



**P U R H I T  
C O N S T R U C T I O N  
L I M I T E D**

# **8<sup>th</sup> ANNUAL REPORT**

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**1998-99**

BOARD OF DIRECTORS	SHRI NARENDRA M. PUROHIT	: CHAIRMAN & MANAGING DIRECTOR
	SHRI SHARAD R. AMIN	: EXECUTIVE DIRECTOR
	HAMLATA N. PUROHIT	: DIRECTOR
	DEVENDRA M. VAKHARIYA	: DIRECTOR
	PARESH R. JANI	: DIRECTOR
	ARVIND P. PATEL	: DIRECTOR
	SURENDRA B. SHAH	: DIRECTOR
	AMI N. PUROHIT	: ADDITIONAL DIRECTOR

AUDITORS  
M/S. GATTANI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
AHMEDABAD

BANKERS  
THE AHMEDABAD MERCANTILE CO-PO BANK LIMITED  
AHMEDABAD

TAMILNAD MERCANTILE BANK LIMITED  
AHMEDABAD

REGISTERED OFFICE  
401, PUROHIT HOUSE  
OPP. SARDAR PATEL STADIUM  
NAVRANGPURA  
AHMEDBAD - 380 009.

**8TH ANNUAL GENERAL MEETING**

Date : 22nd September, 1999

Day : Wednesday

Time : 11:30 a.m.

Place : Fun Point Club, Sarthaj-Gandhinagar  
Highway, Ahmedabad - 382 481

**CONTENTS****PAGE NO.**

Notice	1
Directors' Report	2
Auditor's Report	3
Balance Sheet	5
Profit and Loss Account	6
Schedules	7
Balance Sheet Abstract	15
Cash Flow Statement	16

## NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of M/s. Purohit Construction Limited will be held on Wednesday, the 22nd day of September, 1999 at 11.30 a.m. at Fun Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad-382 481 to transact the following business :

**ORDINARY BUSINESS :**

- (1) To receive, consider and adopt the Balance-Sheet as at 31st March, 1999 and the Profit & Loss Account for the period ended on that date together with Directors' and Auditors' reports thereon.
- (2) To appoint a Director in place of Mr. Devendra M. Vakhariya, who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint a Director in place of Mr. Paresh R. Jani, who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To re-appoint Auditors and fix their remuneration.

**SPECIAL BUSINESS :**

- (5) To consider and if thought fit, to pass with or without modification the following resolution as a ordinary resolution :

"RESOLVED THAT Ms. Ami N. Purohit, who was appointed as an additional director of the company on 4th November, 1998 and holds office upto the ensuing Annual General Meeting of the company under section 260 of the Companies Act. 1956 and in respect of whom the company has received a notice in writing pursuant to section 257 of the Companies Act. 1956, be and is hereby appointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation."

- (6) To consider and if thought fit, to pass with or without modification the following resolution as a ordinary resolution :

"RESOLVED THAT pursuant to Section 269 read with schedule XIII, 309, 310 and all other applicable provisions, if any of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Ms. Ami N. Purohit as

Executive Director of the Company with effect from 1st July, 1999 on the following terms and conditions

- (1) The appointment shall be for a period of 5 years with effect from 1st July, 1999.
- (2) She shall be entitled to a monthly salary of Rs. 6000/- (Rupees Six Thousand Only)
- (3) The Company will reimburse to the Executive Director such expenses as she may incur on behalf of the Company.
- (4) The Executive Director will be entitled to the earned privilege leave on full pay and allowance as per the rules of the Company not exceeding one month leave for every eleven months of service.
- (5) The Executive Director shall not be entitled to receive any sitting fee for attending the meetings of the Board of Directors or Committee thereof from the date of her appointment.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be necessary to give effect to the foregoing."

By order of the Board of Directors

**NARENDRA M. PUROHIT**

*Chairman & Managing Director*

PLACE : AHMEDABAD

DATE : 30TH, JULY 1999

**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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A proxy in order to be valid should be lodged at the Registered Office of the Company not later than 48 hours of the time of the Annual General Meeting.

- (2) The Register of Members and Share transfer books shall remain closed from 14th September, 1999 to 22nd September, 1999 (both days inclusive).
- (3) Members are requested to intimate the change in their addresses if any, immediately to the Company
- (4) Members are requested to bring their copy of the Annual Report at the meeting
- (5) The explanatory statement as required under section 173(2) of the Companies Act. 1956 is annexed.
- (6) The shares of the company are listed at Ahmedabad and Pune Stock Exchanges

**EXPLANATORY STATEMENT****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 5**

Ms. Ami N. Purohit was appointed as an additional director of the company on 4th November, 1998 and pursuant to section 260 of the companies act, 1956 holds the office upto the date of the ensuing Annual General Meeting of the company. The company has received a notice under section 257 of the Companies Act, 1956 from a member of the company proposing the appointment of Ms. Ami N. Purohit for the directorship of the company. The Board commends passing of the resolution.

None of the directors of the company except Ms. Ami N. Purohit herself and Mr. Narendra M. Purohit and Mrs. Hemlata N. Purohit being related to her, may be deemed to be concerned or interested in the resolution.

**Item No. 6**

Ms. Ami N. Purohit was appointed as an Executive Director of the Company pursuant to section 269 read with Schedule XIII and sections 309 and 310 of the Companies Act, 1956 w.e.f. 1st July, 1999, for a period of 5 years on a monthly salary of Rs. 6000/-. Ms. Ami Purohit is qualified Diplomaholder in Architectural Engineering and the Company may be tremendously benefited from her qualifications. The draft agreement to be entered into between the Company and Ms. Ami N. Purohit is available for inspection of members on any working day between 3 p.m. and 5 p.m. up to the date of ensuing Annual General Meeting of the Company. The Board commends the passing of the resolution.

