

<b>The Dy. General Manager, Dept. of Corporate Services, BSE Limited, 1<sup>st</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400001</b>	<b>The Asst. Vice President, Listing Department, National Stock Exchange of India Limited, Exchange Plaz, Bndra Kurla Complex, Bandra (East), Mumbai – 400051</b>
Stock Code: 531746 ISIN No.: INE505C01016	Stock Code: 531746 ISIN No.: INE505C01016

**Dear Sir/Madam,**

Sub: Seizure of bank accounts of the company – Further Intimation/Updation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Ref: Our intimation dated 04-03-2019

With reference to our intimation to stock exchanges as referred above, with regard to search and seizure operation carried out by police department in the company's registered office and its subsidiary(ies) group companies and residences of the promoter and Managing Director and other employee(s) and various other premises pertaining to company, we would like to inform you that the bank accounts of Prajay Engineers Syndicate Limited and its subsidiaries and associates namely Prajay Holdings Private Limited, Prajay Properties Private Limited, Prajay Land Capital Private Limited, Prajay Developers Private Limited other bank accounts relating to company and its promoter were also seized.

Due to the seizure of bank accounts, the company and its subsidiaries and associates are unable to carry out any bank payments to its suppliers and other persons which may result in delayed payments, penalties and possible cases of check bounce. Further the company and other associates were entered One Time Settlements (OTS) with banks which have to be cleared before 31<sup>st</sup> March, 2019. Seizure of bank accounts may also have adverse impact on payments to be made to the banks under OTS.

We further would like to inform you that all electronic data of secretarial, finance and accounts related data which is very crucial and its back up CDs and hard disks were also seized and/or taken away by the Police Department.

The management felt that it may cause a huge loss and may have a negative impact on the company as it is very much difficult and a time consuming task for the company to retrieve and rebuild its physical and electronic data at the close of the FY 2018-19.

Even though the search and seizure order was restricted to certain premises, the search and seizure was also carried out on all the subsidiary Company(ies) premises.

**For Prajay Engineers Syndicate Ltd**

*Y. K. Prayagadani*  
Company Secretary

**Prajay Engineers Syndicate Ltd.**

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The management further felt that present situation may also have an impact on the day to day administration (as the company stood with "Nil" electronic data (finance, accounts and secretarial) and the company may be unable to conduct statutory compliances such as conducting the statutory audit and declaration of financial results within prescribed timelines, as it is very much difficult to rebuild the physical and electronic data (running and stock data) unless the data and documents seized were handed over back to the company. However, the management has already initiated the process of taking the appropriate measures and necessary remedial actions to manage this crisis and further management have the confidence that it will be able to eliminate the disruption associated with the search and seizure and will be able to place the company in the best legal position.

We further like to inform you that the search and seizer was carried out based on the compliant given by Mrs. D. Hymavathi Reddy shareholder, promoter group and relative of promoter who has already approached NCLT, NCLAT and High Court with the same allegations.

This is for your information and records.

Thanking You,

Yours Truly,

**For Prajay Engineers Syndicate Limited**

*Y.K. Priyadarshani*

**Y.K. Priyadarshani**

**Company Secretary**

