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Purohit Construction Ltd.

CIN : L45200GJ1991PLC015878

Regd. Office : Purohit House Opp. Stadium, Navrangpura, Ahmedabad-380 009, Gujarat, India

Ph. : 91-79-66620104

Ph. : 91-79-26426486

E-mail : purohitconstruction@gmail.com

• Web : www.purohitconstruction.com

• info@purohitconstruction.com

• cs@purohitconstruction.com



August 22, 2019

To,
BSE Limited,
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Dear Sir/Ma'am,

Subject: Annual Report -2018-19

Scrip Code: 538993

This has further to our communication dated 19th August 2019 intimating the Annual General Meeting (AGM) of the Company to be held on Friday, 27th September 2019.

In compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, we are sending herewith Annual Report of the Company along with Notice of AGM for the financial year 2018-19 which is being dispatched/sent to the shareholders by the permitted mode(s).

The Annual Report including AGM Notice are also available on the Company's website <http://www.purohitconstruction.com/InvestorRelations.aspx>.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully

For Purohit Construction Limited

Nishit Sandhani
Company Secretary



Encl: Above mention

CC:

1. National Securities Depository Ltd.
2. Central Depository Ltd.
3. Bigsahre Service Private Ltd.

28th
Annual Report
2018-2019



PUROHIT CONSTRUCTION LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Narendra Purohit	Chairman & Managing Director
Shri Saumil Purohit	Jt. Managing Director
Shri Nishit B Gohil	Independent Director
Shri Mahendra Sanghani	Independent Director
Smt. Jagruti Shah	Independent Director

CHIEF FINANCIAL OFFICER

Shri Saumil Puorhit

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Nishitkumar Sandhani

BANKERS

Kotak Bank Limited
HDFC Bank Limited
State Bank of India

AUDITORS

M/s. Saurabh R Shah & Co,
Chartered Accountants,

SECRETARIAL AUDITOR

M/s. Parikh Dave & Associates
Company Secretaries

INTERNAL AUDITOR

M/s. Paresh Rupabhinda & Associates.,
Chartered Accountants,

REGISTERED OFFICE

401, PUROHIT House,
Opp. S.P Stadium, Navrangpura,
Ahmedabad 380 009.
Tel. (079) 66620104
Email Id –cs@purohitconstruction.com
Website –www.purohitconstruction.com
CIN: L45200GJ1991PLC015878

REGISTRAR AND SHARE TRANSFER AGENTS

Bigshare Services Pvt. Ltd
A/802, Samudra Complex,
Near Klassic Gold Hotel,
Girish Cold Drink, Off C. G. Road,
Ahmedabad – 380009

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Independent Auditors' Report
Balance Sheet
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28th Annual General Meeting

Date : 27th September, 2019
Day : Friday
Time : 10.00 a.m.
Place : Aarya Grand Hotel & Resorts,
(earlier known as Fun Point Club)
Kargil Petrol Pump Lane,
Sarkhej Gandhinagar Highway,
Near Gujarat High Court ,
Sola Road, Ahmedabad-380060

NOTICE

Notice is hereby given that the 28th Annual General Meeting of **PUROHIT CONSTRUCTION LIMITED** will be held at Aarya Grand Hotel & Resorts (Earlier known as Fun-Point Club), Kargil Petrol Pump Lane, Sarkhej Gandhinagar Highway, Near Gujarat High Court, Sola Road, Behind Kargil Petrol Pump, Ahmedabad 380060 on Friday, 27th September, 2019 at 10:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt financial statements of the Company including Audited Balance Sheet as at 31st March, 2019 and Statement of Profit and Loss and Cash Flow for the year ended on that date together with the Directors' Report and also the Auditors' Report thereon.
2. To appoint a Director in place of Shri Narendra Purohit (DIN 00755195), who retires by rotation and being eligible offers himself for re- appointment.
3. 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 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors at its meeting held on 29th July, 2019 M/s. Parekh Parekh and Associates, Chartered Accountants (Firm Reg. No. 132988W), Ahmedabad be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Saurabh R Shah & Co., Chartered Accountants (Firm Regn. No. 127176W), Ahmedabad.

RESOLVED FURTHER THAT pursuant to the provisions of the section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and The Companies (Audit & Auditors) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Parekh Parekh and Associates, Chartered Accountants (Firm Reg. No. 132988W), Ahmedabad be and are hereby appointed as the Statutory Auditors of the Company, for a term of five consecutive years to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM to be held for the financial year ending on 31st March, 2024, on the remuneration as may be decided by Managing Director of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**.

RESOLVED THAT in accordance with the provisions of Sections 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), read with Articles of Association of the Company and such other approvals as are necessary, consent of the Company be and is hereby accorded for affirming the existing remuneration, as set out in the Explanatory Statement, payable to Shri Narendra M Purohit (DIN: 00755195), Managing Director of the Company for his remaining tenure with effect from 1st April, 2020.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Company be and is hereby accorded to continue the payment of remuneration for his remaining tenure to Shri Narendra M Purohit (DIN: 00755195), Managing Director which is in excess of the limit prescribed under the aforesaid regulation.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee of the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Shri Narendra M Purohit, the remuneration payable to him subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) without further approval of the Board and members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

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.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**.

RESOLVED THAT pursuant to the provisions of Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act, consent of the Company be and is hereby accorded to continue the payment of remuneration for his remaining tenure to Shri Saumil Purohit, Jt. Managing Director (DIN: 01861110) which is in excess of the limit prescribed under the aforesaid regulation.

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.

REGISTERED OFFICE:

401, Purohit House,
Opp Sardar Patel Stadium
Navrangpura, Ahmedabad-380009
Date : 19th August, 2019
Place : Ahmedabad

**BY ORDER OF THE BOARD
FOR, PUROHIT CONSTRUCTION LIMITED**

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
- A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10%(ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and same person shall not act as Proxy for any other person or shareholder. The instrument appointing the Proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll.
- The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business listed in the Notice is annexed hereto and forms part of this Notice.
- Members seeking clarifications on the Annual Report are requested to send in writing their queries to the Company at least 7 working days before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
- Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send the company certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
- Only registered members of the Company or any proxy appointed by such registered member may attend the Annual General meeting as provided under the provisions of the Companies Act, 2013.
- The annual accounts, the reports and all other documents required under the law to be annexed thereto and referred in to accompanying notice are available for inspection during working hours at the Registered Office of the Company on any working day up to the conclusion of this meeting. Members may also note that the notice of annual general meeting will also be available on the website of the Company www.purohitconstruction.com for their download.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant. Members holding shares in physical form shall submit their PAN details to the Company.
- Copies of the Annual Report for the year along with notice convening the Annual General Meeting are being dispatched by electronic mode to all the members whose email addresses are registered with the Company/DP. For members who have not registered their email addresses, physical copies are being sent by the permitted mode. Members who have not registered their e mail id address with the Company are requested to get their e mail ids registered with the Company.
- Brief Profile of Directors seeking re-appointment at the Annual General Meeting pursuant to Secretarial Standards and Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the ICSI , are given below:

Name of Director	Date of Birth	Date of Appointment	Expertise & Qualification	Share-holding in the Company	*Details of Directorship held in other Companies as on 31.03.19	#Details of Membership/ Chairmanship of Committee as on 31.03.19
Narendra Purohit DIN: 00755195	01/05/1955	01/04/2007	Commerce Graduate, Management, Finance and Strategic business planning.	848700 19.26%	NIL	NIL
Saumil Purohit DIN: 01861110	21/09/1983	01/01/2014	Commerce Graduate, Management, Finance and Strategic business planning.	445910 10.12%	NIL	NIL

Shri Saumil Purohit, Joint Managing Director of the company is son of Shri Narendra Purohit, Managing Director of the company.

