature of two Witness

Name and Address

Signatures With date

- 1.
- 2.

Instructions :

1. The nomination can be made by individual only applying/holding shares on their own behalf singly or jointly. Non-individuals including trust, society, body corporate, partnership firm, karta of Hindu Undivided Family or a Power of Attorney holder cannot nominate. If the shares held jointly, all joint holders will sign the nomination form. Space is provided as a specimen, if there are more joint holders more sheets can be added for signatures of holders of shares and witness.
2. A minor can be nominated by a holder of shares and in that event, the name and address of the guardian shall be given by the holder.
3. The nominee shall not be a trust, society, body corporate, partnership firm, karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of shares.
5. Transfer of shares in favour of a nominee shall be valid discharge by the Company against the legal heir.
6. The Nomination Form shall be filed in duplicate with the Admn. Office of the Company No. 11, Sarangapani Street, T.Nagar, Chennai 600 017 which will return one copy thereof to the Shareholder.

FOR OFFICE USE ONLY

Nomination Registration Number

Date of Registration

Checked by (Name and Signature)

DIRECTORS' REPORT

To

THE MEMBERS

The Directors have pleasure in presenting their TWENTIETH Annual Report on the Operations of the Company together with the Audited Balance Sheet as at 31st March, 2014 and Profit and loss account for the year ended 31st March, 2014.

1. FINANCIAL STATUS :

There were no operating income during the year under review. However, the expenditure was amounted to Rs.8,27,040/- resulting in loss.

2. OPERATIONS AND FUTURE PLANS :

During the financial year 2013-2014, the Company had not taken up any construction activity. The Directors expect that the activities would show improvement during the years to come.

3. FIXED DEPOSITS:

Your company has not accepted any fixed deposits from the public. Hence, no information is required to be appended to the report.

4. DIVIDEND:

In view of the losses suffered by the company, your company is not in a position to recommend payment of dividend for the financial year ended 31st March, 2014.

5. SUBSIDIARY COMPANIES:

There are no Subsidiary Companies.

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

The Company has no activity relating to conservation of energy or technology absorption and there are no Foreign Exchange Earnings as well as Foreign Exchange Outgo.

7. INTERNAL CONTROLS AND THEIR ADEQUACY:

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

8. RESEARCH AND DEVELOPMENT :

The Company has not carried out any research and development activities during the year.

9. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, your Directors confirm, that—

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) The selected accounting policies were applied consistently and the directors made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at 31st March, 2014 and of the loss of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a "going concern" basis.

10. STATEMENT PURSUANT TO LISTING AGREEMENT :

The company's securities are listed with Chennai (Madras), Coimbatore, Bangalore, Hyderabad and Mumbai Stock Exchange.

11. CODE OF CORPORATE GOVERNANCE :

A detailed report, as per Clause 49 of the listing agreement, on Corporate Governance (Annexure A) alongwith Management Discussion and Analysis are updated with the particulars of this financial year. Also annexed herewith Auditor's Report on Compliance of conditions of Corporate Governance.

12. DIRECTORATE :

In compliance with the provisions of the Companies Act, 1956, and also in accordance with company's Articles of Association, Mr. B. Gnanasekaran, retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

As required under the listing agreement, the particulars of Directors who are proposed to be re-appointed are given below:

Name : Sri. B. Gnanasekaran
Age : 63 years
Experience : 23 years
Other Directorships in Indian companies : Nil

During the financial year : 2013 - 2014 Mr. G. Madhan & Mrs. G. Praveena were appointed as Additional Directors and subsequently Mrs. B. Vittobai & Mrs. Girija Sekaran resigned from the Board.

13. AUDITORS :

The retiring auditor, Mr. Rangan N. Kannan, Chartered Accountant, retires and is eligible for Re-appointment. Certificate from the Auditor has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

14. EMPLOYEES :

The Board of Directors wishes to express its appreciation to all the employees of the company for their outstanding contribution to the operations of the company during the year. There were no employees covered under section 217(2A) of the Companies Act, 1956. Hence information pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, not applicable.

15. COMPLIANCE STATUS :

Your company has complied with all the rules, regulations, notifications and guidelines, issued by the concerned authorities as applicable to our company from time to time.

16. ACKNOWLEDGEMENT :

The Board of Directors thanks the Banks, Government Authorities and all the stakeholders for their continued co-operation and support to your company.

