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CORPORATION INFORMATION**Board of Directors**

| | |
|------------------------------|----------------------|
| Chairman & Managing Director | Vijay C. Shah |
| Managing Director | Sanket V. Shah |
| Wholetime Director | Nalini V. Shah |
| Director | Mahendra K. Gosaliya |
| Director | Dinesh Kamdar |
| Director | Kiranbhai Shah |

Audit Committee

| | |
|----------|----------------------|
| Chairman | Kiranbhai Shah |
| Member | Dinesh Kamdar |
| Member | Mahendra K. Gosaliya |

Auditor

Alpesh Shah & Co.,
Chartered Accountant
202, Parth Avenue,
Nr. Naranpura Cross Road,
Naranpura,
Ahmedabad-380 013

Practising Company Secretary

Pinakin Shah & Co.
C-103, Panchdhara Plaza,
Satellite Road,
Ahmedabad-380 015.

Registered Office

"Prerna", Survey No. 820/1,
In Lane of Panchvati Auto,
Opp. Anand Dham Derasar,
S. G. Highway, Makarba
Ahmedabad-380 058.

Register & Share Transferred Agent

Big Share Service Pvt. Ltd.
E-2/3, Ansh Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E),
Mumbai-400 072

Website

www.prernagroup.com

Banker

Bank of Maharashtra
Prerna Tirth Road Branch,
Satellite,
Ahmedabad-380 015

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of Prerna Infrabuild Limited will be held on Thursday, 26th September, 2013, at 10.00 a.m. at the Registered Office of the Company situated at 'PRERNA', Survey No 820/1, In Lane of Panchvati Auto, Opp. : Anand Dham Derasar, S. G. Road, Makarba, Ahmedabad-380 058 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider & adopt the Balance Sheet as at 31st March, 2013, the statement of Profit & Loss for the year ended on that date and the reports of the Directors' & Auditors thereon.
2. To appoint a director in place of Shri Sanket V. Shah, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Shri Mahendra K. Gosalia, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Alpesh Shah & Co, Chartered Accountants, Ahmedabad, as Auditors of the Company to hold office from conclusion of 25th Annual General Meeting till conclusion of 26th Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxies, in order to be effective, must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to this notice.
3. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Shri Sanket V. Shah and Shri Mahendra K. Gosalia, Directors retiring by rotation and seeking re-appointment under Item No. 2 and Item No.3 of the Notice respectively, are annexed herewith.
4. Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 19 Sept, 2013 to, Thursday, 26 Sept., 2013 (both days inclusive).
5. The Register of Directors' shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection by members at the AGM.
6. The Register of Contracts, maintained under Section 301 of the Companies Act, 1956, will be available for inspection by the Members at the Registered Office of the Company.
7. As a Green Initiative in the Corporate Governance, the Ministry of Corporate Affairs ("MCA") vide its circular bearing nos. (i) 17/2011 dated April 21, 2011 and (ii) 18/2011 dated April 29, 2011 allowed the Companies to send various notices/ documents (including Notice conveying AGM, Audited Financial Statements, Auditors' Report, Directors Report and other related documents) to shareholders through electronic mode, to the registered email Id of the shareholders. Pursuant to said Green Initiative. The Company urges the members to communicate their email id to the Company and / or RTA, so that the Company can send future communications to these shareholders in electronic mode.
8. Members are requested to visit the website of the Company www.pernagroup.com for viewing the quarterly & annual financial results and for more information of the Company.
9. For any investor-related queries, communication may be sent by e-mail to investor@prernagroup.com

10. Big Share Services Private Limited is the Registrar & Share Transfer Agent (R&T Agent) of the Company. All investor related communication may be addressed to Big Share at the following address;

Big Share Services Private Limited, E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka Andheri (E), Mumbai, 400 072

Tel: 91-22-8470652|40430200|28470653, Fax: 91-22-28475207, E Mail- marketing@bigshareonline.com
11. For effecting changes in address/bank details/ECS (Electronic Clearing Service) mandate, members are requested to notify:
 - (i) The R&T Agent of the Company, viz. Big Share, if shares are held in physical form; and
 - (ii) Their respective Depository Participant (DP), if shares are held in electronic form.
12. Members are requested to send their queries, if any, to reach the Company at its Registered Office, at least 10 days before the meeting, so that the information can be compiled in advance.
13. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
14. Details of the Directors seeking re-appointment in the Twenty Fifth Annual General Meeting.

[Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange]

| Particulars | Shri Sanket V. Shah | Shri Mahendra K. Gosalia |
|---|---------------------|--------------------------|
| Relationships with other Directors | Son | None |
| Date of Appointment | 29/05/2004 | 08/08/2003 |
| Expertise | Finance & Marketing | Technical |
| Qualification | M.B.A | Mechanical Engineer |
| No. of Equity Shares held in the Company | 1174440 | 100 |
| List of other companies in which directorship are held | None | None |
| List of committees of the Board of Directors(across all companies) in which Chairmanship Membership is held | None | None |

Note:

The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

For and behalf of Board of Directors

Place : Ahmedabad
Date : 17/05/2013

Sanket Shah
Managing Director

DIRECTORS REPORT

To,

The Members

Your Directors have pleasure in presenting their 25th Annual report on the business and operations of your Company for the year ended March 31, 2013.

FINANCIAL RESULTS:**[Rs. In Lacs]**

| Particulars | 2012-13 | 2011-12 |
|--------------------------------|---------|---------|
| Gross Income | 323.78 | 893.21 |
| Depreciation | 18.01 | 19.77 |
| Profit/Loss after Depreciation | (21.25) | 49.85 |
| Exceptional Profit / loss | (3.28) | 82.36 |
| Tax- Current | Nil | 20.00 |
| Deferred | (1.23) | (1.33) |
| Profit/loss after tax | (51.06) | 111.12 |

PERFORMANCE REVIEW

The operating income in the form of sale of plot is decrease from 711.52 lacs to Rs. 201.92 lacs. This was due to completion of 'Prerna Aura' site.

The Company has incurred loss of Rs. 51.06 lacs against Profit of Rs.111.12 lacs in the previous year.

APPROPRIATIONS**DIVIDEND**

In view of loss, the Board does not recommend any dividend for current year.

TRANSFER TO RESERVES

According to Companies (Transfer of Profits to Reserves) Rules, 1975, your Company is not mandatorily required to transfer certain minimum percentage of profits to general reserve.

LIQUIDITY AND CASH EQUIVALENTS

Your Company continues to retain its status of a debt-free Company. The Company has been conservative in its investment policy over the years, maintaining a reasonable level of cash and cash equivalents which enables the Company to completely eliminate short and medium term liquidity risks. Cash and cash equivalents constitute 18.42% of the total assets at Rs.2181.59 lacs, at the year end, against 52.71% of total assets at the close of the previous year. An amount of Rs.250.00 lacs was in bank fixed deposits at an average interest rate of 9.10% per annum as on 31st March, 2013.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis have been reviewed by the Audit Committee and the same is forming a part of this Annual Report.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreement, a report on corporate governance along with auditors' certificate of its compliance is included as part of the annual report.

DIRECTORS

The clause 170 of Articles of Association of the Company provides that at least two-thirds of our Directors shall be subject to retirement by rotation. One third of these retiring Directors must retire from office at each Annual General Meeting of the shareholders. A retiring Director is eligible for re-election.

Shri Sanket V. Shah and Shri Mahendra K. Gosalia will retire by rotation and being eligible, offer themselves for reappointment. The details of their re-appointment together with nature of their expertise in specific functional areas and names of the companies in which they hold office as Director and/or the Chairman/Membership of Committees of the Board, are provided in the Notice of the ensuing Annual General Meeting.

CODE OF CONDUCT

The code of conduct for all board members and senior management of the Company has been laid down and is being complied in words and spirit. The declaration on compliance of code of conduct signed by Chairman & Managing Director of the Company is included as a part of this annual report.

SECRETARIAL AUDIT

Pinakin Shah & Co., Practicing Company Secretary, Ahmedabad, conducted Secretarial Audit pursuant to provisions of Section 383A of the Companies Act, 1956, for the financial year 2012-13. Pinakin Shah & Co. has submitted the Report confirming compliance with the applicable provisions of Companies Act, 1956 and other rules and regulations issued by SEBI/other regulatory authorities for corporate laws.

LISTING OF SHARES

The Company's share continues to remain listed with the Bombay Stock Exchange, where the share is traded.