* Excludes the Private Limited Companies, Foreign Companies and Companies regd. under Section 8 of the Companies Act, 2013.

under this column, membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee is considered.

11. Members holding shares in electronic form are requested to intimate immediately the change, if any in their registered address to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form are requested to intimate any such change to the Company or its Share Transfer Agent i.e. Bigshare Services Pvt. Ltd., quoting their folio numbers.
12. Members holding shares in demat form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service [NECS], Electronic Clearing Services [ECS] mandates, nominations, power of attorneys, change in address, change of name, email address, contact numbers, etc. if any to their Depository Participant [DP]. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or Bigshare Services Pvt. Ltd., Registrar and Transfer Agents of the Company.
13. Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018-49 dated 30th November, 2018, all shareholders holding equity shares in physical form are informed that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.
14. The Ministry of Corporate Affairs (MCA), New Delhi has taken "Green initiatives in Corporate Governance" by allowing paperless compliance by the Companies and issued a circular clarifying that the service of documents to be made by a Company can be made through electronic mode. To support the green initiative of the Ministry of Corporate Affairs, members who have not yet registered their e-mail id are requested to register the same immediately. Members holding shares in physical form are requested to register their e-mail id by communicating the same to the Company mentioning their Folio number. Members holding shares in electronic form are requested to register their e-mail id are advised to approach their Depository Participants in this regard.
15. In case of joint holders attending the Meeting, only such Joint holders, who are higher in order of names will be entitled to vote.
16. Members who hold shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Regd. Folio number in the Attendance Slip for attending the Annual General meeting to facilitate identification of membership at the Annual General meeting.
17. Members / proxies are requested to bring the attendance slip sent herewith duly filled in for attending the meeting and members are also requested to bring the copy of Annual Report to the meeting.
18. In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' to exercise their right to vote at the Annual General Meeting (AGM). Necessary arrangements have been made by the Company with Central Depository Services [India] Limited [CDSL] to facilitate remote e-voting. The detailed process, instructions and manner for availing remote e-voting facility is as given under the notes. The Members can cast their vote online from 10.00 A.M on 24th September, 2019 to 5.00 P.M. on 26th September, 2019. (Both days Inclusive).
19. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners.
20. The Shares of the Company are listed at BSE Limited & Ahmedabad Stock Exchange Limited.
21. A Route Map showing the Directions to reach the venue of the 28th Annual General Meeting is attached along with the notice as per the requirement of Secretarial Standards – 2 on General Meeting.
22. **E-voting means:**

In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 as amended from time to time together with relevant clauses in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited [CDSL] to facilitate e-voting. The detailed process, instructions and manner for availing e-Voting facility is as below under notes:

- (a) The Board of Directors has appointed Shri Uday G. Dave, Partner of M/s. Parikh Dave & Associates, Practicing Company Secretaries, (Membership No. 6545) as the Scrutinizer to scrutinize the e-voting and poll process at the annual General Meeting in a fair and transparent manner.

- (b) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General meeting, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not being in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing, who shall countersign the same.
- (c) The result will be declared on receipt of Scrutinizer's Report. The Result declared along with the scrutinizer's report will be available on the website of the Company www.purohitconstruction.com and on the website of agency (www.evotingindia.com) immediately after the result is declared. The Company shall simultaneously forward the result to BSE Limited (BSE) where the equity shares of the Company are listed, within the prescribed period.
- (d) The facility for voting through poll shall also available to the members at annual general meeting. The members attending the meeting shall be able to exercise the voting rights at the meeting.
- (e) Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Paper shall be treated as invalid.
- (f) The e-voting period commences on 24th September, 2019 [10:00 a.m.] and ends on 26th September, 2019 [5:00 p.m.]. During this period, Members holding shares either in physical form or demat form, as on 20th September, 2019 i.e. cut-off date, 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 Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (g) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
- (h) Any person, who acquires shares of the Company after dispatch of the Notice and holds shares as on cut-off date, may cast vote after following the instructions for remote e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
- (i) Shri Nishit Sandhani, Compliance Officer of the Company, shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. His contact details are,
Email: cs@purohitconstruction.com, Phone No. : (079) - 66620104.
Address: 401, Purohit House, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad-380009

23. **E-Voting facilities:**

The shareholders should log on to the e-voting website Website: www.evotingindia.com

- (a) Click on "Shareholders" to cast your vote(s)
- (b) Select the Electronic Voting Sequence Number (EVSN) "COMPANY NAME" i.e. "PUROHIT CONSTRUCTION LIMITED" from the drop down menu and click on "SUBMIT".
- (c) Now enter your User ID-
 - For account holders in CDSL :- Your 16 digits beneficiary ID
 - For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (d) Next Enter the Image Verification as displayed and Click on Login.
- (e) 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.

- (f) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Cover letter. <p>In case the sequence 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

after entering these details appropriately, click on "SUBMIT" tab.

- (g) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (h) Click on the EVSN for PUROHIT CONSTRUCTION LIMITED on which you choose to vote.
- (i) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (j) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (k) 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.
- (l) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (m) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (n) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (o) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same or shall be email to the scrutinizer on evoting@parikh-dave.com.

PUROHIT CONSTRUCTION LIMITED

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	Purohit Construction Limited Email: cs@purohitconstruction.com
Registrar and transfer agent	Bigshare Services Pvt. Ltd Email: bssahd@bigshareonline.com
E-voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
Scrutinizer	Parikh Dave & Associates Practising Company Secretary Email id: evoting@parikhdave.com

REGISTERED OFFICE:

401, Purohit House,
Opp Sardar Patel Stadium
Navrangpura, Ahmedabad-380009
Date : 19th August, 2019
Place : Ahmedabad

BY ORDER OF THE BOARD FOR, PUROHIT CONSTRUCTION LIMITED

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the ordinary/special businesses mentioned in the accompanying Notice.

ITEM NO. 3

M/s. Saurabh R Shah & Co., Chartered Accountants (Firm Regn. No. 127176W), Ahmedabad were appointed as Statutory Auditors of the Company by the Members at the 26th Annual General Meeting (AGM) of the Company held on 13th September, 2017, until the conclusion of Annual General Meeting to be held for the financial year ending on 31st March, 2022. The auditors have tendered their resignation with effect from 29th July, 2019 as they have discontinued undertaking the assignments of statutory audit for IND-AS complied financial statements.

The Board of Directors has approved the recommendation of the Audit Committee for appointment of M/s. Parekh Parekh and Associates, Chartered Accountants (Firm Reg. No. 132988W), Ahmedabad as the Statutory Auditors of the Company till the conclusion of this Annual General Meeting and further for the term of Five years from the conclusion of this Annual General Meeting (AGM) until the conclusion of AGM to be held for the financial year ending on 31st March, 2024.

As per the provisions of Companies Act, 2013 read with rules made thereunder a causal vacancy caused due to resignation of Statutory Auditor needs to be approved by the members in a general meeting within three months. Accordingly, the Board of Directors have recommended the appointment M/s. Parekh Parekh and Associates, Chartered Accountants as the Statutory Auditors of the Company to the members of the company for their approval at the Annual General Meeting.