FOR AND ON BEHALF OF THE BOARD
For PRAVEEN PROPERTIES LIMITED

Place : Chennai - 600 017
Date : 30.05.2014

sd/- B. GNANASEKARAN
Chairman and Managing Director

ANNEXURE – ‘A’

TO THE TWENTIETH ANNUAL REPORT OF THE BOARD OF DIRECTORS REPORT ON CORPORATE GOVERNANCE

1. Introduction :

The Company is complying with the mandatory requirements of the code of Corporate Governance introduced by the SEBI and incorporated in Clause 49 of the Listing Agreement in all material respects.

2. Company’s Philosophy on Code of Corporate Governance :

The Basic philosophy of the company towards Corporate Governance is to protect and enhance the long-term value of all the stakeholders – shareholders, clients, creditors and employees. The Company is committed to achieve these objectives within regulatory framework through transparency in dealings.

3. Board of Directors :

The Company is managed by Managing Director under the direction, control and supervision of the Board of Directors and it meets at regular intervals.

Policy formulation, evaluation of performance and control functions vest with Board. The Board comprises of one Managing Director, and two Non executive Directors.

During the financial year ended 31st March, 2014 Five (05) board meetings were held on 31-05-2013, 29-07-2013, 04-10-2013, 30-12-2013 and 28-03-2014.

The last Annual General meeting was held on 21-09-2013.

The Composition of Board, attendance of each Director at the Board Meetings held during the year under review as well as in the last Annual General Meeting and number of other Directorship / Committee memberships held by them are as follows -

Name(s) of Director(s)	Designation and Category	No. of Board Meetings in the year		Attendance Last AGM	Number of Directorships held in other Indian companies	Number of Board committee memberships held in other companies
		Held	Attended			
B. GNANASEKARAN	CHAIRMAN and Managing Director EXECUTIVE	05	05	Yes	Nil	Nil
G. GIRIJASEKARAN	Director Non Executive And Independent	04	04	Yes	Nil	Nil
B. VITTOBAI	Director Non Executive and Independent	04	04	Yes	Nil	Nil

G. MADHAN	Additional Director Non Executive and Independent	01	01	Yes	Nil	Nil
G. PRAVEENA	Additional Director Non Executive and Independent	01	01	Yes	Nil	Nil

Further the Board of Directors would like to inform the members that none of the directors are disqualified to act as directors of this company or any other public company under Section 274(1)(g) and other applicable provisions of the Companies Act, 1956.

Information about the Directors proposed to be appointed/ re-appointed required to be furnished pursuant to Clause 49 of the listing agreement with the Stock Exchanges is forming part of the notice of the TWENTIETH Annual General Meeting to the shareholders of the Company.

Committees of the Board

1. Audit Committee

An Audit Committee is constituted with all the directors of the company as members.

2. Terms of reference :

The committees composition procedures, powers and role/functions of the audit committee constituted by the company comply with the requirements of Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee included the following:

- ✓ Overseeing the company's financial reporting process and the disclosure of its financial information.
- ✓ Recommending appointment and removal of the external auditor, fixing of audit fees and approving payments for any other service.
- ✓ Reviewing with management the quarterly, half yearly and annual financial statement with primary focus on accounting policies and practices, compliance with accounting standards and stock exchange and legal requirements concerning financial statements.
- ✓ Reviewing adequacy of internal control systems in order to have the effective use and safeguard of resources and compliance with statutory polices and procedures and ensure compliance of internal control systems and reviewing the company's financial and risk management policies.
- ✓ Reviewing reports furnished by the Statutory Auditors and ensuring suitable follow up thereon.

Composition and Attendance :

The Company's Audit Committee consist of the following directors as cited below:-

Name of Directors	Status
B. GNANASEKARAN	CHAIRMAN
B. VITTOBAI	MEMBER
G. GIRIJASEKARAN	MEMBER

All the members, including the chairman, have adequate financial and accounting knowledge.

The Audit Committee reviews the un-audited/audited quarterly, half yearly and yearly financial results with the Management before being submitted to the Board for its consideration and approval. The Chairman of the Audit Committee is always present at the Annual General Meeting.

