



23rd
ANNUAL REPORT
2013-2014

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
MRS. JAGRUTIBEN HITEN SHAH	:	ADDITIONAL 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",
OPPOSITE SARDAR PATEL STADIUM,
NAVRANGPURA,
AHMEDABAD -380 009.

23RD ANNUAL GENERAL MEETING

Date : 29th Septemeber, 2014
Day : Monday
Time : 10:30 a.m.
Place : Fun Point Club
Sarkhej Gandhinagar Highway,
Ahmedabad - 382 481

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NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of Purohit Construction Limited (CIN: L45200GJ1991PLC015878) will be held on Monday, 29th day of September, 2014 at 10:30 a.m. at Fun Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad -382 481, Gujarat, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2014, including the audited Balance Sheet as at 31st March, 2014 and the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kumudchandra I Sheravia (holding DIN 00756927), who retires by rotation in terms of provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company 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 [ICAI 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 till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Nishit B Gohil (holding DIN 01663251), Director of the Company who retires by rotation at the Annual general meeting and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 in writing from a member proposing his candidature for the office of Director along with the requisite security deposit, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years, for a term up to the conclusion of the 26th Annual General Meeting of the company in the calendar year 2017, not liable to retire 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 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mahendra Sanghani (holding DIN 00755264), Director of the Company who retires by rotation and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 in writing from a member proposing his candidature for the office of Director along with the requisite security deposit, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years, for a term up to the conclusion of the 26th Annual General Meeting of the company in the calendar year 2017, not liable to retire 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 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Jagrutiben Hiten Shah (holding DIN 05323587), who was appointed as Additional Director of the Company with effect from 30th August, 2014 and holds office up to the next Annual general meeting of the Company and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 in writing from a member proposing her candidature for the office of Director along with the requisite security deposit, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years, for a term up to the conclusion of the 26th Annual General Meeting of the company in the calendar year 2017, not liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution.
- RESOLVED THAT pursuant to Section 42 and 62 of the Companies Act, 2013 read with relevant rules thereunder and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ["SEBI (ICDR) Regulations"] and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Ahmedabad Stock Exchange where the securities of the Company are listed and subject to the approval, consent, permission and/or sanction, as may be necessary of any other appropriate authority, if any, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by appropriate authority in granting such approval, consent, permission and/or sanction, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the "Board" which term shall be deemed to include any Committee duly constituted by the Board of Directors or any Committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers including the powers conferred by this resolution) to issue, offer and allot up to 12,00,000 (Twelve Lacs) Equity Shares on preferential basis of face value of Rs. 10/- each fully paid up at a price of Rs. 12.50/- (inclusive of share premium of Rs. 2.50 per Equity Share) determined on the basis of book value of shares of the Company as derived by the Statutory Auditors of the Company (as the shares of the Company are not traded on Stock Exchange and pricing formula prescribed under Chapter VII of SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 does not apply), to the Non Promoter persons, as mentioned below on preferential allotment basis in accordance with all applicable laws, rules and regulations for the time being in force in this behalf:

Sr. No.	Name of the proposed allottee	No. of Equity Shares	PAN	Category
1	M/s. AMAX Network Private Limited	8,00,000	AADCA5777C	Non-promoter
2	Mr. Vicky Jhaveri	2,00,000	ADVPJ4127F	Non-promoter
3	Mrs. Harsha R. Jhaveri	2,00,000	ADTPJ0160E	Non-promoter

RESOLVED FURTHER THAT the issue of Equity Shares shall rank pari passu with the existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT the 'Relevant date' for the preferential issue, as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the determination of applicable price for Equity Shares is 28th August, 2014 (the date 30 days prior to the date of AGM).

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the agencies involved in such issues but subject to such conditions Stock as the Stock Exchange/ SEBI/Central Government or such other appropriate authority may impose at the time of their approval as agreed by the Board.

RESOLVED FURTHER THAT pursuant to Section 52 of the Companies Act, 2013, the premium (Rs.2.50 per Equity share) to be received on the issue and allotment of 12,00,000 Equity Shares of the Company aforesaid be transferred to the "Securities Premium Account" of the Company.

RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting Equity Shares of the Company as aforesaid, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular, to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Equity Shares of the Company, as it may, in its absolute discretion, deem fit and proper."