M/s. Parekh Parekh and Associates, Chartered Accountants, have confirmed that their appointment, if made, would be within the limits specified under Section 141 of the Companies Act, 2013 and that they are not disqualified from being appointed as Statutory Auditors of the Company in terms of the applicable provisions of the Act and the Companies (Audit and Auditors) Rules, 2014.

There is no change in the proposed fees payable to M/s. Parekh Parekh and Associates, Chartered Accountants, the new Statutory Auditors, from the fees paid to the outgoing Auditor. The details of fees payable to statutory Auditors are as under:

Payment to Auditors

Particulars	Amount in Rs.
Audit Fees	75,000/-

Brief Profile of Statutory Auditors:

FIRM PROFILE

1	NAME OF THE FIRM	PAREKH PAREKH & ASSOCIATES CHARTERED ACCOUNTANTS
2	DATE OF ESTABLISHMENT	23/12/2011
3	CONSTITUTION	PARTNERSHIP FIRM
4	NAME OF THE PARTNERS	CA SUNNY PANKAJKUMAR PAREKH CA KRINA SUNNY PAREKH
5	MEMBERSHIP NO OF ICAI	SUNNY P. PAREKH – 131188 KRINA S. PAREKH – 136757
6	FIRM REGISTRATION NO OF ICAI	132988W
7	DATE OF ENROLMENT AS MEMBER OF ICAI	SUNNY P. PAREKH – 05/01/2009 KRINA S. PAREKH – 28/07/2010
8	PAN CARD OF FIRM	AANFP3583G
9	HEAD OFFICE OF FIRM	9 CHETNA SOCIETY, NEAR SARDAR SOCIETY, SURENDRANAGAR – 363001. (GUJARAT)
10	BRANCH OFFICE OF FIRM	201 ABHIJYOT, NEAR AVANTI BUNGALOWS, BILLESHWAR MAHADEV ROAD, SATELLITE, AHMEDABAD – 380015. (GUJARAT)

11 ABOUT US:

The Firm is started by Sunny Parekh and Krina Parekh with the aim of providing value added professional services in various fields of Bank Audit, Taxation, Project Finance, Service Tax, Statutory audit, Internal audit. We believe in upholding the highest standards of business ethics with timely services of our clients with value addition and good quality. The firm is working with the aim to achieve growth in Chartered Accountancy field and to strive the best for their client.

12 KEY PERONS

SUNNY P. PAREKH ACA, B.COM	Partner of the firm, born on 6 th July 1985. He did graduation from Gujarat University in April 2005 and cleared CA final in November 2007. He has done articleship from Mumbai and done Industrial training for last 9 months in Shilp Gravures Limited, Gandhinagar. Holding Certificate of practice since 22/07/2011
KRINA S. PAREKH ACA, M.COM	Partner of the firm, born on 13 th August 1985. She did graduation from M. S. University, Vadodara in April 2005 and cleared CA final in May 2010. She has done articleship from Mumbai and Baroda. She has also done M.Com from M. S. University, Vadodara completed in April 2007. Holding Certificate of Practice since 19/12/2011

13 SERVICES OFFERED

Income Tax	Preparation and filing of Income Tax returns of Individuals, Firms, Pvt Ltd companies, Trust etc. Handling of Scrutiny matters of Income Tax.
Project Finance	Preparation of CMA data for availment of term loan, working capital and any other business loans. Also preparing necessary business profile of clients, preparation of project report, negotiating with bank for better terms and reduction in cost of interest.
Tax Audit	Preparing 3CA, 3CB, 3CD report with various annexures of individuals, Firms and Companies.
ROC	Filing of Annual return, New company incorporation, various form of Annual filing and other forms of ROC.
Service Tax	New Registration, filing of returns, Notices etc.
GST	Preparation of GST returns, timely payment of GST, GST audit, and other matters of Scrutiny and Annual return.
Accounting	Overall review of accounts work on random basis and strongly manage the accounts for compliance and better performance of accountancy work.

The Board of Directors recommends the passing of the Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 3 of this Notice.

ITEM NO. 4

The members of the Company at the 26th Annual General Meeting held on 13th September, 2017 have appointed Shri Narendra Purohit as Managing Director for the term of five years and approved payment of remuneration for the term of three years from 1st April, 2017. In view of same, the approval of the members is hereby sought to continue/ affirming payment of remuneration for his remaining tenure of appointment i.e. till 31st March, 2022. Pursuant to provision of Regulation 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, applicable from April 1, 2019, the Company shall be required to take approval of members by way of special resolution for payment of remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of the threshold limit prescribed under the said regulation.

The Board of Directors of the Company at their Meeting, upon recommendation of Nomination and Remuneration Committee of the Board, had recommended payment of remuneration for the period of three years w.e.f. 1st April, 2020 on the revised terms and conditions as mentioned herein below:

1. He shall be entitled to the following Salary and Perquisites:
 - i) Salary: Rs. 1,30,000/- (Rupees One Lakh Thirty Thousand only) in the grade of Rs. 1,30,000 – 10,000 – 1,50,000/- per month.
 - ii) In addition to the salary he shall be entitled to the perquisites as listed below, which shall not be included in the computation of ceiling of remuneration specified herein above:
 - a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these singly of 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.
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, however in any case, the total remuneration shall not exceed the limit as specified in Schedule V of the Companies Act, 2013.
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 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.

None of the Directors or Key Managerial Personnel of the company except Shri Narendra M Purohit, Managing director and Shri Saumil N Purohit, Joint Managing Director being related to him, be deemed to be concerned or interested in the above resolution.

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I GENERAL INFORMATION:

1	Nature of Industry	Construction and trading of construction material		
2	Date or Expected Date of Commencement of Commercial Production	Not applicable as the company has already undertaken commercial activities long back		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators.	₹ in Thousands		
		Particulars	2018-19	2017-18
		Total Income	33192	169685
		Profit Before Tax and Depreciation (Including Exceptional Item)	2400	3606
		Depreciation	1826	2629
		Profit Before Tax	574	977
		Provision for Income Tax	440	836
		Provision for Deferred Tax	(245)	(482)
		Profit After Tax	379	623
		Equity Capital (face value ₹ 10)	44056.00	44056.00
		Earnings per Share (₹)	0.09	0.14
5	Export performance based on given indicators.	₹ in Lacs		
		Particulars	2018-19	2017-18
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	--	--
6	Foreign Investments or Collaboration, if any.	The Company did not have any foreign investments or collaborations.		

II INFORMATION ABOUT THE APPOINTEE:

1 Background Details

Shri Narendra Purohit is a Commerce Graduate and has been associated with the Company for more than 12 years. He is actively involved in accomplishment of the Company's various projects.

2 Past Remuneration: Rs. 14.40 Lacs

3 Recognition or awards: NIL

4 Job Profile and his suitability:

Managing Director is required to shoulder the responsibilities of the strategic transactions of the Company and ensuring the smooth functioning of the Company through effective leadership. His indepth knowledge of the construction sector has strengthened the brand of the company in the market. His leadership has enabled the Company to withstand the stiff competition prevailing in the industry.

5 Remuneration proposed:

As per details given above.

6 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

There are no companies of the same size in the industry as such there is no statistics available of comparative remuneration profiles.