During the year under review, the Audit Committee had met 4 (Four Times) and the details of the meetings and attendance during the year under review was:

Name	Number of meetings held during the year	Number of meetings Attended during the year
G. GIRIJASEKARAN	04	04
B. GNANASEKARAN	05	05
B. VITTOBAI	04	04

Remuneration Committee

The Committee has been formed specifically to determine the Company's Policy on specific remuneration packages for Executive Directors and compensation payments. The Committee consists of following Directors:

1.	Mr. B. GNANASEKARAN	-	CHAIRMAN
2.	Mrs. B. VITTOBAI	-	MEMBER
3.	Mrs. G. GIRIJASEKARAN	-	MEMBER

The details of remuneration paid to Executive Directors for the Financial year 2013-2014 are given below:

Managing Director's remuneration during the period 1st April 2013 to 31st March 2014 are as under:

Name	Period	Salary	Perquisites	Total
B.GNANASEKARAN	01-04-2013 to 31-03-2014	Rs. 2,40,000/-	NIL	Rs. 2,40,000/-

During the year, no sitting fees has been paid to Mr. B. Gnanasekaran, Mrs. G. Girijasekaran and Mrs. B. Vittobai for the Board meetings or of any Committees of the Board attended by them.

Non-Executive Director

The details of remuneration paid to the Non-Executive Directors are as under:

Name	Period	Salary	Perquisites	Total
B.VITTOBAI	01-04-2013 to 31-03-2014	Nil	Nil	Nil
G.GIRIJASEKARAN	01-04-2013 to 31-03-2014	Nil	Nil	Nil

No Sitting Fees was paid to them.

None of the non-executive directors has pecuniary relationship with company, its promoters, management or its subsidiaries, though they are related to one another.

Share Transfer and Investors' Grievance Committee

Terms of Reference

The Committee oversees share transfers and monitor investors grievances such as complaints on transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc., and redress thereof, within the purview of the guidelines set out in the listing agreement.

Composition and Attendance

The Board of Directors had constituted a Shareholders/Investors Grievance Committee consisting of the following Directors as members thereof -

Name of Directors	Status
B. GNANASEKARAN	Chairman
B. VITTOBAI	Member

Smt B.Vittobai, is the Compliance Officer of this committee

Details of queries/complaints received and resolved during the year 2013 - 2014.

Name of queries/ complaints	Received	Resolved	Unresolved
Non receipt of Interest/ Dividend warrant/Cheque/ Demand draft	Nil	Nil	Nil
Change of address/ Bank Mandate / ECS mandate	Nil	Nil	Nil
Letter from SEBI & Stock Exchanges	Nil	Nil	Nil

There has not been any non-compliance, penalties or strictures imposed on the company by the Stock Exchanges, SEBI or any other statutory authority, in any matter related to capital markets, during the last year.

GENERAL BODY MEETINGS:

The last three Annual General Meetings held as follows: -

Financial Year	Nature of Meeting	Location	Date	Time
2010-2011	AGM	Saidai Varthagar Trust, No.107, Bazaar Road, Saidapet, Chennai 600 015.	14-09-2011	10.00 A.M.
2011-2012	AGM	Saidai Varthagar Trust, No.107, Bazaar Road, Saidapet, Chennai 600 015.	28-09-2012	10.00 A.M.
2012-2013	AGM	Saidai Varthagar Trust, No.107, Bazaar Road, Saidapet, Chennai 600 015.	21-09-2013	10.30 A.M.

Disclosures

Related Party Disclosure

No transaction of material nature has been entered into by the Company with related parties (i.e.,) Directors or Management, or relatives which are prejudicial to the interest of the Company other than those as disclosed in the notes on accounts.

Compliance by the Company

The Company routinely submit the required returns/ certificates/ such other reports as may be periodically required to be submitted to the Stock Exchanges. Further the Company corresponds with the Stock Exchanges and informs them timely about the conduct of the board meetings and general meetings and book closure of the company.

There were no instances of non-compliance by the company on any matter related to capital markets during the last three years. Hence there has been no penalties, strictures imposed by the SEBI/Stock exchange or any other statutory/local authorities against the company.

Means of Communication

The financial results of the company were published in English daily “**Trinity Mirror**” and also in Regional (Tamil) language in “**Makkal Kural**” for the quarter, half-year and annually ending on 31st March 2014. These results are promptly submitted to the Stock Exchanges to enable them to display the same on their website.

Management Discussion and Analysis

The management of Praveen Properties Limited presents below its analysis covering the segmentwise performance of the company for the year 2013 - 2014 & an outlook for the future. The report conveys expectations on future performance based on an assessment of the current business environment. These could vary based on future developments.

1. Industry Structure and developments:

During the Financial year 2013 - 2014, Construction industry has not done very well and the present trend is not encouraging. However the Company is looking into for the future with optimism.

