



21st

ANNUAL REPORT

2011-2012

Purohit Construction Limited

PUROHIT CONSTRUCTION LIMITED

BOARD OF DIRECTORS

MR. NARENDRA M. PUROHIT	: CHAIRMAN & MANAGING DIRECTOR
MR. SAUMIL N. PUROHIT	: JOINT MANAGING DIRECTOR
MR. NISHIT B. GOHIL	: DIRECTOR
MR. MAHENDRA H. SANGHANI	: DIRECTOR
MR. KUMUDCHADNRA I. SHERAVIA	: DIRECTOR

AUDITORS : M/S. GATTANI & ASSOCIATE S
CHARTERED ACCOUNTANTS,
AHMEDABAD

BANKERS : STATE BANK OF INDIA
C. G. ROAD BRANCH, AHMEDABAD

TAMILNAD MERCANTILE BANK LIMITED,
AHMEDABAD

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

21ST ANNUAL GENERAL MEETING

Date : 24th September, 2012
Day : Monday
Time : 11:30 a.m.
Place : Fun Point Club
Sarkhej-Gandhinagar Highway,
Ahmedabad-382 481.

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NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the members of M/s. Purohit Construction Limited will be held on Monday, 24th day of September, 2012 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, 2012 and the Profit & Loss Account for the period ended on that date, together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Saumil N Purohit, who retires by rotation and being eligible, offers himself for re appointment.
3. To appoint a Director in place of Mr. Nishit B Gohil, who retires by rotation and being eligible, offers himself for re appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Gattani & Associates, Chartered Accountants, Ahmedabad (Registration No. 103097W) be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

5. 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 269 read with Schedule XIII and Sections 198, 309, 310, 314 and other applicable provisions, if any, of the Companies Act, 1956 and recommendations of the Remuneration Committee having been received, the consent of the company be and is hereby accorded to the re-appointment of Mr. Narendra M. Purohit as Managing Director of the Company for a period of 5 years with effect from 1st April, 2012 on the following terms and

conditions:

1. He shall be entitled to the following Salary and Perquisites:
 - i) Salary: Rs. 80,000/- (Rupees Eighty Thousand only) in the grade of Rs. 80,000 – 5,000 – 1,00,000/-.
 - ii) In addition to the salary he shall be entitled to the perquisites as listed below:
 - a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of the perquisites to the extent these singly or together are not taxable under the Income-Tax Act.
 - b) Gratuity payable shall not exceed half a month's salary for each completed year of service.
 - c) Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
2. In case the Company has no profits or the profits are inadequate in any financial year during the term of office, the Managing Director shall be entitled to receive the above salary and perquisites as minimum remuneration.
3. The Company will reimburse to the Managing Director such expenses as he may incur on behalf of the Company.
4. The Managing 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 Managing Director shall not be liable to retire by rotation.
6. The Managing 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 this appointment."

By order of the Board of Directors
Narendra M. Purohit
Chairman & Managing Director

Place : Ahmedabad

Date : 25/07/2012

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 effective, 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 18th September 2012 to 24th September, 2012 (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 Shares of the Company are listed at Ahmedabad and Pune Stock Exchanges.
6. An explanatory statement with regards to Item No. 5 of the Notice is annexed.

By order of the Board of Directors
Narendra M. Purohit
Chairman & Managing Director

Place : Ahmedabad
Date : 25/07/2012

EXPLANATORY STATEMENT

Explanatory statement pursuant to Section 173(2)
of the Companies Act, 1956.

ITEM NO.5

Mr. Narendra M. Purohit was re-appointed as Managing Director of the Company, respectively for a period of 5 years with effect from 1st April, 2007. The company has performed well under the leadership of Mr. Narendra M. Purohit as Chairman and Managing Director of the Company. The term of office of Mr. Purohit was upto 31st March, 2012.. The Board of Directors of the Company at its meeting held on 1st April, 2012 resolved to re-appoint him as Managing Director of the Company for a further period of 5 years subject to approval of the members in general meeting on the revised terms and conditions, under the provisions of the Companies Act, 1956.