7 Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

In addition to remuneration and perquisites withdrawn, Shri Narendra Purohit holds 8,48,700 (19.26%) shares in the Company.

III OTHER INFORMATION:

1 Reasons of Loss or Inadequate Profits:-

The profits of the Company are in line with the current industrial scenario and are reasonable but the remuneration payable to the Managing Director, considering his valuable contributions and increased responsibilities, as mentioned

here above during his tenure exceeds the limits prescribed under Section 197 of the Companies Act, 2013 however are in line with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013.

2 Steps taken or proposed to be taken for improvement:

Not Applicable.

3 Expected increase in productivity and profits in measurable terms:

The Company being engaged in construction sector, the increase in productivity is dependent on the external factors in terms of the main operations of the company, it is hard to project the future operations and profits. However, there is a strong content and dedication of the management of the company to register the growth in terms of increase in operations as well as the profitability of the company on a year to year basis.

Item No. 5

Pursuant to provision of Regulation 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, applicable from April 1, 2019, the Company shall be required to take approval of members by way of special resolution for payment of remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of the threshold limit prescribed under the said regulation.

The appointment and terms of payment of remuneration to Shri Saumil Purohit, Jt. Managing Director (DIN: 01861110) has already been approved by the members by way of Special resolution in the Annual General Meetings held on 29th September, 2014 for the term of five years from 1st January, 2015 which is in excess of the limits prescribed under the provision of 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

In order to comply with the requirement of Listing Regulations and on recommendation of Board of Directors, approval of Members by way of Special Resolution is sought to continue paying him remuneration for his remaining tenure notwithstanding that the same shall exceed the limits prescribed under said regulation.

The Board recommends passing of the proposed special resolution.

None of the Directors or Key Managerial Personnel of the company except Shri Saumil N Purohit, Joint Managing Director and Shri Narendra M Purohit, Managing Director, being relative be deemed to be concerned or interested in the above resolution.

REGISTERED OFFICE:

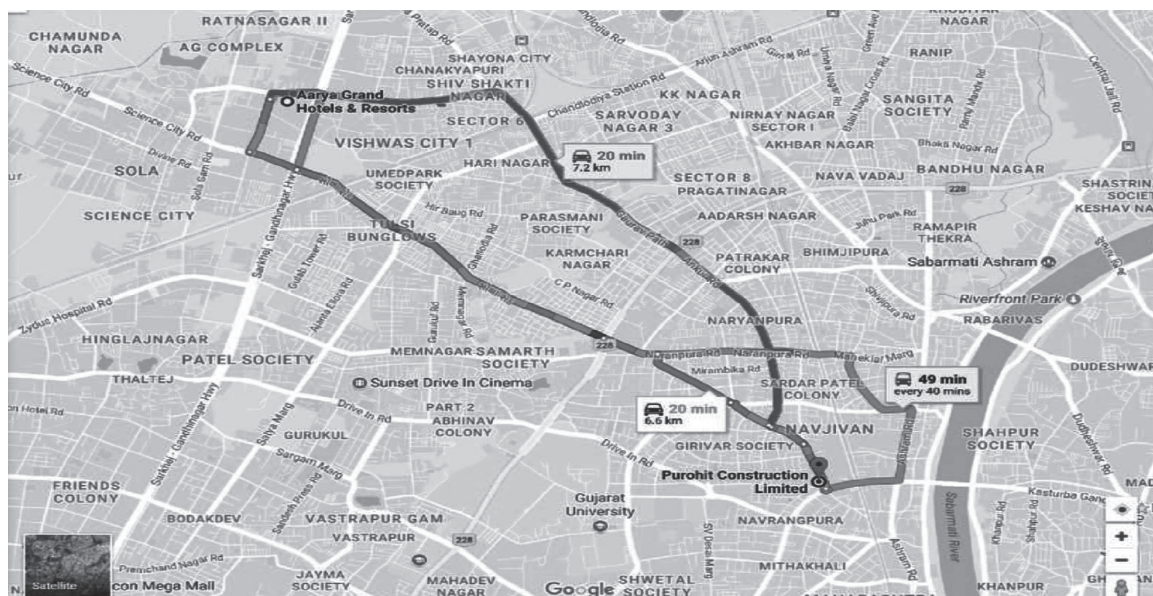
401, Purohit House,
Opp Sardar Patel Stadium
Navrangpura, Ahmedabad-380009
Date : 19th August, 2019
Place : Ahmedabad

BY ORDER OF THE BOARD

FOR, PUROHIT CONSTRUCTION LIMITED

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

AGM VENUE ROUTE MAP



DIRECTORS' REPORT

To,
The Members,
PUROHIT CONSTRUCTION LIMITED

Your Directors have pleasure in presenting **28th Annual Report** together with the **Audited Financial Statements** and **Auditors' Report** thereon for the year ended **31st March, 2019**.

1. FINANCIAL RESULTS:

Rs. in Thousands

Particulars	Standalone	
	For the year ended March 31,2019	For the year ended March 31,2018
Total Income (incl. Other Income)	33192	169685
Financial Expenses	53	76
Depreciation	1826	2629
Profit/ (Loss) Before Taxation	574	977
Less: Provision for Income Tax	440	836
Less: Provision for Deferred Tax	(245)	(482)
Profit After Taxation	379	623
Less: Prior Period adjustment	-	-
Transfer to General Reserve	-	-
Surplus Brought Forward	12350	11656
Net Balance carried to balance Sheet	13926	13547

2. OPERATIONS/STATE OF AFFAIRS :

The Company has competed all the projects on hand during the year under review and due to economic downturn the turnover of the Company has been reduced from Rs. 169239 Thousands in previous year to Rs. 32493 Thousands in current year. Consequently, the Profit before tax of the Company has been declined from Rs. 977 Thousands to Rs. 574 Thousands and Profit after Tax from Rs. 623 Thousands to Rs. 379 Thousands in the current financial year.

3. DIVIDEND :

Since the Company needs to plough back the profits for the future development and expansion, dividend payment cannot be considered. Therefore your Directors have not recommended any dividend for the financial year.

4. AMOUNT TRANSFERRED TO RESERVES:

During the year, Company has not transferred any amount to Reserves.

5. DEPOSITS:

The Company has not accepted any deposit from public during financial year.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE CONCLUSION OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company, to which the financial statements relate, i.e. 31st March, 2019 and the date of the Board's Report.

7. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of the business.

8. CHANGES IN SHARE CAPITAL:

During the year under review, there was no change in the Company's issued, subscribed and paid – up equity share capital. On March 31, 2019, it stood at Rs.44, 056,000/- consisting of 4405600 equity shares of Rs.10/- each.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

9.1 Mr. Narendra Purohit, Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for reappointment.

The Board recommends the re-appointment of above Director by passing of the necessary resolution.

During the year under review, Shri Saumil Purohit has been appointed as a Chief Financial Officer w.e.f. 14th February, 2019 in place of Shri Sanny Parante.

Due to old age, Shri Kumudchandra Sheravia has resigned as a Director of the Company w.e.f. 29th March, 2019. The Board places on record the valuable contribution given by him during his tenure as a Director.