2. Outlook on Opportunities, threats, Risk and Concerns:

The outlook for the ensuing future years too not encouraging and the Company is taking all possible ways to reduce the threats and risks.

The industry is witnessing intense competition among the players and maintaining the existing market share itself is becoming more and more difficult due to aggressive promotion activities undertaken by the competitors. To overcome the difficult market conditions your company is undertaking various measures to attract more customers with various measures proposed by the management, your company is hopeful of achieving good performance in future.

3. Internal control Systems and their adequacy:

The company has adequate internal control procedures commensurate with its size and nature of the business. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and statutes. The internal control system provides for well-documented policies, guidelines, authorizations and approval procedures.

4. **Discussion on financial performance with respect to operational performance:**

The total turnover (including the other income) of the company for the year under review was Nil as compared to 5,03,970/- in last year. The loss during the year is Rs. 8,27,040/- as compared to the loss of Rs.3,16,890/- in the previous year. The loss is due to the increase in cost of raw materials like cement, steel and labour charges.

5. **Material developments in Human Resources / Industrial Relations front, including number of people employed.**

There has been no material changes/developments in Human relation front.

By Order of the Board
For **PRAVEEN PROPERTIES LIMITED**

Place : Chennai - 600 017
Date : 30.05.2014

sd/- **B.GNANASEKARAN**
Chairman and Managing Director

GENERAL SHAREHOLDER'S INFORMATION

- | | | |
|----|---|--|
| 1. | Financial Calendar | <p>Audited Annual results for the year end 1st April 2013 to 31st March 2014</p> <p>Mailing of Annual Reports on first week of September, 2014</p> <p>Annual general meeting – 30th September, 2014</p> <p><u>Financial reporting for the -</u>
(Tentative)</p> <p>Quarter ending June 30, 2014</p> <p>Quarter ending September 30, 2014</p> <p>Quarter ending December 31, 2014</p> <p>Quarter ending March 31, 2015</p> <p>Annual General Meeting for the year ending March 31, 2014</p> |
| 2. | Dates of book closure | <p>By Fourth week of July, 2014</p> <p>By Fourth week of October, 2014</p> <p>By Fourth week of January, 2015</p> <p>By Fourth week of May, 2015</p> <p>30th September, 2014</p> <p>26th day of September, 2014 to 30th day of September, 2014 (Both days inclusive)</p> |
| 3. | Venue of the Annual General Meeting (AGM) | <p>Saidai Varthagar Trust,
No.107, Bazaar Road,
Saidapet, Chennai 600 015.</p> |
| 4. | Time and Date of AGM | <p>10.00 A.M., 30th September, 2014</p> |
| 5. | Dividend Payment Date | <p>N.A</p> |
| 6. | The Equity Shares of Rs.10/- each Are listed at - | <p>Madras Stock Exchange Limited (Annual Listing fees for the year 2014-2015 is yet to be paid to the above stock exchange)</p> <p>The Stock Exchange, Mumbai (Annual Listing fees for the year 2013-2014 is yet to be paid to the above stock exchange)</p> <p>Coimbatore Stock Exchange Limited (Annual Listing fees for the year 2013-2014 is yet to be paid to the above stock exchange)</p> <p>Hyderabad Stock Exchange Limited (Annual Listing fees for the year 2013-2014 is yet to be paid to the above stock exchange)</p> <p>Bangalore Stock Exchange Limited (Annual Listing fees for the year 2013-2014 is yet to be paid to the above stock exchange)</p> |
| 7. | Registered Office | <p>Registered Office of the Company
No. 6, Crescent Park Street,
T.Nagar, Chennai 600 017.</p> |

Stock Market data

Graphical representation of volume of Shares of during April 2013 - March 2014 :
NOT APPLICABLE

Share Transfer System

The Company is having its own in-house share transfer system.

Listing status

The shares at the company are suspended from trading on Mumbai Stock Exchange due to non-compliance of dematerialization of Shares.

Legal Proceedings

There has been no legal proceedings pending against the company.

Instruments

The Company has not issued GDRs'/ ADRs'/ Warrants / Convertible Instruments.

Category wise shareholding pattern as on 31st March, 2014

Category	No. of shares held	% of shareholding
<u>Promoters</u>		
Indian Promoters	2079300	38.29
<u>Others</u>		
Corporate bodies	5700	0.11
Mutual funds	Nil	Nil
Banks/Financial Institutions	Nil	Nil
Public	3345000	61.60
Total	5430000*	100.00

Of the above 28,06,200 Equity Shares are partly paid up.

