

**PATIDAR BUILDCON LIMITED**

**TWENTY SEVENTH ANNUAL REPORT**

**2012 - 2013**

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	Mr. Rajnikant Patel	Whole Time Director
	Mr. Dhirajlal Patel	Director
	Mr. Navinchandra Parmar	Director
	Ms. Ekta Maheshwari	Director
	Mr. Kiritkumar Khetani	Director
	Mr. Ishwarbhai Patel	Director

**STATUTORY AUDITORS**

**M/s. BPA & Company**  
 14/4, 'L' Colony, Nr. Sahjanand College,  
 Ambavadi, Ahmedabad – 15  
 Tel: 079 – 2630 9829/2630 7809  
 Fax: 079 – 2630 6243

**REGISTERED OFFICE**

Lati Bazar, Joravar Nagar – 363 020  
 Dist. Surendranagar, Gujarat

**REGISTRAR AND SHARE TRANSFER AGENT**

**Adroit Corporate Services Pvt. Ltd**  
 19/20, Jafferbhoy Industrial Estate, Makwana  
 Road, Marol, Andheri (East),  
 Mumbai – 400 059  
 Tel No. – 022 - 28596060 / 28594060

**BANKERS**

Axis Bank Account  
 IDBI Bank Account  
 Kotak Bank Account

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**NOTICE**

**NOTICE** is hereby given that the Twenty Seventh Annual General Meeting of **Patidar Buildcon Limited** will be held at on Monday, September 30, 2013 at 3.00 p.m. at the Registered Office of the Company at Lati Bazaar, Zorawar Nagar, District Surendra Nagar, Gujarat – 363 020 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2013, Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dhiraj Patel, who retires by rotation, and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

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

**"RESOLVED THAT** pursuant to Section 224 of the Companies Act, 1956 and other applicable provisions, if any and subject to the approval of the members of the Company M/s. M/s. K. C. Parikh & Associates., Chartered Accountant be and are hereby appointed as the Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be mutually fixed up between the Chairman and them."

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

**"RESOLVED THAT** Mr. Navinchandra Manilal Parmar, who was appointed with effect from March 29, 2013 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement by rotation."

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

**"RESOLVED THAT** Mr. Kiritkumar Arvindbhai Khetani, who was appointed with effect from March 29, 2013 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement by rotation."

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

**"RESOLVED THAT** Mr. Ishwarbhai Muljibhai Patel, who was appointed with effect from March 29, 2013 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from

a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement by rotation."

**On behalf of the Board of Directors**

**Sd/-  
Rajnikant Patel  
Whole-time Director**

**Registered Office:**

Lati Bazaar, Joravar Nagar,  
District Surendra Nagar, Gujarat – 363 020

**Place: Gujarat**

**Date: September 02, 2013**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company, not less than 48 hours before the time of commencement.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing to attend and vote on their behalf at the Meeting along with the attendance slip or proxy as the case may be.
3. All the documents referred to in the accompanying notice are available for inspection at the registered office of the Company on all the working days between 3.00 p.m. to 5.00 p.m. upto the date of the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from September 27, 2013 to September 30, 2013 (both days inclusive).
5. Shareholders are requested to forward their queries on the accounts for the financial year ended March 31, 2013 to the Company at least 10 days in advance, to enable us to keep the required information available at the Meeting.
6. Members are requested to give their valuable suggestions for improvement of the services and are also advised to quote their E-mail Id's, telephone / facsimile no. for prompt reply of their communications.
7. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
8. The Ministry of Corporate Affairs, Government of India has come out with a circular dated 29<sup>th</sup> April 2011 which allows the companies to send documents including Annual Reports and other intimation by an email. Therefore you are requested to register your email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective Depository Participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise by the respective shareholder to the Company or Registrar and Transfer Agent.

**EXPLANATORY STATEMENT**  
**(Pursuant to Section 173(2) of the Companies Act, 1956)**

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**Item No. 3:**

The Chairman informed the Board that the Company has received resignation from its former Statutory Auditors M/s. BPA & Company., Chartered Accountants. The Board recommends M/s. M/s. K. C. Parikh & Associates., Chartered Accountant, from whom an eligibility certificate u/s 224 (1B) of the Companies Act, 1956 has been received be appointed as new Statutory Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting of the Company.

**Item No. 4, 5 and 6:**

Mr. Navinchandra Manilal Parmar, Mr. Kiritkumar Arvindbhai Khetani and Mr. Ishwarbhai Muljibhai Patel were appointed as an Additional Directors of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, with effect from March 29, 2013. They hold office till conclusion of ensuing Annual General Meeting. The Company has received notice under Section 257 of the said Act from a member signifying his intention to propose candidature of Mr. Navinchandra Manilal Parmar, Mr. Kiritkumar Arvindbhai Khetani and Mr. Ishwarbhai Muljibhai Patel for appointment as Directors of the Company.