9.2 Declaration by Independent Directors

The Independent Directors of the Company viz. Mr. Mahendra Sanghani, Mr. Nishitkumar Gohil, and Mrs. Jagrutiben Shah have given declaration to the Company that they qualify the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

9.3 Policy on Appointment and Remuneration of Directors, KMP and Senior Management Personnel.

The Policy of the Company on Directors' Appointment and remuneration of Directors' Remuneration of Key Managerial Personnel and other employees of the company pursuant to sub – Section(3) of Section 178 is appended as **Annexure -1** to this Report. The Policy has been posted on the website of the Company <http://www.purohitconstruction.com/InvestorRelations.aspx>

9.4 Formal Annual Evaluation Process by Board;

The Company has in place a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The Board after taking into consideration the criteria of evaluation laid down by the Nomination and Remuneration Committee in its policy such as Board Composition, level of involvement, performance of duties, attendance etc. had evaluated its own performance, the performance of its committees and Independent Directors (excluding the Director being evaluated) and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors in their separate meeting held.

The Board of Directors was satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

9.5 Familiarization Programme for Independent Directors:

The Familiarization Programme seeks to update the Independent Directors on various matters covering Company's strategy, business model, operations, organization structure, finance, risk management etc. It also seeks to update the independent Directors with their roles, rights, responsibilities, duties under the Companies Act and other statutes. The policy and details of familiarization programme imparted to the Independent Directors of the Company has been kept on the website of the Company at the link: <http://www.purohitconstruction.com/InvestorRelations.aspx>

10. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134 (5) of the Companies Act, 2013, in relation to financial statements for the year the Board of Directors state that:

- (a) In the preparation of Annual Accounts for the period ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The Directors 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 of the Company for the year ended March 31, 2019.
- (c) The Directors have 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;
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. NUMBER OF MEETINGS OF BOARD:

During the year under review, six meetings of the Board of Directors were held on (1) 30th May, 2018 (2) 14th August, 2018 (3) 14th November, 2018 (4) 8th January, 2019 (5) 29th January, 2019 and (6) 14th February, 2019. All the Directors remained present in all the Board meetings. This intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

12. DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Details pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 2** to this report.

In terms of provisions of Section 136(1) of the Act, the Annual Report excluding the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. The said information is open for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

13. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY :

All Transaction entered into with the Related Parties during the financial year under the review were on an arm's length basis and were in the ordinary course of business.

The Policy on materiality of related Party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website <http://www.purohitconstruction.com/InvestorRelations.aspx>

The summary of related party transaction is given in AOC-2 is annexed herewith as **Annexure – 3** which forms part of this report.

14. AUDITORS AND AUDITORS' REPORT:

The present statutory auditors M/s. Saurabh R Shah & Co., Chartered Accountants (Firm Regn. No. 127176W), Ahmedabad have tendered their resignation with effect from 29th July, 2019.

The Board of Directors at its meeting held on 29th July, 2019 appointed M/s. Parekh Parekh and Associates, Chartered Accountants (Firm Reg. No. 132988W), Ahmedabad as Statutory Auditors of the Company. The Board recommends their appointment as per the resolution appended in the notice.

15. INTERNAL AUDITOR:

The Board on the recommendation of Audit Committee had appointed M/s. Paresh Rupabhinda & Associates, Chartered Accountants (FRN: 135056W) as an Internal Auditors for the financial year 2018-19.

16. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliances with all regulatory guidelines.

The Audit Committee of the Company periodically reviews the adequacy of internal financial controls.

17. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Companies Act, 2013, the Board has appointed M/s. Parikh Dave & Associates, Company Secretaries, to undertake Secretarial Audit of the Company.

A report from Secretarial Auditor is annexed to this Report herewith as **Annexure- 4**. The same does not contain any qualification, reservation or adverse remark or disclaimer.

18. SECRETARIAL STANDARDS:

The Board of Directors of the company has complied with applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

19. INDUSTRIAL RELATIONS:

The Company has maintained cordial relations with the employees of the Company throughout the year. The Directors wishes to place on record sincere appreciation for the services rendered by the employees of the Company during the year.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

21. RISK MANAGEMENT:

The Company has formulated the Risk Management Policy in order to safeguard the organization from various risks through timely actions and to mitigate the effect of risk bearing impact on the Business.

In the opinion of the Board there has been no identification of element of Risk that may threaten the existence of the Company.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees, Investment and Advances made if any, are described in notes to the Financial Statement.

23. EXTRACT OF ANNUAL RETURN:

As required by the provisions of Section 134(3)(a) of the Companies Act, 2013 and relevant rules made there under, the extract of the annual return as provided under sub-section (3) of section 92 is attached herewith **Annexure 5**.

24. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 15 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provision of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V does not apply to the Company. Hence, report on Corporate Governance does not form part of the Directors' report. Report on Management Discussion and Analysis Report is given herewith as a **Annexure 6**.

25. AUDIT COMMITTEE:

During the year, the Audit committee consists of three Members, Shri Mahendra Sanghani (designated as Chairman of the committee), Shri Nishit Gohil and Shri Kumudchandra Sheravia (ceased w.e.f. 29/03/2019) and Smt. Jagrutiben Shah (appointed w.e.f. 29/03/2019). During the year under review, 4 committee meetings were held on (1) 30/05/2018 (2) 14/08/2018 (3) 14/11/2018 and (4) 14/02/2019 which have been attended by all the three members.

The recommendations of Audit Committee were duly accepted by the Board of Directors.

26. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of three members Shri Mahendra Sanghani (Chairman of the Committee), Shri Nishit Gohil and Shri Kumudchandra Sheravia (ceased w.e.f. 29/03/2019) and Smt. Jagrutiben Shah (appointed w.e.f. 29/03/2019)

During the year, the Committee met one time on: 14th February, 2019 which has been attended by all the three members.

27. SUBSIDIARIES COMPANIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company doesn't have any Subsidiaries, Associates or Joint Venture Companies.

28. SAFETY, HEALTH AND ENVIRONMENT:

(a) **Safety:** The Company encourages a high level of awareness of safety issues among its employees and strives for continuous improvement. All incidents are analysed in the safety committee meetings and corrective actions are taken immediately. Employees are trained in safe practices to be followed at work place.

(b) **Health:** Your Company attaches utmost importance to the health of its employees. Periodic checkup of employees is done to monitor their health. Health related issues if any are discussed with visiting Medical Officer.

(c) **Environment:** Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company.

29. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The policy is posted on the website of the Company <http://www.purohitconstruction.com/InvestorRelations.aspx>

30. MAINTENANCE OF COST RECORDS:

The Company is not required to maintain any cost records prescribed under section 148 of the Companies Act, 2013 and rules made thereunder.

31. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Considering gender equality, the Company has zero tolerance for sexual harassment at workplace. The Company has an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaints were received during the year 2018-19:

This policy posted on the website of the <http://www.purohitconstruction.com/InvestorRelations.aspx>

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

The Statement of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant to provisions of 134 of the Companies Act, 2013 is given in **Annexure-7** to this Report.

33. CODE OF CONDUCT:

The Company has laid down a Code of Conduct applicable to the Board of Directors and Senior management which is available on Company's website. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

34. CODE OF FAIR DISCLOSURE:

As required under the new Insider Trading Policy Regulations of SEBI, your Directors have framed new Insider Trading Regulations and Code of Internal Procedures and Conducts for Regulating, Monitoring and Reporting of Trading by Insider. For details please refer to the company's website on following link <http://www.purohitconstruction.com/InvestorRelations.aspx>.