FOR AND ON BEHALF OF THE BOARD
For **PRAVEEN PROPERTIES LIMITED**

Place : Chennai – 600 017

Date : 30.05.2014

sd/- B. GNANASEKARAN
Chairman and Managing Director

AUDITOR'S REPORT

To

The Shareholders
Praveen Properties Limited
Chennai – 600 017

I have audited the attached Balance Sheet of M/s Praveen Properties Limited as at 31st March 2014 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow statements for the year ended on that date. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to my comments in the Annexure referred to above, I report that :

- (i) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
- (ii) In my opinion, proper books of accounts as required by law have been kept by the Company so far as appears from my examination of such books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash flow statements dealt with by this report are in agreement with the books of accounts.
- (iv) In my opinion, the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956 ;

- (v) In my opinion and the based on information and explanation given to me, none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub- section (1) of section 274 of the Companies Act, 1956.
- (vi) In my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of Balance sheet, of the state of affairs of the Company as at 31st March, 2014.
 - b) In the case of Profit and Loss Account, of the **Loss** for the year ended on that date, and
 - c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Place : Chennai-600 094

Date : 30.05.2014

sd/- RANGAN N. KANNAN

Chartered Accountant

Mem. No. 24160

ANNEXURE 'A' TO THE AUDITOR'S REPORT
(Referred to in Paragraph "a" of my Report of even date)

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of my audit, I report that :

1. In respect of its fixed assets;
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to me, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In my opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
2. In respect of its inventories
 - a. As explained to me, inventories have been physically verified by the management at regular intervals during the year.
 - b. In my opinion and according to the information and explanation given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to me, there were no materials discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under sec 301 of the Act. Hence furnishing of other particulars regarding the above does not arise.
4. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the construction activities. During the course of my audit, I have not observed any major weaknesses in internal controls.
 - a). In my opinion and according to the information and explanations given to me the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under sec 301 of the Companies Act , 1956 have been so entered.
 - b) In my opinion the construction receipts are reasonable having regard to the prevailing market prices at the relevant time during the financial year under audit.
5. The Company has not accepted any deposits from the public.
6. In my Opinion, the internal audit system of the Company is commensurate with it's size and nature of business.

7. On the basis of records produced, I of the opinion the prima facie cost records and the accounts prescribed the Central Government under sec. 209 (1)(d) of the Companies Act, 1956 in respect of the activities of the company have been maintained. However, I was neither required to carry out nor carried out any detailed examination of such accounts and records.
8. There were no disputed statutory dues against Government departments and other authorities during the financial year as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
9. The Company has accumulated loss of Rs.18,30,890/- upto the Financial Year 2012-2013, and has incurred cash loss of Rs.8,12,620/- during the financial year 2013 - 2014 covered by my audit.
10. There were no loans due to any Financial institution or Banks or others. Hence, furnishing of details on these lines does not arise.
11. In my Opinion and according to the information and explanation given to me, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
12. In my opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.
13. The Company is not dealing or trading shares, securities, debentures and other investments. Hence, furnishing of details on these lines does not arise.
14. The Company has not given any guarantee for loans taken by others from Bank or Financial institutions. Hence, furnishing of details on these lines does not arise.
15. The Company has not raised any loans during the financial year. Hence, furnishing of details on these lines does not arise
16. The Company has not raised any funds on short time basis during the financial year. Hence, furnishing of details on these lines does not arise.
17. The Company has not made any preferential allotments of shares during the financial year. Hence, furnishing of details on these lines does not arise.
18. The Company has not issued any debentures during the financial year. Hence, furnishing of details on these lines does not arise.
19. The Company has not raised any money during the financial year. Hence, furnishing of details on these lines does not arise
20. There were no frauds on or by the Company noticed or reported during the year. Hence, furnishing of details on these lines does not arise.

Place : Chennai-600 094
Date : 30.05.2014

sd/- RANGAN N. KANNAN
Chartered Accountant

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To

The Members of Praveen Properties Limited,

I have examined the compliance of conditions of Corporate Governance by Praveen Properties Limited for the year ended on 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.'