STATUTORY DISCLOSURES**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988: Part A and B pertaining to conservation and technology absorption are not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

The Company has neither used nor earned any foreign exchange during the year

PARTICULARS OF EMPLOYEES

The information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees' amendment) Rules, 1988 as amended from time to time is nil.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to sub-Section (2AA) of Section 217 of Companies Act, 1956 the Board of Directors of the Company hereby State and confirm that :

- “ in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- “ the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at end of the financial year and of the profit or loss of the company for that period;
- “ the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- “ the Directors had prepared the annual accounts on a going concern basis.

CASH FLOW

A Cash Flow statement for the year ended March 31, 2013 is attached to the Balance Sheet.

AUDITORS AND AUDITORS' REPORT

The Auditors M/s. Alpesh Shah & Co., Chartered Accountants, Ahmedabad, holds office until the conclusion of the 25th Annual General Meeting and they have intimated the company in writing of their willingness to be reappointed as auditors of the Company for the financial year 2013-14. The Company has received certificate from them to the effect that the appointment if made, would be within prescribed limits under Section 224 (1-B) of the Companies Act, 1956.

FIXED DEPOSITS

The Company has not invited or accepted any deposits from the public

INSURANCE

The Company's assets are adequately insured against major risks.

ACKNOWLEDGEMENTS

Your Directors commend the hard work, dedication and contributions of all employees of your Company. They express their gratitude to the various departments of the governments, banks, investors, business associates and customers for their continued support.

Registered Office
"PRERNA", Survey No 820/1,
In lane of Panchvati Auto,
Opp. Anand Dham Derasar,
S.G. Road, Makarba,
Ahmedabad.

For and behalf of Board of Directors

Chairman & Managing director
Vijay C. Shah

Date : 17/05/2013

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Year 2012 was subdued for real estate due to inflationary pressures and rising interest rates, coupled with the ongoing economic crisis in the Euro zone and US. GDP growth progressions for the country have been fairly narrow and revised lower continually over the last few months, with the economy expected to grow at an abysmal rate of just 5.3% - 5.5% in 2013.

POLICY UPDATES

The recent move by the government to open multi-brand retail to FDI will be a powerful vehicle in bringing the retail sector on the trajectory of the much needed growth.

Also, the issues related to the Land Acquisition and Real Estate Regulation Bills if passed by parliament, will help to bring in much needed efficiency, transparency and accountability in the sector.

OPPORTUNITIES

The government now appears close to launching the National Investment Board. Therefore, overall sentiment for 2013 is expected to be one of cautious optimism. The Wholesale Price Index (WPI) indicates inflation in the country has fallen and core inflation has declined. Besides this, some relief measures for both developers and investors can be expected in the form of decline in interest rates and increased liquidity in the near future. This could help stimulate demand for real estate.

With multi-brand retailers entering the market, retail property will witness renewed demand and uptake along with improved investor confidence in the sector.

THREATS

There is a challenge in achieving operational efficiencies by improvement in construction productivity and delivery of projects in hand with the help of technological advances. Up-skilling of existing manpower would be bigger challenge.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The company is engaged in a single segment, namely, real estate development.

FUTURE OUTLOOK

The Indian real estate sector has traditionally been dominated by a number of small regional players with relatively low levels of expertise and/or financial resources. Your Company expects sluggish economic and business environment to continue to be challenging for the next few quarters. The Company will launch semi-luxury premium housing scheme shortly.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has proper & adequate system of their internal controls proportionate to its size and business. The internal control systems of the company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data.

CAUTIONARY STATEMENT

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the Company's operations such as Government policies, tax laws, political and economic development.

Registered Office
"PRERNA", Survey No 820/1,
In lane of Panchvati Auto,
Opp. Anand Dham Derasar,
S.G. Road, Makarba,
Ahmedabad.

Date : 17/05/2013

For and behalf of Board of Directors

Chairman & Managing director
Vijay C. Shah

CORPORATE GOVERNANCE REPORT

(As required by clause 49 of the Listing Agreement with the stock exchange)

This section on Corporate Governance forms part of the Directors' Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Bombay Stock Exchange where the shares of the Company have been listed.

MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY & CODE OF GOVERNANCE

Your company's corporate governance policy is directed towards adherence to ethical business practices. All mandatory requirements as also a few non-mandatory requirements prescribed by Clause 49 of the Listing Agreement have been implemented by the Company. Non-mandatory requirements such as formation of Remuneration Committee have been implemented. Codes of business conduct, adopted by the directors and senior management personnel, are posted on the website of the Company www.pernagroup.com

All Board members and senior management personnel have affirmed compliance with the respective codes of conduct for the year ended March 31, 2013. In terms of Clause 49 (I) (D) of the Listing Agreement, the Managing Director has given the requisite declaration to this effect. In terms of Clause 49 (V) of the Listing Agreement, the Chairman and Managing Director [CEO] and Managing Director [CFO] have given the requisite certification to the Board of Directors in the prescribed format for the period under review.