35. ENHANCING SHAREHOLDERS VALUE:

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

36. INSURANCE:

The Company has taken adequate insurance to cover its assets.

37. LISTING:

Your company's shares are listed with The BSE Limited, Mumbai. (Stock Code: - 538993) and Ahmedabad Stock Exchange Limited (scrip code: - PCL). The Company has already paid Annual Listing fees to BSE Limited.

38. CAUTIONARY STATEMENT:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

39. ACKNOWLEDGMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, vendors and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED**

**Date: 19th August, 2019
Place: Ahmedabad**

**Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)**

Annexure-1**POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

In terms of Section 178 of the Companies Act, 2013 read with the applicable rules thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration Committee recommended the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company which was approved and adopted by the Board of Directors of the Company.

Objectives:

- To provide guidance to the Board for appointment and removal of Directors, KMP and Senior Management;
- To formulate criteria for performance evaluation of Directors, KMP and Senior Management and to provide necessary evaluation report to the Board;
- To recommend to the Board remuneration payable to the Directors, KMP and Senior Management.

Role of Nomination and Remuneration Committee:

The Committee shall perform the role for following matters:

Criteria for appointment of Director:

- To determine the age, qualifications, qualities, skills, positive attributes and independence of a director and other expertise required to be a Director.

Nomination of directors:

- Identifying, screening and reviewing candidates qualified to be appointed as Executive Directors, Non-Executive Directors and Independent Directors.
- Recommending to the Board candidature for appointment or re-appointment of Directors;
- The Nomination and Remuneration Committee may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board of Directors. The Committee will review and discuss all documents pertaining to candidates and will conduct evaluation of candidates in accordance with a process that it deem fit and appropriate, passing on the recommendations for the nomination to the Board.

Evaluation of Director:

- The Committee develops, subject to approval by the Board, a process for an annual evaluation of the performance of the Board, the individual directors on the basis of detailed performance parameters set for directors at the beginning of the year.
- The Committee may, from time-to-time, also evaluate the usefulness of such performance parameters, and make necessary amendments.

Consultative role:

- The Nomination and Remuneration Committee plays a consultative role for any appointment requiring Board approval, as stipulated by law or regulation, for senior management positions. It provides its advice and recommendations to the Board.

Senior Management of the Company consist of:

All the officers / personnel of the Company involved in the core management team and all the members excluding the Board of Directors of the management that are one level below CEO / MD / WTD / Manager and includes the Chief financial officer and Company Secretary of the Company.

Evaluation of KMP and Senior Management:

- The committee shall annually review and approve for the KMP and Senior Management the corporate goals and objectives applicable to them, evaluate at least annually their performance in light of those goals and objectives, and determine and approve their (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) any other benefits, compensation or arrangements, based on this evaluation.
- The Committee may also make recommendations to the Board with respect to incentive compensation plans. The committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

Duties of Nomination and Remuneration Committee:**A. The duties of the Committee in relation to nomination matters include:**

- To ensure that appropriate induction and training programme are in place for new Directors and members of Senior Management and to periodically review its effectiveness;
- To ensure that on appointment, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- To ensure that the Independent Directors continue to fulfill the Independence criteria as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- To determine the appropriate size, diversity and composition of the Board;
- To identify and recommend names of Directors who are to retire by rotation;
- To set up a formal and transparent procedure for selecting Directors for appointment to the Board;
- To evaluate the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- To develop a succession plan for the Board and Senior Management and to regularly review the plan;
- To recommend necessary changes in the Board;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To decide for extension or to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To consider any other matters as may be requested by the Board.

B. The duties of the Committee in relation to remuneration matters include:

- To recommend the remuneration payable to the Senior Management of the Company in accordance with the Remuneration Policy of the Company and while designing the remuneration package it must consider that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- To ensure that the remuneration to Directors, KMP and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To consider any other matters as may be requested by the Board.

ANNEXURE – 2

**DISCLOSURE UNDER RULE 5 OF THE COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- I. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2019;

Sr. No	Name of Director	Remuneration	Median Remuneration	Ratio
1.	Shri Narendra Purohit	1440000	5,23,826	2.75:1
2.	Shri Saumil Purohit	1260000	5,23,826	2.41:1

- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sr. No.	Director /Key Managerial Personnel	% Increase
1.	Shri Narendra Purohit	9.09%
2.	Shri Saumil Purohit	5.00%
3.	Shri Nishit Sandhani- Company Secretary	21.46%
4.	Shri Sanny Parante- CFO (ceased w.e.f. 08/01/2019)	10.19%
5.	Shri Saumil Purohit-CFO (appointed w.e.f. 14/02/2019)	Nil

- iii. Percentage increase in the median remuneration of employees in the financial year: 14.29%.
- iv. The number of permanent employees on the rolls of company: 6
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- The average increase in salaries of employees other than managerial personnel in 2018-19 was 14.29%. Average Percentage increase in the managerial remuneration for the year was 5% to 11%. Annual increase in remuneration is as per terms of appointment and are in conformity with remuneration policy, industry pattern, qualifications & experience, responsibilities shouldered and individual performance of managerial personnel and other employees.
- vi. The key parameters for any variable component of remuneration availed by the Directors:
- The Managing Directors have not availed any variable remuneration components.
- vii. Affirmation that the remuneration is as per the remuneration policy of the company:
- It is affirmed that the remuneration paid is as per the remuneration policy of the company.

**FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED**

Date : 19th August, 2019
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

**Annexure 3
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts / arrangements / transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
No such transaction							

2. Details of material contracts or arrangement or transactions at arm's length basis:(Rs. in Thousands)

Name(s) of the related party and nature of relationship	Nature of Relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts / arrangements / transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Aabhar Procon LLP	A LLP in which director is designated partner	Civil Work Contracts	3 Years	24041	N.A. *Special Resolution passed on 13th September, 2017	Nil

Note: * All the related party transactions are entered on arm's length basis and in ordinary course of business and at prevailing industrial contract price and terms for said transaction. The Company by following the spirit of good corporate governance practice as taken the approval from members at their Annual General Meeting held on 13th September, 2017.

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Date : 19th August, 2019
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

**Annexure- 4
Form No. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PUROHIT CONSTRUCTION LIMITED
CIN- L45200GJ1991PLC015878
401, Purohit House,
Opp. Sardar Patel Stadium,
Navrangpura,
Ahmedabad – 380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **PUROHIT CONSTRUCTION LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, - Not Applicable;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(with effect from 11th November, 2018) -Not applicable as the Company has not issued any shares / securities during the year under review;
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 - Not Applicable as the Company has not issued any Shares / options to the Directors /Employees under the said Regulations during the year under review;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt securities during the year under review;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 - Not Applicable as the Company has not bought – back any of its securities during the year under review;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

- (a) Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- (b) The Uniform Listing Agreement entered into by the Company with BSE Limited (BSE).

Since the paid-up share capital and net worth of the Company do not exceed Rupees Ten Crore and Rupees Twenty Five Crores respectively as on the last day of previous financial year, the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall not apply to the Company. However, as a good corporate governance practice, the Company has been complying some of the important compliance in connection with the aforesaid provisions / regulations voluntarily.