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Share Transfer/Investors' Service Committee.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai-600 094

Date : 30.05.2014

sd/- RANGAN N. KANNAN

Chartered Accountant

BALANCE SHEET AS AT 31-03-2014

	Note	31.03.2014		31.03.2013	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1. Share Holders Funds					
a. Share Capital	2	41,938,340		41,938,340	
b. Reserves & Surplus	3	(2,657,930)		(1,830,890)	
c. Money received against share warrants		—		—	
			39,280,410		40,107,450
2. SHARE APPLICATION MONEY PENDING ALLOTMENT					
3. NON-CURRENT LIABILITIES					
a. Long-term borrowings		—		—	
b. Deferred tax liabilities (Net)		—		—	
c. Other long term liabilities		—		—	
d. Long term provisions		—		—	
4. CURRENT LIABILITIES					
a. Short-term borrowings		—		—	
b. Trade payables		8,625,400		8,240,400	
c. Other current liabilities		2,22,100		2,22,100	
d. Short term provisions	4	15,000		15,000	
			8,862,500		8,477,500
			48,142,910		48,584,950
TOTAL					
II. ASSETS					
1. Non-current assets					
a. Fixed assets	5				
(i) Tangible assets		72,130		75,500	
(ii) Intangible assets		—		—	
(iii) Capital work-in-progress		—		—	
(iv) Intangible assets under development		—		—	
b. Non-current investments		—		—	
c. Deferred tax assets (net)		—		—	
d. Long term loans and advances		—		—	
e. Other non-current assets		—		—	
			72,130		75,500
2. Current assets					
a. Current investments		—		—	
b. Inventors		15,704,860		15,704,860	
c. Trade receivables		—		—	
d. Cash and cash equivalents	6	34,400		690,670	
e. Short-term loans and advances		32,090,120		31,875,570	
f. Other current assets	7	2,41,400		2,38,350	
			48,070,780		48,509,450
			48,142,910		48,584,950
TOTAL					
Significant Accounting Policies					
	1				

The Notes are an integral part of these financial statements

Place : Chennai
Date : 30.05.2014

For and on Behalf of the Board
B. Gnanasekaran, Managing Director

As per my report of Even Date
Rangan N. Kannan
Chartered Accountant

G. Madhan, Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2014

PARTICULARS	Note	31.03.2014	31.03.2013
		Rs.	Rs.
I. Revenue from operations		—	—
II. Other Income	8	—	503,970
III. TOTAL REVENUE (I + II)		—	503,970
IV. EXPENSES :			
Cost of materials consumed		—	—
Purchase of Stock-in-trade		—	—
Change in FG, WIP and Stock in Trade		—	—
Employee benefit Salary		4,20,000	4,20,490
Financial costs		—	—
Depreciation and amortization expense		14,420	14,930
Other expenses	9	392,620	385,440
TOTAL EXPENSES		827,040	820,860
V. Profit before exceptional and extraordinary items and tax	III-IV	(-) 827,040	316,890
VI. Exceptional Items		—	—
VII. Profit before extraordinary items and tax	V-VI	(-) 827,040	316,890
VIII. Extraordinary Items		—	—
IX. Profit before tax	VII-VIII	(-) 827,040	316,890
X. Tax Expense :			
(1) Current tax		—	—
(2) Deferred tax		—	—
XI. Loss from the period from continuing operations	IX-X-XII	827,040	316,890
XII. Profit / (Loss) from discontinuing operations		—	—
XIII. Tax expense of discontinuing operations		—	—
XIV. Profit / (Loss) from discontinuing operations	XII-XIII	—	—
XV. Loss for the period	XI+XIV	827,040	316,890
XVI. Earning per equity share :			
(1) Basic		—	0.06
(2) Diluted		—	—

Place : Chennai
Date : 30.05.2014

As per my report of Even Date
Rangan N. Kannan
Chartered Accountant

B. Gnanasekaran
Chairman & Managing Director

G. Madhan
Director

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2014**

NOTE 2 : SHARE CAPITAL

	31.03.2014 Rs.	31.03.2013 Rs.
A) <u>AUTHORISED CAPITAL :</u> 60,00,000 Equity Shares of Rs.10/- each	60,000,000	60,000,000
B) <u>ISSUED CAPITAL :</u> 54,30,000 Equity Shares of Rs.10/- each	54,300,000	54,300,000
C) <u>SUBSCRIBED AND PAID-UP CAPITAL :</u> 2623800 Equity Shares of Rs.10/- each 2806200 Equity Shares partly paid up	26,238,000 15,700,340	26,238,000 15,700,340
TOTAL	41,938,340	41,938,340

(a) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

(b) Details of Shareholders holding more than 5% of the equity shares of face value of Rs.10 per share in the company