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:
- "RESOLVED THAT in pursuant to Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, but not exceeding Rs.50,00,00,000/- (Rupees Fifty Crores only)."
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
- "RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment

thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. Saumil N Purohit as joint Managing Director of the Company for a period of Five years with effect from 1st January, 2015

1. He shall be entitled to the following Salary and Perquisites:

- i) Salary: Rs. 90,000/- (Rupees Ninety Thousand only) in the grade of Rs. 90,000 – 5,000 – 1,10,000/-.
- 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.”

“RESOLVED FURTHER THAT the Boards of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be required to give effect to this resolution”.

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to provisions of Section 188 of the Companies Act and other applicable provisions of the Companies Act, 2013 and Rules notified there under and Clause 49 of the Listing Agreement executed between the Company and Stock Exchanges, consent of the members is hereby accorded to the Board of Directors to enter into various related party transactions for each the year 2014-15 and 2015-16, up to maximum amount as prescribed below:

Name of the related party	Type of transactions	Maximum amount per annum (Rs. in Lacs) 2014-2015	Maximum amount per annum (Rs. in Lacs) 2015-2016
Mr. Narendra M Purohit	- Civil Construction work and others work - Land Development	735	150
Aabhaar Procon LLP	- Reimbursements of income / expenditure - Civil Construction work and others work - Land Development	205	50
Shree Siddhivinayak Devsthan Trust	- Reimbursements of income / expenditure - Reimbursements of income / expenditure - Civil Construction work and others work	615	50

“FURTHER RESOLVED THAT to give effect to this Resolution the Board of Directors and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalise any documents and writings related thereto.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE: AHMEDABAD
DATED: 30th August, 2014

NARENDRA M. PUROHIT
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00755195)

NOTES

- (a) The relevant Explanatory Statement and reasons in respect of proposed Special Business pursuant to Section 102(2) of the Companies Act, 2013 is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND, VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORMS SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person.
- (c) Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (d) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11:00 a.m. to 4:00 p.m. on any working day till the date of AGM.
- (e) The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners.
- (f) The Register of Members and Share transfer books shall remain closed from 27th September 2014 to 29th September 2014 (both days inclusive).
- (g) Members are requested to intimate the change in their addresses, if any, immediately to the Company.
- (h) Members are requested to bring their copy of the Annual Report at the meeting.
- (i) The Shares of the Company are listed at Ahmedabad and Pune Stock Exchanges.
- (j) E-voting: In compliance with Section 108 of the Companies Act, 2013 and relevant rules thereunder, the Company is also required to conduct the voting process electronically. The business to be transacted at the AGM may be transacted through electronic voting system and the Company is providing the facility for voting by electronic means.

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

SECTION A : E-VOTING PROCESS -

1. Open your web browser during the voting period and log on to the e-Voting Website: www.evotingindia.com.
2. Click on "Shareholders" to cast your vote(s)
3. Select the Electronic Voting Sequence Number (EVSN) i.e. "140820009" along with "COMPANY NAME" i.e. "PUROHIT CONSTRUCTION LIMITED" from the drop down menu and click on "SUBMIT".
4. Please enter User ID-
 1. For account holders in CDSL :- Your 16 digits beneficiary ID
 2. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
 3. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 5. Enter the Image Verification as displayed and Click on Login.
 6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:
 1. Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.
For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
 2. Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#
 3. Enter your Dividend Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account#
Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cut off date i.e. 22th August, 2014 in the Dividend Bank details field.
8. After entering these details appropriately, click on "SUBMIT" tab.
9. First time user holding shares in Demat form will now reach Password Generation menu wherein they are required

to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then enter the User ID and the image verification code, click on Forgot Password, and enter the details as prompted by the system.

10. Click on the EVSN of the Company i.e. 140820009 to vote.
11. On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.
12. Click on the Resolution File Link if you wish to view the Notice.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The e-Voting period commences on September 23, 2014 (9.00 a.m.) and ends on September 25, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut off date of August 22, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii. Mr. Uday G. Dave, Company Secretary (Membership No. 6545) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.purohitconstruction.com and on the website of CDSL <https://www.evotingindia.co.in> within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Ahmedabad Stock Exchange Limited.
- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

CONTACT DETAILS

Company

Registrar and transfer agent

E-voting Agency

Scrutinizer

Purohit Construction Limited

M/S Sharepro Service (India) Private Limited

Central Depository Services (India) Limited

E-mail ID: helpdesk.evoting@cdslindia.com

Uday G. Dave,

Practising Company Secretary

Email id: info@parikhdave.com

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013.**

ITEM NO. 4 TO 5

Mr. Nishit B Gohil and Mr. Mahendra H Sanghani are Non-Executive (Independent) Directors of the Company. They are liable to retire by rotation at the Annual General Meeting under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, they seek their appointment, as Independent Directors for a term of three years.