During the audit period under review the Company has complied with all the material provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

Having regard to the Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has generally complied with the material aspects of the following laws specifically applicable to the Company being engaged in Construction activities:

1. Town Planning and Urban Development Act, 1976
2. Transfer of Property Act, 1882
3. Gujarat Land Revenue Rules, 1972
4. The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
5. The Land Acquisition Act, 1894
6. Registration Act, 1908
7. The Gujarat Ownership Flats Act, 1973

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Director that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board meetings at least seven days in advance. Agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members' on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, have not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the audit period under review, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity etc.;
- b) Redemption / buy-back of securities;
- c) Obtaining the approval from Shareholders under Section 180 of the Companies Act, 2013;
- d) Merger / amalgamation / reconstruction, etc.;
- e) Foreign technical collaborations.

**FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES**

**UDAY G. DAVE
PRACTICING COMPANY SECRETARY
PARTNER
FCS No.: 6545 C. P. No.: 7158**

**Place : Ahmedabad
Date : July 17, 2019**

Note: This report is to be read with our letter of even date which is annexed as **Annexure - A** and forms an integral part of this report.

ANNEXURE-A

To,
The Members,
PUROHIT CONSTRUCTION LIMITED
CIN- L45200GJ1991PLC015878

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES

UDAY G. DAVE
PRACTICING COMPANY SECRETARY
PARTNER
FCS No.: 6545 C. P. No.: 7158

Place : Ahmedabad
Date : July 17, 2019

**ANNEXURE -5
FORM MGT 9**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L45200GJ1991PLC015878
2	Registration Date	2 nd July, 1991
3	Name of the Company	PUROHIT CONSTRUCTION LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non Government Company
5	Address of the Registered office & contact details	401, PUROHIT House, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad - 380009 Email ID – cs@purohitconstruction.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd A/802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink, Off C. G. Road, Ahmedabad – 380009 phone - 079-40024135, Email Id: bssahd@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of buildings carried out on own-account basis or on a fee or contract basis	41001	91.47%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	THE COMPANY DOES NOT HAVE ANY HOLDING, SUBSIDIARY OR ASSOCIATE COMPANIES.				

IV. SHAREHOLDING PATTERN :Equity Share Capital Breakup as percentage of Total Equity

(A) Category –wise Shareholding

CATEGORY CODE	CATEGORY OF SHAREHOLDERS	NO.OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO.OF SHARES HELD AT THE ENDING OF THE YEAR				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoters									
(1)	Indian									
(a)	Individual /HUF	1791798	0.00	1791798	40.67	1791798	0.00	1791798	40.67	0.00
(b)	Central Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	State Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Bodies Corporate	108700	0.00	108700	2.47	108700	0.00	108700	2.47	0.00
(e)	Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub total (A) (1)	1900498	0.00	1900498	43.14	1900498	0.00	1900498	43.14	0.00
(2)	Foreign									
(a)	Individuals (NRIs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Other Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub total (A) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total A=A(1) +(2)	1900498	0.00	1900498	43.14	1900498	0.00	1900498	43.14	0.00
(B)	Public Shareholding									
(1)	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a)	Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d)	State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f)	Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g)	FIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h)	Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i)	Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub total (B) (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PUROHIT CONSTRUCTION LIMITED

CATEGORY CODE	CATEGORY OF SHAREHOLDERS	NO.OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO.OF SHARES HELD AT THE ENDING OF THE YEAR				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	Non-Institutions									
(a)	Bodies Corp.	1495	28700	30195	0.69	2115	28700	30815	0.70	0.01
(b)	Individuals									
	i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	329991	1337100	1667091	37.84	333189	1272600	1605789	36.44	-1.40
	ii) Individual Shareholders holding nominal share capital in excess Rs. 1 lakh	694092	112400	806492	18.31	808890	57600	866490	19.67	1.36
(c)	Others									
	Non resident Indians	1100	0.00	1100	0.03	1100	0.00	1100	0.03	0.00
	Corporate overseas Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Foreign National	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Clearing Members	224	0.00	224	0.01	908	0.00	908	0.02	0.01
	Trust	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	HUF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Others	0	0	0	0	0	0	0	0	0.00
	Sub Total (B) (2)	1026902	1478200	2505102	56.86	1146202	1358900	2505102	56.86	0.00
	Total (B)=B(1) +(2)	1026902	1478200	2505102	56.86	1146202	1358900	2505102	56.86	0.00
(C)	Shares held by Custodian for GDR & ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GRAND TOTAL (A+B+C)	2927400	1478200	4405600	100.00	3046700	1358900	4405600	100.00	0.00

(B) Shareholding Of Promoter & Promoter Group:

S. No	Name of shareholder	Shareholding at the beginning of the yaer			Shareholding at the end of the yaer			% Change in shareholding during the year
		No of shares	% Total shares of the company	No. of shares pledged/ encuberd to total shares	No of shares	% Total shares of the company	No.of shares pledged/ encuberd to total shares	
1	Narendra Maganlal Purohit	848700	19.26%	0.00%	848700	19.26%	0.00%	0.00%
2	Saumil Narendra Purohit	445910	10.12%	0.00%	445910	10.12%	0.00%	0.00%
3	Hemlata Narendra Purohit	209990	4.77%	0.00%	209990	4.77%	0.00%	0.00%
4	Status finstocks pvt.ltd.	108700	2.47%	0.00%	108700	2.47%	0.00%	0.00%
5	Kumudchandra Ishvarlal Sheravia	98	0.00%	0.00%	98	0.00%	0.00%	0.00%
6	Ami Narendra Purohit	78000	1.77%	0.00%	78000	1.77%	0.00%	0.00%
7	Urvi Narendra Purohit	58400	1.33%	0.00%	58400	1.33%	0.00%	0.00%
8	Deepkiran Saumil Purohit	18700	0.42%	0.00%	18700	0.42%	0.00%	0.00%
9	Foram Sapan Parikh	132000	3.00%	0.00%	132000	3.00%	0.00%	0.00%
	Total	1900498	43.14%	0.00%	1900498	43.14%	0.00%	0.00%

(C) Change in Promoters' Shareholding (please specify, if there is no change):

There were no changes in the holding of Promoters during the year under review.

(D) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN		Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	PRANAV HARESHBHAI PATEL						
	At the beginning of the year			546804	12.41%	546804	12.41%
	Changes during the year		Purchase	8500	0.19%	8500	0.19%
	At the end of the year			555304	12.60%	555304	12.60%
2	PRANAV MAHENDRA JANI						
	At the beginning of the year			86900	1.97%	86900	1.97%
			Purchase	18600	0.42%	18600	0.42%
	At the end of the year			105500	2.39%	105500	2.39%
3	HITEN NARENRABHAI SHAH						
	At the beginning of the year			43,388	0.99%	43,388	0.99%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			43,388	0.99%	43,388	0.99%

SN		Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
4	RELIANCE CAPITAL TRUSTEE CO.LIMITED						
	At the beginning of the year			20,800	0.47%	20,800	0.47%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			20,800	0.47%	20,800	0.47%
5	KUMAR J KAPSI						
	At the beginning of the year			32,000	0.72%	32,000	0.72%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			32,000	0.72%	32,000	0.72%
6	SHIVCHARAN L BHATIA						
	At the beginning of the year			20,000	0.45%	20,000	0.45%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			20,000	0.45%	20,000	0.45%
7	RANJANA SHIVCHARAN BHATIA						
	At the beginning of the year			20,000	0.45%	20,000	0.45%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			20,000	0.45%	20,000	0.45%
8	DEVENDRA SINGH BAGGA						
	At the beginning of the year			19,800	0.45%	19,800	0.45%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			19,800	0.45%	19,800	0.45%
9	NIHARIKA SUBHASHCHANDRA PARIKH						
	At the beginning of the year			15000	0.34%	15000	0.34%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			15000	0.34%	15000	0.34%
10	GEETA DEVI						
	At the beginning of the year			10,600	0.24%	10,600	0.24%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			10600	0.24%	10600	0.24%