Name of Shareholders	31.03.2014		31.03.2013	
	No. of Shares	% Holding	No. of Shares	% Holding
B. Gnanasekaran	6,94,350	12.79	6,94,350	12.79
B. Vittobai	6,71,580	12.37	6,71,580	12.37
G. Girija Sekaran	5,26,300	9.68	5,26,300	9.68

NOTE 3 : RESERVES AND SURPLUS

Particulars	31.03.2014 Rs.		31.03.2013 Rs.	
	(a) Debit balance in P & L account			
Opening Balance	(1,830,890)		(1,514,000)	
Add : Profit during the period	827,040		316,890	
Credit balance in P & L account	(2,657,930)		(1,830,890)	
Less : Income tax adjusted (Previous year)	—		—	
		(2,657,930)		(1,830,890)
		(2,657,930)		(1,830,890)

NOTE 4 : SHORT TERM PROVISIONS										
Particulars				31.03.2014 Rs.			31.03.2013 Rs.			
Audit Fees Payable				15,000			15,000			
				15,000			15,000			
NOTE 5 : FIXED ASSETS SCHEDULE										
Assets	Gross Block			Depreciation				Net Block		
	Cost upto 31.3.13	Addi- tions	Dele- tions	Cost upto 31.3.14	Upto 31.3.13	For the Year	Dele- tions	Upto 31.3.14	Upto 31.3.14	Upto 31.3.13
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture and Fittings	4,00,570	11,050	Nil	4,11,620	3,81,440	5,460	Nil	3,86,900	24,720	19,130
Office Assets	2,51,670	Nil	Nil	2,51,670	2,25,000	4,830	Nil	2,29,830	21,840	26,670
Air-Conditioner	2,07,700	Nil	Nil	2,07,700	1,78,000	4,130	Nil	1,82,130	25,570	29,700
Total	8,59,940	Nil	Nil	8,70,990	7,84,440	14,420	Nil	7,98,860	72,130	75,500
NOTE 6 : CASH AND BANK BALANCES										
Particulars				31.03.2014 Rs.			31.03.2013 Rs.			
(a) Cash & Cash Equivalents				26,740			637,180			
(i) Balances with banks; In Current Accounts										
(ii) Cash on Hand				7,660			53,490			
(b) Other Bank Balances In Deposit Accounts (>3 months but <12 months maturity)				—			—			
(i) Fixed Deposit				—			—			
				34,400			6,90,670			
NOTE 7 : OTHER NON-CURRENT ASSET										
Particulars				31.03.2014 Rs.			31.03.2013 Rs.			
Miscellaneous Expenses to the extent not written off				—			—			

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

Particulars	31.03.2014 Rs.	31.03.2013 Rs.
NOTE 8 : OTHER INCOME		
Interest Income	—	8,970
Other Income	—	4,95,000
	—	5,03,970
NOTE 9 : OTHER EXPENSES		
Rent	1,20,000	1,20,000
Electricity Charges	90,680	56,710
Telephone Charges	21,520	25,920
Advertisement	31,280	32,750
Bank Charges	230	2,320
Professional Charges	50,000	43,000
Printing & Stationery	7,600	10,800
Postage & Telegrams	3,110	3,890
Rates & Taxes	7,020	—
Listing & Filing Fees	25,560	53,900
Internal Audit Fees	18,000	18,000
Statutory Audit Fees	15,000	15,000
General Expenses	2,620	3,150
	3,92,620	3,85,440

**NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2014**

- 1) Additional information Pursuant to the provisions of paragraphs 3 and 4 of Part III of Schedule VI of the Companies Act, 1956 – NIL
- 2) Earnings in foreign exchange and expenditure in foreign currency during Financial Year – NIL
- 3) Depreciation on fixed assets provided as per schedule XIV of the Companies Act, 1956
- 4) The Balance of sundry creditors is subject to confirmation from the parties. As soon as confirmations are received, they will be provided before the auditor.
- 5) Remuneration to Managing Director :-

Salary	-	Rs. 2,40,000
Perquisites	-	Nil
Total	-	<u>Rs. 2,40,000</u>
- 6) Remuneration to Auditors Fees :-

Internal Audit Fees	-	Rs. 18,000
Statutory Audit Fees	-	<u>Rs. 15,000</u>
Total	-	<u>Rs. 33,000</u>
- 7) Value of work-in-progress is valued including cost of materials, labour and transport charges and stock of materials has been valued at cost and certified by the Managing Director.
- 8) Provision for gratuity has not been made as none of the employees has completed five years of service.
- 9) Figures are rounded off to the nearest tens.