Mr. Navinchandra Manilal Parmar, Mr. Kiritkumar Arvindbhai Khetani and Mr. Ishwarbhai Muljibhai Patel do not hold any equity shares in the Company.

None of the Directors of the Company may be considered to be interested in the passing of the Resolution except the appointee themselves.

**On behalf of the Board of Directors**

**Sd/-**  
**Rajnikant Patel**  
**Whole-time Director**

**Registered Office:**

Lati Bazaar, Joravar Nagar,  
District Surendra Nagar, Gujarat – 363 020

**Place: Gujarat****Date: September 02, 2013**

**DIRECTORS REPORT**

To,  
The Members,

We have pleasure in presenting the 27<sup>th</sup> Annual Report of the Company along with the Audited Statements of Accounts for the year ended March 31, 2013. The summarized financial results are given below.

**FINANCIAL HIGHLIGHTS:**

	<b>(Amount in Rs.)</b>	
<b>FINANCIAL RESULTS</b>	<b>2012-2013</b>	<b>2011-2012</b>
Revenue from operations	65,125,735	2,695,114
Less: Operational & Other expenses	64,666,979	4,105,789
<b>Profit/(Loss) before Depreciation</b>	<b>458,756</b>	<b>(1,410,675)</b>
Less: Depreciation	12,072	9,829
<b>Profit/(Loss) After depreciation</b>	<b>446,684</b>	<b>(1,420,504)</b>
Add/( Less ) Prior Period Adjustment	-	-
<b>Profit/ (Loss) Before Taxation</b>	<b>446,684</b>	<b>(1,420,504)</b>
Less: Provision for Tax		
Current Tax	152,560	-
Deferred Tax (Net)	3,213	-
<b>Net Profit After Tax</b>	<b>290,911</b>	<b>(1,420,504)</b>
Profit / (Loss) brought forward from previous year	-	-
<b>Balance carried to Balance Sheet</b>	<b>290,911</b>	<b>(1,420,504)</b>

**PERFORMANCE REVIEW:**

During the year under review, the Company has earned total income of Rs. 65,125,735/- in the current year as compared to previous year of Rs. 2,695,114/-. The Company has earned net profit after tax of Rs. 290,911/- in the current year.

**TRANSFER TO RESERVE:**

During the year under review, the Company has not transferred any amount to reserves. However, the balance of Profit and Loss Account has been transferred to the Balance sheet.

**DIVIDEND:**

In absence of sufficient profits, your directors regret for non recommending dividend for the year under review.

**SHARE CAPITAL:**

During the year under review, 50,00,000 equity shares of Rs. 10/- each to the promoters and non-promoter on preferential basis on October 13, 2012.

As on 31st March, 2013, the paid up share capital of the Company is Rs. 5,50,05,700/- divided into 55,00,570 equity shares of Rs. 10/- each.

**PUBLIC DEPOSITS:**

The Company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

**DISCLOSURE UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956:**

The Particulars required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 in Annexure-I to this Directors report.

**AUDITORS:**

The Company has received resignation from its former Statutory Auditors M/s. BPA & Co., Chartered Accountant. The Board recommends appointment of M/s. K. C. Parikh & Associates, Chartered Accountants as Statutory Auditors of the Company from this Annual General Meeting till the conclusion of next Annual General Meeting.

The Company has received letter from M/s. K. C. Parikh & Associates., Chartered Accountants, to the effect that their appointment, if made, would be made within the prescribed limits under section 224(1B) of the Companies Act, 1956.

**AUDITORS' OBSERVATIONS:**

Observations of auditor are self explanatory and do not require any further to be commented by directors in this report.

**DIRECTORS:**

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mr. Dhiraj Patel, Director retires by rotation and being eligible offer himself for re-appointment.

During the year under review, Mr. Navinchandra Manilal Parmar, Mr. Kiritkumar Arvindbhai Khetani and Mr. Ishwarbhai Muljibhai Patel was appointed as Directors w.e.f March 29, 2013.

Mr. Rajnikant Ramjibhai Patel continues to be Whole-time Director on the Board of Director of the Company.

During the year under review, Mr. Pravinkumar Ramjibhai Patel and Ramjibhai Bhimjibhai Patel resigned w.e.f June 20, 2013.

Mr. Dhirajlal Patel and Ms. Ekta Maheshwari are continuing directors of the Company during the year under review.

**DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 the directors confirm:

- i. That in preparation of the Annual Accounts for the year ended March 31, 2013 the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period.
- iii. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the directors had prepared the annual accounts on a going concern basis

The Company does not have any subsidiary.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

**CORPORATE GOVERNANCE:**

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company has complied with the provisions of Corporate Governance and a report on Corporate Governance is annexed hereto and forms part of this report. A certificate from Practicing Company Secretary of the Company regarding compliance of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is appended to the Annual Report

**PARTICULARS OF EMPLOYEES:**

Since none of the employees are drawing remuneration beyond the prescribed limits, there is no information to be provided in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules.

**GO GREEN INITIATIVE**

Recently the Ministry of Corporate Affairs, Government of India, through its Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send the annual reports and other official documents to their shareholders electronically as part of its green initiatives in Corporate, provided the e- mail address of the shareholder is obtained by the Company from the shareholders.

This action of the Ministry will benefit the society through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

Keeping in view the above, your Company proposes to send documents such as the Notice of the Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc., to the shareholders in Electronic Form, to the e-mail address provided by them. All the shareholders who wish to receive the Annual Reports in electronic form, kindly register their email addresses with the Company.

The Company solicits active cooperation of shareholders in helping to implement the e-governance initiatives of the Government.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the support and co-operation, which the Company continues to received from its associates and bankers. The Directors are also thankful to the shareholders for their unstinted support to the Company.

**On behalf of the Board of Directors**

**Sd/-**  
**Rajnikant Patel**  
**Whole-time Director**

**Place: Gujarat**  
**Date: September 02, 2013**



**ANNEXURE I****I. CONSERVATION OF ENERGY:**

- a) Energy conservation measures taken – NIL
- b) Additional investments and proposals if any, being implemented for reduction of consumption of energy – NIL
- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – NIL
- d) Total energy consumption and energy consumption per unit of production – N.A.

**Form A – Form for Disclosure of Particulars with respect to conversation of energy**

A. Power and Fuel consumption	:	NIL
B. Consumption per unit of production	:	NIL

**II. TECHNOLOGY ABSORPTION:****Form-B: Form for disclosure of particulars with respect to Technology absorption etc.,**

I. Research and Development	:	NIL
II. Technology Absorption, Adaptation and Innovation	:	NIL

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

II. Earnings in Foreign Exchange during the year	:	NIL
III. Foreign Exchange outgo during the year	:	NIL

**On behalf of the Board of Directors**

**Sd/-**  
**Rajnikant Patel**  
**Whole-time Director**

**Place: Gujarat**  
**Date: September 02, 2013**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Industry Structure and Development**

Real Estate witnessed a slowdown in FY2013 with residential market, commercial and retail space facing price and approval challenges. The demand-supply gap, delay in obtaining permissions and rising prices of steel, cement and labour were a cause of concern for all the developers in India. Industry expectations of single window clearance for obtaining permissions to begin a project and the expectations of the Government granting an industry status to Real Estate segment and the creation of a housing regulator did not fructify last year. Most of the companies in the sector continued to be in a repair mode and the overall macroeconomic situation did little to help matters for them.

In India, the real estate sector has come a long way and is a major contributor to GDP growth after agricultural sector. The Sector comprises of four sub-sectors-housing, retail, hospitality and commercial. The change in the customer preferences for quality housing with value added amenities have led to decent increase in demand and has attracted more professional towards the real estate industry.

The recent approval of FDI in multi-brand retail will bring in foreign investment, which will not only benefit the retail industry but also lift the demand for commercial real estate. The Government has also proposed the Land Acquisition and Rehabilitation and Resettlement Bill and drafted Real Estate Regulatory a& Development Bill as part of regulatory norms especially to promote the sector.

The growth of the Indian real estate sector is not entirely free from constraints which take a number of forms. Some of them include the rising cost of land, price volatility, delay in government approvals, inadequate availability of capital, stricter lending requirements, regulatory risks, underdeveloped infrastructure and non-availability of skilled manpower. More generally, the Indian real estate sector, despite its contributions to the Indian economy, has not been accorded industry status and does not have sufficient representation in the planning of infrastructure and other auxiliary facilities.

### **Opportunities and Threats:**

#### **Opportunities:**

- Continuous private sector housing boom will create more construction opportunities.
- Public sector projects through Public Private Partnerships will bring further opportunities.
- Developing supply chain through involvement in large projects is likely to enhance the chances in construction.
- Renewable energy projects will offer opportunities to develop skills and capacity in new markets.
- More flexible training delivery techniques are now available.
- Financial supports like loan and insurance and growth in income of people is support of construction and real estate industry.

#### **Threats:**

- Infrastructure safety is a challenging task in construction industry.
- Inefficient accessibility in planning and concerning the infrastructure.
- Reduced business investments.
- Reduced off-takes.
- Increased land cost.
- Delay in approvals.
- Lack of availability of funds both at buyers and developers levels,
- Under – developed infrastructure and skilled manpower.