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013, from members along with a deposit of Rs.1,00,000/- proposing their candidature for the office of Independent Directors, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from them (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for their appointment Independent Directors of the Company for a period of 3 years up to 26th Annual General Meeting pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. They are not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Nishit B Gohil and Mr. Mahendra H Sanghani, the Independent Directors proposed to be appointed, fulfill the conditions specified in the Act and the Rules made there under and are independent of the Management. A copy of the draft letter for the appointment as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

The Board considers that the continued association with them would be of immense benefit to the Company and it is desirable to continue to avail their services Independent Directors.

No director, key managerial personnel or their relatives, except the directors, to whom the resolution relates, is interested or concerned in the resolution.

ITEM NO. 6

Mrs. Jagrutiben H Shah was appointed as additional director on the Board of the company at the meeting of Board of Directors held on 30th August, 2014 and holds office up to the ensuing Annual General meeting. In terms of the provision of Section 149(1) of the Companies Act, 2013, the company being a listed company is required to appoint a woman director on its Board. Mrs. Jagrutiben H Shah is a graduate and the company could benefit by her association as a director.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing her candidature for the office of Independent Directors, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from her (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

No director, key managerial personnel or their relatives, except the director concern, to whom the resolution relates, is interested or concerned in the resolution.

ITEM NO.7

As the members are aware that it has been a policy of your Company to grow with pace by identifying right opportunities. The present business scenario provide very good growth potential for the company, and your Company is trying its best to maximize the shareholders' value by accelerating the growth in pace with the opportunities. With such a gradual growth, various measures are required to enhance financial resources. In view of this it is proposed to issue Equity Shares on preferential/private placement basis to the person/entities, as per the details mentioned in the Resolution.

The offer, issue and allotment of 12,00,000 Equity Shares to the person / Bodies Corporate shall be completed within the prescribed period of 15 days from the date of passing of the special resolution in accordance with the guidelines of the Securities & Exchange Board of India (SEBI) for Preferential Issues, being SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or within such other time as may be permitted under the said guidelines. The said Equity Share shall have such face value and premium amount and shall be subject to such terms and conditions, as are stated in the special resolution mentioned above.

The details of the proposed allottees are as below:

Sr. No.	Name of the proposed allottees	No. of Equity Shares	Amt. to be invested by each allottee (Rs.)	Category
1	M/s. AMAX Network Private Limited*	8,00,000	1,00,00,000	Non-promoter
2	Mr. Vicky Jhaveri	2,00,000	25,00,000	Non-promoter
3	Mrs. Harsha R. Jhaveri	2,00,000	25,00,000	Non-promoter
	Total	12,00,000		

* M/s. AMAX Network Private Limited having its registered office at 603, Elizabeth Apartments, Balasaheb Madhukar Road, Elphinstone West, Mumbai – 400013 is not associated with promoter/ promoter group of the Company.

The Disclosure as required under "SEBI Guidelines for Preferential Issue" under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

a) Objects of the issue:

To mobilize funds for funding current/future expansion plans/activities directly by the Company or through subsidiaries/joint venture companies, potential acquisitions, working capital and general corporate purpose.

b) Intention of Promoters/Directors/Key Management persons to subscribe to the proposed preferential offer:

No shares are being offered to Promoters, Directors or Key Managerial Personnel or relatives of the Directors or Key Managerial Personnel of the Company.

c) Shareholding Pattern of the Company before and after the proposed Preferential Issue:

The shareholding pattern of the Company before and after the preferential issue are as under:

Sr. No.	Category of Shareholder	Pre-issue		Post-issue	
		Pre-issue shares held	% of Total Holding	Post-issue shares held	% of Total Holding
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian Promoters (A)	1479400	36.93%	1479400	28.42%
(B)	Public Shareholding				
(1)	Non-institutions				
	Bodies Corporate	43200	1.08%	843200	16.20%
	Individuals	2483000	61.99%	2883000	55.38%
	Foreign Corporate Bodies/ NRIs	—	—	—	—
	Others	—	—	—	—
	Sub-Total (B1)	2526200	63.07%	3726200	71.58%
	GRAND TOTAL (A)(1)+(B)(1)	4005600	100%	5205600	100%

d) Proposed time with in which allotment will be completed:

The allotment of aforesaid Equity Shares as proposed under special resolution of the notice will be completed within 15 days from the date of the passing of the resolutions by shareholders or when the allotment on preferential basis requires any approval by any regulatory authority like Stock Exchanges or Central Government or any statutory body, the allotment of shares will be completed within 15 days from the date of such approvals.

e) Identity of allottees with percentage of expanded capital to be held by them:

The proposed allottees for aforesaid Equity Shares pursuant to special resolution as mentioned above of the notice and the percentage of expanded capital to be held by them after the proposed allotment of the said equity shares to them as per the said resolution are as under:

Name of the proposed allottees	Status	Pre-allotment holding	% of present equity capital	No. of Equity Share proposed to be allotted	Post allotment holding	% of post Issue Equity Capital
M/s. AMAX Network Private Limited	Non-promoter	—	—	8,00,000	8,00,000	15.37%
Mr. Vicky Jhaveri	Non-promoter	—	—	2,00,000	2,00,000	3.84%
Mrs. Harsha R. Jhaveri	Non-promoter	—	—	2,00,000	2,00,000	3.84%
Total		—	—	12,00,000	12,00,000	23.05%

f) Pricing:

Pricing formula prescribed under Chapter VII of SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 is not applicable, as the shares of the Company are not traded on Stock Exchange, hence pricing taken on the basis of Book Value of shares of the Company.

The issue of equity shares on preferential basis shall be at a price of Rs.12.50/-(Rs.10/- face value + Rs. 2.50/- premium) which is based on book value of shares of the Company. Company has taken relevant valuation certificate from Statutory Auditors of the Company.

g) Undertaking about the re-computation of price:

The Company undertakes that it shall re-compute the price of the equity shares, if necessary in terms of provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 where it is required to do so

The Company also undertakes that in the event of requirement to re-compute the price and if such re-computed price is higher than the price paid on allotment and the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations, 2009, the Issue Shares shall continue to be locked -in till the time such amount is paid by allottees.

h) Basis of valuation of shares:

The Company is a listed company, the price of the Equity share is not required to be determined by a registered valuer.

i) Earlier allotment on preferential basis:

For Financial Year 2014-15, the Company has not offered any Securities to any person on preferential basis except the one mentioned in this notice.

j). Lock-in period:

The aforesaid Equity Shares of the Company to be issued and allotted on preferential basis shall be subject to lock-in from such date and such periods as specified under the SEBI (ICDR) Regulations.

k) Change in Management

The proposed preferential allotment of equity shares will not result in any change in the management and control of the company. Voting right shall change according to the change in shareholding pattern mentioned above.

l) Certificate from Statutory Auditors:

A copy of the certificate of the Statutory Auditor of the Company certifying the adherence to SEBI's guidelines as in force till date is kept open for inspection at the Registered Office of the Company between 11.00A.M. and 1.00 P.M on any working days (except Saturday and bank holidays) and also shall be laid before the share holders at the proposed General Meeting.

Section 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares etc., such further shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 62 unless the shareholder in general meeting decide otherwise by passing a special resolution.

In terms of provisions of Section 62(c) of the Companies Act, 2013, approval of the shareholders through Special Resolution is required for issue of Equity Shares on Preferential basis. Accordingly, the consent of the shareholders is being sought, pursuant to the applicable provisions of the Act and SEBI (ICDR) Regulations to issue and allot Equity Shares on Preferential basis as stated in the Resolution.

The Board of Directors recommends passing of the Special Resolution as set out in the Notice.

None of the Directors, Key Managerial personnel and their relatives are in any way concerned or interested, financial or otherwise in the said Resolution.

ITEM NO. 8

In terms of Section 180 of the Companies Act, 2013 the Board of Directors of the Company is authorised to borrow upto a sum of the paid-up share capital and free reserves of the Company (apart from the temporary loans