The terms of reappointment may be considered as abstracts of the terms of the appointment under Section 302(2) of the Companies Act, 1956.

Your Directors commend passing of the resolutions as set out at item number 5 of the accompanying Notice.

None of the Directors of the Company except Mr. Narendra M. Purohit, Managing director being the appointee and Mr. Saumil N Purohit, Joint Managing Director being related to him, be deemed to be concerned or interested in the above resolution.

By order of the Board of Directors
Narendra M. Purohit
Chairman & Managing Director

Place : Ahmedabad
Date : 25/07/2012

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Twenty First Annual Report** for the year ended 31st March, 2012.

FINANCIAL PERFORMANCE

	(Rs. In Lacs) Current Year 2011-2012	(Rs. In Lacs) Previous Year 2010-2011
Total Income (incl. Other Income)	2066.97	360.16
Financial Expenses	4.88	2.52
Depreciation	6.48	4.01
Profit/ (Loss) Before Taxation	17.29	5.18
Less: Provision for Income Tax	4.50	2.00
Less: Provision for Deferred Tax	1.49	(0.89)
Profit After Taxation	11.29	4.07
Less: Prior Period adjustment	NIL	NIL
Transfer to General Reserve	NIL	NIL
Surplus Brought Forward	49.73	45.66
Balance carried to balance Sheet	61.02	49.73

OPERATIONS OF THE COMPANY

The Company has not commenced any new projects during the year under review. During the year under review, your company has earned an income of Rs. 2066.97 Lacs comprising of Rs. 614.03 Lacs from sale of goods, Rs. 1209.00 Lacs from sale of shares and securities and Rs. 239.14 Lacs from contractual work completed, as against Rs 360.16 Lacs comprising of Rs.

Rs. 250.14 lacs from Sale of Goods and Rs. 46.73 Lacs from contractual work completed. The Company has earned a Net Profit of Rs. 11.29 Lacs against Rs. 4.07 Lacs, in the previous year. A credit balance of Rs. 61.02 Lacs has been carried forward to the Balance Sheet.

However, with a view to plough back the profits and to cater the growing need of funds for business operations, your directors have decided not to recommend a dividend on Equity Shares for the year under review.

DEPOSITS

The Company has not accepted any Deposits to which the provisions of Section 58 A of the Companies Act, 1956 and the relevant rules made there under are applicable.

RESPONSIBILITY STATEMENT

The Directors confirm:

- that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- that they have 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 the end of the Financial year and of the Profit or Loss of the Company for that period;
- that they have taken proper and sufficient care 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;
- That they have prepared the Annual Accounts on a Going concern basis.

**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 nor expended any 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 there under is not given.

DIRECTORS

Mr. Bipinchandra M. Solanki has resigned as a director of the Company on 23rd December, 2011. The Board places on record its appreciation for the services rendered by him in such capacity.

Mr. Saumil N Purohit and Mr. Nishit B. Gohil, the directors retire by rotation at this Annual General Meeting and being eligible, offer themselves for reappointment.

The Board of Directors of the Company at its meeting held on 1st April, 2012 had re-appointed Mr. Narendra M. Purohit as Managing Director of the Company, subject to approval of the members in a general meeting.

You are requested to accord your approval for above reappointments.

AUDITORS

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

The observations made by the Statutory Auditors of the Company in their report are dealt with in the notes of accounts of the company, which are self explanatory.

COMPLIANCE CERTIFICATE

In accordance with section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001 the company has obtained a Certificate from a Secretary in Whole time Practice that the Company has complied with the provisions of the Companies Act, 1956 and a copy of such certificate is annexed to this report.

CORPORATE GOVERNANCE REPORT

A separate report on Corporate Governance is enclosed as part of this Annual Report and marked as Annexure 'A'. Requisite Certificate from the Statutory Auditors of the Company regarding Compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the report of Corporate Governance.