None of the directors of the company except Ms. Ami N. Purohit herself and Mr. Narendra M. Purohit and Mrs. Hemlata N. Purohit being related to her, may be deemed to be concerned or interested in the resolution.

By order of the Board of Directors

**NARENDRA M. PUROHIT**  
Chairman & Managing Director

PLACE : AHMEDABAD

DATE : 30TH, JULY 1999

**DIRECTOR S' REPORT**

Dear Members

Your Directors have pleasure in presenting the 8th Annual Report for the year ended 31st March, 1999

<b>FINANCIAL PERFORMANCE :</b>	<b>(Rs. in Lacs)</b>	
	<b>1998-99</b>	<b>1997-98</b>
Total Income	268.05	374.92
Financial Expenses	38.87	22.09
Depreciation	4.13	4.07
Profit Before Taxation	21.27	22.35
Provision for Income-Tax	6.00	8.75
Profit after Taxation	15.27	13.60
Transfer to General Reserve.	NIL	NIL
Proposed Dividend	NIL	NIL
Dividend Tax	NIL	NIL
Balance Carried to Balance-Sheet	37.19	21.92

Your directors regret their inability to recommend dividend on equity shares of the company for the year under review, on account of meagre profits. The projects "STATUS I" and "STATUS II" are under progress and possessions are being given in completed units in "STATUS I". The Construction industry is facing a nation-wide sluggish trend which has not only affected the operations of the company but also the overall level of operations in the entire country. The prices of real estate in all the metropolitans including Ahmedabad continue to be lower by 30 to 40 percent compared to 1995. The demand for the residential as well as commercial segment is not encouraging. The prices of the land haven't come down correspondingly which has adversely affected the profitability of the industry in general. Looking at the lukewarm demand, the company has not taken-up new projects which it had earlier proposed. However, your directors are hopeful that in near future, the scenario would change and the demand would start picking-up

**DEPOSIT :**

The Company has not accepted any deposit to which the provisions of section 58(A) of the Companies Act, 1956, and the relevant rules made thereunder are applicable.

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

The particulars regarding Conservation of Energy and Technology Absorption pursuant to section 217(1) (e) of the Companies Act, 1956 are Nil. The company has not earned foreign exchange.



**PARTICULARS OF EMPLOYEES**

There is no employee who is in receipt of remuneration exceeding the limits specified under section 217(2A) of the Companies Act, 1956 and hence the information required thereunder is not given.

**DIRECTORS :**

Mr. Devendra M. Vakhariya and Mr. Paresh R. Jani, directors retire by rotation and being eligible offer themselves for reappointment. You are requested to reappoint the said directors.

Ms. Ami. N. Purohit was appointed as an additional director of the company w.e.f. 4th November, 1998 and pursuant to section 260 of the Companies Act, 1956 holds office upto the ensuing Annual General Meeting of the company. The company has received a notice alongwith a deposit of Rs. 500/- from a member of the company under section 257 of the Companies Act, 1956 proposing the candidature of Ms. Ami N. Purohit for the directorship of the company.

Ms. Ami N. Purohit was also appointed as Executive Director of the Company w.e.f. 1st July, 1999 for a period of 5 years on the terms and conditions mentioned in Item No. 6 of the accompanying Notice.

The Board of directors of the company commends passing of the said resolutions.

**AUDITORS :**

M/s. Gattani & Associates, Chartered Accountants, Ahmedabad, retire at the ensuing Annual General Meeting and are eligible, for reappointment. You are requested to reappoint the said Auditors and fix their remuneration.

**ACKNOWLEDGMENT**

The board of directors wishes to express its appreciation for the co-operation received from the Bankers, Customers and the Employees of the company and look forward to their continued support in the years to come.

For and on behalf of the Board of Directors

**NARENDRA M. PUROHIT**  
Chairman & Managing Director

PLACE : AHMEDABAD  
DATE : 30TH, JULY 1999

**AUDITOR'S REPORT**

TO  
THE SHARE HOLDERS OF  
PUROHIT CONSTRUCTION LIMITED

We have audited the attached Balance Sheet of PUROHIT CONSTRUCTION LIMITED, Ahmedabad as at 31st March, 1999 and the Profit & Loss Account attached thereto for the year ended on that date. In our opinion and as per the books and record examined by us in the normal courses of audit. We report that :-

- A As required by the manufacturing and other companies ( Auditors Report) order. 1988 issued by the company law board Government of India. In term of section 227 (4-A) of the Companies Act. 1956. We enclosed in the Annexure a statment on the matters specified in paragraph 4 & 5 of the said order. Further to our comments in the Annexure referred to in paragraph A above. We state that:-
- B We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- C In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
- D The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
- E In our opinion the Profit & Loss and Balance Sheet comply with accounting standard as refered to in sub section 3(i) of section 211 of the Companies Act. 1956
- F In our opinion and to the best of our informations and according to the explanations given to us the said accounts read in connection with schedule 1 to 14 forming part of the accounts. give the information required by the Companies Act. 1956 in the manner so required and give a true and fair view :
  - i) In so far as it relates to the Balance Sheet of the state of affairs of the company as at 31st March. 1999 and
  - ii) In so far as it relates to the Profit & Loss Account of the profit for the period ended on that date.

FOR, **GATTANI & ASSOCIATES**  
Chartered Accountants

PLACE : AHMEDABAD      **SHARAD GATTANI**  
DATE : 30th July, 1999      Partner