



22nd

ANNUAL REPORT
2012-2013

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. KUMUDCHANDRA I. SHERAVIA : DIRECTOR

AUDITORS : **M/S. GATTANI & ASSOCIATES**
 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.

22ND ANNUAL GENERAL MEETING

Date : **24th September, 2013**

Day : **Tuesday**

Time : **11:30 a.m.**

Place : **Fun Point Club**

● Arkhej-Gandhinagar Highway,
Ahmedabad-382 481.

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NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the members of Purohit Construction Limited will be held on Tuesday, 24th day of September, 2013 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, 2013 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. Mahendra H. Sanghani, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Kumudchandra I Sheravia, who retires by rotation and being eligible, offers himself for reappointment.
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."

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

Place : Ahmedabad
Date : 25/07/2013

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 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 2013 to 24th September, 2013 (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.

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

Place : Ahmedabad
Date : 25/07/2013

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Twenty Second Annual Report** for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

	(Rs. In Lacs) Current Year 2012-2013	(Rs. In Lacs) Previous Year 2011-2012
Total Income (incl. Other Income)	1951.97	2066.97
Financial Expenses	20.32	4.88
Depreciation	9.95	6.48
Profit/(Loss) Before Taxation	29.23	17.28
Less: Provision for Income Tax	11.25	4.50
Less: Provision for Deferred Tax	1.57	1.49
Profit After Taxation	16.41	11.29
Less: Prior Period adjustment	NIL	NIL
Transfer to General Reserve	NIL	NIL
Surplus Brought Forward	61.02	49.73
Balance carried to balance Sheet	77.43	61.02

OPERATIONS OF THE COMPANY

The Company has undertaken the Projects viz. Sopan Palladium, a Commercial Project, Sopan Life Style, a residential Project at jodhpur area of Ahmedabad and construction of Siddhi Vinayak Temple at Mehmedabad. The above projects are on the verge of completion. During the year under review, your

company has earned an income of Rs. 1951.97 Lacs comprising of Rs. Rs. 1246.67 Lacs from sale of shares and securities and Rs. 704.56 Lacs from contractual work completed, as against 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. The Company has earned a Net Profit of Rs. 16.41 Lacs against Rs. 11.29 Lacs, in the previous year. A credit balance of Rs. 77.43 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;

- c) 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;
- d) 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. Mahendra H. Sanghani and Mr. Kumudchandra I. Sheravia, the directors retire by rotation at this Annual General Meeting and being eligible, offer themselves for reappointment.

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 : 25/07/2013

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 009PHONE: (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, 2013**. 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 Seven times on 1st April, 2012, 14th May, 2012, 25th July, 2012, 14th August, 2012, 22nd August, 2012, 9th November, 2012 and 12th February, 2013 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 18th September 2012 to 24th September, 2012 (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, 2012 was held on 24th September, 2012 after giving 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.

However, the Company has entered into a Land Development Agreement on 31st January, 2011 with one of the private limited company having 2 common directors and had given an advance of Rs. 162.75 Lacs against the estimated rights of Rs. 400.00 Lacs. Despite no progress in the project, the advance is not recovered back by the company from the said private limited company.

9. During the year under review, the Company has not entered into the transactions attracting the provisions of Section 297 of the Act.
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. Mr. Narendra M. Purohit was re-appointed as Managing Director of the Company for a period of 5 years with effect from 1st April, 2012 and has complied with the provisions of the Act.
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, 2013 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 : 25/07/2013

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, 2013.

Sr. No.	Form / Return	Filed u/s	Short Particulars	Challan No. and Fee (Rs.)	Date of Filing
1.	Form No. 23	192(4)(C)	Re-appointment of Mr. Narendra M. Purohit as Managing Director of the Company w.e.f. 1st April, 2012 for a period of 5 year.	B40263048 Rs. 1,500/-	31-05-2012
2.	Form NO. 25C	269 READ WITH SCH. XIII	Re-appointment of Mr. Narendra M. Purohit as Managing Director of the Company w.e.f. 1st April, 2012 for a period of 5 year.	B40263717 Rs. 500/-	31-05-2012
3.	Form No. 66	383A	Filing of Compliance Certificate for the year 2011-2012	P91706093 Rs. 500/-	23-10-2012
4.	Form NO. 23AC & 23ACA(XBRL)	220	Filing of Balance Sheet and P&L A/c for the year ended 31st March, 2012	Q04177796 Rs. 500/-	11-12-2012
5.	Form No. 20B	159	Filing of Annual Return as on 22nd September, 2012	Q01957208 Rs. 500/-	23-11-2012

ANNEXURE 'A'

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILISOPHY ON CODE OF GOVERNANCE

Your company has always believed in the concept of good Corporate Governance involving a high level of transparency, accountability and responsibility in all areas of its operations to ensure investors protection. Your company has made necessary changes in the systems and procedures required for effective control, for the steady growth of the company and to increase the value for all stakeholders. Mandatory provisions of corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

2. BOARD OF DIRECTORS

The Board of Directors has 2 Executive Promoter Directors and 3 Non-Executive Independent Directors. The composition of Board is in compliance with the requirements of Clause 49(1)(A). The detailed composition of the Board and other related information is given in the table below:

Name of the Director	Designation	Category	No. of other Directorships held	No. of Board Committee Memberships held	No. of Board meetings attended	Attendance at the last Annual General Meeting
Shri Narendra M. Purohit	Chairman and Managing Director	Promoter Executive	-	-	7	Yes
Shri Saumil N. Purohit	Joint Managing Director	Promoter Executive	-	-	7	Yes
Shri Nishit B. Gohil	Director	Independent Non-Executive	-	3	7	Yes
Shri Mahendra H. Sanghani	Director	Independent Non-Executive	-	3	7	Yes
Shri Kumudchandra I. Sheravia	Director	Independent Non-Executive	-	3	7	Yes

The time gap between any two meetings was less than 4 months.

During the year Six Board meetings were held on the following dates which were attended by all the directors:

01/04/2012	14/05/2012	25/07/2012	14/08/2012
22/08/2012	09/11/2012	12/02/2013	-

3. AUDIT COMMITTEE

The Board of Directors of the Company has re-constituted the Audit Committee in its meeting held on 30th June, 2007, comprising three independent non-executive directors.

The composition of the Audit Committee is as under:

Name of the Director	Category	Remarks
Shri Mahendra H. Sanghani	Independent Non-Executive	Chairman
Shri Nishit B. Gohil	Independent Non-Executive	Member
Shri Kumudchandra I. Sheravia	Independent Non-Executive	Member