ACKNOWLEDGEMENT

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 : 25/07/2012

Mahesh C. Gupta

B. Com (Hons), LL. M. MBA, AICWA, FCS

M. C. GUPTA & CO.

COMPANY SECRETARIES

A-201, FAIRDEAL HOUSE, SWASTIK CHAR RASTA, NAVRANGPURA, AHMEDABAD - 380 009

PHONE: (O) 2644 1072 (R) 29296990, e-mail: mcguptacs@gmail.com

COMPLIANCE CERTIFICATE

CIN : L45200GJ1991PLC015878

Nominal Capital : Rs. 10,00,00,000/-

The Members,

We have examined the registers, records, books and papers of **M/S PUROHIT CONSTRUCTION LIMITED**, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in "Annexure A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the Forms and Returns as stated in "Annexure B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made there under.
3. The Company, being public limited company, comments are not required.
4. The Board of Directors met six times on 14th May, 2011, 15th July, 2011, 12th August, 2011, 11th November, 2011, 23rd December, 2011 and 6th February, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained in Loose – Leaf form, for the purpose.
5. The Company has closed its Register of Members from 16th September, 2011 to 22nd September, 2011 (both days inclusive) and necessary compliance of Section 154 of the Act, has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 22nd September, 2011 after giving due notice to the members of the company and the resolutions passed thereat were recorded in the Minutes Book maintained for the purpose.

7. No Extraordinary General Meeting of the members was held during the year under preview.
8. The Company has not advanced loans to its directors or persons or firms or companies referred in section 295 of the Companies Act, 1956.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act for the disclosure of interest by directors of the Company.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
 - (i) has not issued any shares and the share certificates were delivered in time for the transfers received during the year under review.
 - (ii) has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) has transferred amounts to the Investor Education and Protection Fund during the said financial year being Unpaid Dividend Account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is properly constituted and no appointment of any director was made during the year under review.
15. The Company has not appointed Managing Director during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities as prescribed under the provisions of the Act, during the financial year.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Shares, Debentures or other Securities during the financial year.

20. The Company has not bought back any Shares / securities during the financial year.
21. The Company has not redeemed Preference Shares or Debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any Unsecured Loans falling within the purview of Section 58A of the Companies Act, 1956, during the financial year.
24. The amount borrowed by the Company from other companies during the financial year ended 31st March, 2012 is within the borrowing limits of the company and that necessary resolutions as per Section 293(1) (d) of the Act have been passed in duly convened Annual General Meeting held on 29th September, 2007.
25. The Company has not made loans or advances investments or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. As confirmed by the management, there was no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the financial year for offences under the Act.
32. As confirmed by the Management, the Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employees' and employer's contribution under the Employees Provident Fund Scheme, 1952, as per the provisions of the Scheme. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

PLACE : AHMEDABAD
DATE : 25/07/2012

For **M. C. Gupta & Co.**
Company Secretaries,
Mahesh C. Gupta
Proprietor
C. P. No.: 1028

ANNEXURE 'A'**Registers as maintained by the Company:****Statutory Registers:**

1. Registers of Members u/s 150
2. Register of Charges u/s 143
3. Minutes of the General Meetings u/s 193
4. Minutes of the Board Meetings u/s 193
5. Register of Contracts u/s 301
6. Register of Directors, Managing Directors etc. u/s 303
7. Register of Directors' shareholding u/s 307
8. Register of Investments, Loans and Guarantees u/s 372A
9. Register of Investment u/s 49(7)
10. Register of Notice by interested Directors u/s 299

Other Registers:

1. Register of Share Transfer

ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2012.

Sr. No.	Form / Return	Filed u/s	Short Particulars	Challan No. and Fee (Rs.)	Date of Filing
1.	Form No. 66	383A	Filing of Compliance Certificate for the year 2010-2011	P72958812 Rs. 500/-	15-10-2011
2.	Form NO. 23AC & 23ACA(XBRL)	220	Filing of Balance Sheet and P&L A/c for the year ended 31st March, 2011	P85996726 Rs. 5,000/-	23-02-2012
3.	Form No. 20B	159	Filing of Annual Return as on 22nd September, 2011	P79592531 Rs. 500/-	18-11-2011
4.	Form No. 32	303(2)	Resignation of Mr. Bipinchandra M Solanki as Director of the Company w.e.f. 23rd December, 2011	B29801271 Rs. 500/-	17-01-2012