2. BOARD OF DIRECTORS

Composition of Board:

The strength of the Board as on March 31, 2013 was six, of which, three are executive promoter directors and three are independent directors. The requisite particulars are given below :-

| Name of Directors | Attendance Particular | | | | Other Committee Membership | |
|--------------------------|-----------------------|---------------|----------|-----------------------------------|----------------------------|----------|
| | Category | Board Meeting | Last AGM | Other Directorship | Member | Chairman |
| Shri Vijay C Shah | CMD | 5 | Yes | Ajitnath Infrastructure Pvt. Ltd. | No | No |
| Smt Nalini V Shah | WTD | 5 | Yes | No | No | No |
| Shri Sanket V Shah | MD | 5 | Yes | Ajitnath Infrastructure Pvt. Ltd. | No | No |
| Shri Kiran H Shah | NEI | 5 | No | No | No | No |
| Shri Dinesh V Kamdar | NEI | 5 | Yes | No | No | No |
| Shri Mahendra K. Gosalia | NEI | 5 | Yes | No | No | No |

CMD- Chairman & Managing Director, M.D.- Managing Director, WTD- Whole-Time Director NEI-Non Executive Independent

BOARD MEETINGS

The Board of Directors oversees management performance in order to ensure adherence to highest standards of corporate governance. The Board evaluates the strategic direction, management policies and their effectiveness and provides guidance and leadership to the management in achieving set goals. Board meeting dates are finalised in consultation with all directors. The Board is regularly apprised about important business related information and developments. Board members express opinions and bring up matters for discussion at its meetings. Board meeting minutes are circulated to all Directors in advance and confirmed at the subsequent Board meeting.

Copies of signed minutes of the various Committees of the Board and Board meetings of subsidiaries of the Company are tabled at Board meetings.

DETAILS OF BOARD MEETINGS

In compliance with the provisions of Clause 49 of the Listing Agreement, the Board meetings are held at least once every quarter and the time gap between two meetings is not more than four months. During the year, Five Board Meetings were held.

| Date of Meeting | No of Directors Present |
|-----------------|-------------------------|
| 30/05/2012 | 5 |
| 30/07/2012 | 5 |
| 15/10/2012 | 5 |
| 30/10/2012 | 5 |
| 30/01/2013 | 5 |

3. AUDIT COMMITTEE

The Audit Committee comprises of following members:

| Name | Designation | Attendance |
|-----------------------|--------------------------------------|------------|
| Shri Kiran Shah | Chairman - Non Executive Independent | 4 |
| Shri Mahendra Gosalia | Non Executive Independent | 4 |
| Shri Dinesh Kamdar | Non-Executive Independent | 4 |

Compliance officer acts as the Secretary of the Committee. All the members of the Audit Committee are financially literate. The Chairman of the Committee attended the last Annual General Meeting of the Company held on September 27th 2012. The meetings of the Audit Committee are attended by representatives of accounts and statutory auditors. The Audit Committee addresses matters pertaining to appropriateness of audit tests and checks, reliability of financial statements, adequacy of provisions for liabilities and internal controls. The Committee lays emphasis on adequate disclosures and compliance with all relevant statutes. The Committee performs the functions enumerated in Clause 49 of the Listing Agreement, Section 292A of the Companies Act, 1956 and duties cast upon from time to time by the Ministry of Corporate Affairs through its circulars and notifications. The matters deliberated upon by the Committee include:-

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment of statutory auditors, fixation of audit fees and approval of payments for any other services rendered by them.
- 3) Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval with particular reference to: -
 - a) matters required to be included in the Directors' Responsibility Statement in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of related party transactions; and
 - g) qualifications in the draft audit report, if any.
- 4) Reviewing with the management, the performance of statutory auditors and adequacy of the internal control systems.
- 5) Discussion with statutory auditors before the audit commences about the nature and scope of audit as also post-audit discussion to ascertain areas of concern.

Details of Audit Committee Meetings:

The Audit Committee met four times during the year review on 30/05/2012, 30/07/2012, 30/10/2012 and 30/01/2013 and was attended by all members.