Place : Chennai
Date : 30.05.2014

For and on Behalf
of the Board

Subject to my report
of Even Date

sd/- B. GNANASEKARAN
Chairman & Managing Director

sd/- Rangan N. Kannan
Chartered Accountant

sd/- G. GirijaSekaran
Director

SIGNIFICANT ACCOUNTING POLICIES

1. **ACCOUNTING CONCEPTS** : The Accounts are prepared under historical cost convention, and mercantile system of accounting is followed.
2. **DEPRECIATION** : Depreciation is provided under the written down value method as per the rates specified in the Companies Act, 1956.
3. **VALUATION STOCK OF MATERIALS etc.,** : Stock of materials is valued at cost, work-in-progress have been valued including cost of materials and labour, transport charges.

B. GNANASEKARAN
Chairman & Managing Director

G. Madhan
Director

Rangan N. Kannan
Chartered Accountant

Place : Chennai
Date : 30.05.2014

**REPORT OF THE AUDITOR'S REGARDING CASH FLOW
FOR THE YEAR ENDED 31-03-2014**

I have examined the attached cash flow statement of PRAVEEN PROPERTIES LIMITED for the year ended 31st March 2014. The statement has been prepared by the Company in accordance with the requirements of the listing agreement clause 32 and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by my report of to the members of the company.

Place : Chennai-600 094
Date : 30.05.2014

sd/- RANGAN N. KANNAN
Chartered Accountant

PRAVEEN PROPERTIES LIMITED

Cash Flow Statement 31-03-2014

[Rs. in lakhs]

	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITY			
Net Loss before Tax and Extraordinary items		8.27	
Adjustments for Preliminary / Preoperative Expenses			
Depreciation	0.15		
Interest Paid	—	0.15	
Operating Profit before working capital changes		8.12	
Adjustments for:			
Trade and Other Receivables (Increase)	2.18		
Inventories (Decrease)	—		
Trade Payable (Increase)	3.85	-1.67	6.45
Cash Generated for Operations			
Interest Paid			
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	0.11		
Sale of Fixed Assets			
Acquisition of Companies			
Purchase of Investments			
Sale of Investments			
Dividend Received			0.11
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital			
Proceeds from long term Borrowings			
Repayment of Finance/lease liabilities			
Dividends paid			
Miscellaneous Expenditure			
Public Issue expenses			
Net Increase in Cash and Cash equivalents (A+B+C)			(-)6.56
Cash and Equivalent as on 01.04.2013			6.90
Cash and Equivalent as on 31.03.2014			0.34

Praveen Properties Limited

"Praveen House" New No. 6, Crescent Park Street,
T.Nagar, Chennai - 600 017

ATTENDANCE SLIP

(Please complete the attendance slip and hand it over at the
entrance of the venue of the meeting)

I hereby record my presence at the Twentieth Annual General Meeting on Tuesday,
the 30th September, 2014, at 10.30 a.m. at Saidai Varthagar Trust, 107, Bazaar Road,
Saidapet, Chennai - 600 015.

Name of the Shareholder (in block letters)

Signature of the shareholders/proxy

Membership Folio No.

PRAVEEN PROPERTIES LIMITED

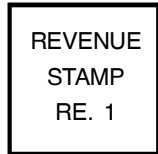
"Praveen House" New No. 6, Crescent Park Street, T.Nagar, Chennai - 600 017

FORM OF PROXY

I/We.....of.....in the district of
being member(s) of the Company named here in above, hereby appoint
Mr.....of.....
in the district of.....or.....
failing him Mr.....of.....
.....in the district of.....
as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual
General Meeting of the Company to be held on Tuesday, the 30th September 2014,
at 10.30 a.m. at Saidai Varthagar Trust, 107, Bazaar Road, Saidapet, Chennai - 600015
and at every adjournment thereof.

Signed This dayof 2014.

NOTE : A MEMBER ENTITLED TO ATTEND AND VOTE AT THE
MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES
TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A
PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE
EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT
LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE
MEETING



NO GIFTS WILL BE DISTRIBUTED

BOOK POST

To

If undelivered please return to :

Admn. Office :
PRAVEEN PROPERTIES LIMITED,
"Praveen House"
No. 11, Sarangapani Street,
T.Nagar, Chennai - 600 017.