(E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	NARENDRA MAGANLAL PUROHIT						
	At the beginning of the year			848,700	19.26%	848,700	19.26%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			848,700	19.26%	848,700	19.26%
2	SAUMIL NARENDRA PUROHIT						
	At the beginning of the year			445,910	10.12%	445,910	10.12%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			445,910	10.12%	445,910	10.12%
3	KUMUDCHANDRA ISHVARLAL SHERAVIA						
	At the beginning of the year			98	0.00	98	0.00%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year			98	0.00	98	0.00%
4	NISHITKUMAR BHIKHABHAI GOHIL						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
5	JAGRUTIBEN HITENBHAI SHAH						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
6	MAHENDRA HARKISHANDAS SANGHANI						
	At the beginning of the year			8,500	0.19%	8,500	0.19%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			8,500	0.19%	8,500	0.19%
7	SANNY R. PARANTE (CHIEF FINANCIAL OFFICER)						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
9	NISHITKUMAR CHINUBHAI SANDHANI (COMPANY SECRETARY & COMPLIANCE OFFICER)						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%

V. INDEBTNESS:

(Indebtedness of the Company including interest outstanding/accrued but not due for payment.)

(Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	40.55	0.00	40.55
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	40.55	0.00	40.55
Change in Indebtedness during the financial year				
* Addition	0.00	0.00	0.00	0.00
* Reduction	0.00	40.55	0.00	40.55
Net Change	0.00	40.55	0.00	40.55
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	0.00	0.00	0.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. Nos	Particulars of Remuneration	Name of MD / WTD/Manager		Total Amount
		Shri Narendra M. Purohit	Shri Saumil N. Purohit	
1.	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	14,40,000	12,60,000	27,00,000
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961.	-	-	-
(c)	Profit in lieu of Salary under section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - As % of Profit - Others, specify	-	-	-
5.	Others, Please specify	-	-	-
	Total (A)	14,40,000	12,60,000	27,00,000
	Ceiling as per the Act	Rs. 168 Lacs		

(B) Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors				Total
	Independent Directors	Kumudchandra Sheravia	Mahendra Sanghani	Nishitkumar Gohil	Jagrutiben Hitenbhai Shah	
1.	Fee for attending board committee meetings	NONE				NONE
	Commission					
	Others, please specify					
	Total (1)					
2.	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	Rs. 168 Lacs				

(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr Nos.	Particulars of Remuneration	Name of Director		
		Company Secretary Shri Nishit Sandhani	CFO Shri Sanny Parante	TOTAL
1.	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5,16,485	1,52,904	6,69,389
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961.	-	-	
(c)	Profit in lieu of Salary under section 17(3) Income Tax Act, 1961	-	-	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - As % of Profit - Others, specify	-	-	
5.	Others, Please specify	-	-	
	Total	5,16,485	1,52,904	6,69,389

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Place : Ahmedabad
Date : 19th August, 2019

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A. INTRODUCTION:**

Your Company has more than twenty-seven years of experience in the construction business with capabilities in providing Construction services for civil construction and infrastructure projects. With engineering experience, trained and qualified manpower, your Company can successfully execute and implement projects independently or through subcontracting.

B. ECONOMIC OVERVIEW

The Indian economy continued to exhibit steady growth and remained among the fastest growing emerging economies, with a focus on the continued implementation of structural and financial sector reforms and efforts to reduce public debt.

The Central Bank continuously eased the monetary policy following recent cuts in interest rates. However, full benefits are yet to be transmitted to the industry, which may lead to increased investments. Strong measures are being implemented to strengthen the country's financial sector (especially banks) through the accelerated resolution of non-performing assets under a simplified bankruptcy framework.

The benefits of recent structural reforms like demonetization, GST and ongoing bank recapitalization would enhance economic stability.

Turning to the domestic economy, GDP growth for 2018-19 has been estimated at 6.8%. Gross fixed capital formation growth has declined sharply to 3.6%, after having been previously in the double-digits. Private consumption growth moderated. However, the overall slowdown in growth was cushioned by a large increase in the government's final consumption expenditure.

Reserve Bank of India has estimated GDP growth for 2019-20 at 7% - in the range of 6.4-6.7% in the first half of the fiscal and 7.2-7.5% in the second half of the fiscal.

THE INDIAN REAL ESTATE SECTOR

The Indian real estate sector witnessed a slew of structural transformations led by Real Estate (Regulation and Development) Act, 2016 (RERA), Demonetization and GST. In the near-term, these measures generated sectoral tailwinds, which are expected to increase transparency and confidence in the sector.

According to reports, India's real estate sector is expected to grow to US\$ 1 trillion by 2030, accounting for nearly 13% of the country's GDP. The catalysts for this growth can be attributed to rapid urbanization, increasing emergence of nuclear families and rising household incomes.

The country's commercial realty segment, however, continues to enjoy increased capital flows. The sector also witnessed the advent of new niche markets comprising co-working spaces, warehousing, student housing and senior living.

Residential Segment

During the last few years, government decisions like demonetization, GST, RERA and the Benami Transactions (Prohibition) Amendment strengthened the end user market, moderating speculation in physical markets.

The Government remains committed to enhance the role of affordable housing, strengthening its Housing for All commitment. In the recent past, this industry segment was encouraged through infrastructure status, refinancing options and tax incentives.

The year under review was marked by stability, right-sizing and right pricing of new products. Increased transparency and confidence due to recent measures strengthened the home buyer's sentiment. According to reports, this segment grew 76% YOY in terms of units launched in calendar year 2018 and a modest 6% YOY growth in sales.

Market traction could have been better but was impacted by the recent turmoil in the NBFC sector, which caused some stress to cash starved developers. Whilst, the launches and sales there was limited upward movement in realizations and pricing.

Stronger traction was witnessed for completed projects owing to lower risk and non-applicability of GST on completed inventory, enhancing attractiveness.

KEY DEVELOPMENTS IN THE INDIAN REAL ESTATE REGULATORY FRAMEWORK**Real Estate (Regulation and Development) Act, 2016**

The Central Government had notified the RERA in May 2016. However, certain States are yet to notify the rules or certain states notified the rules but were yet to launch an operational website by the close of the financial year under review. Even as the regulation induced short-term pain, it is likely to be beneficial for the sector by enhancing consumer confidence and sectoral transparency.

Goods and Services Tax

New norms stipulated a one-time option to continue with existing slabs (effective rate of 12% for regular and 8% for affordable housing) with input tax credit or switch to new slabs (5% for regular and 1% for affordable housing) without input tax credit for under-construction or ongoing realty projects. New projects mandatorily have to be in 5% slab for regular segment and 1% slab for affordable segment without any input tax credit. New norms are applicable for residential properties only, while there has been no change for commercial properties.

C. STRENGTHS & OPPORTUNITIES:

The major strength of the Indian real estate industry is rise in the status of living of the people. It creates domestic demand and scarcity of housing. As per industry estimates, India requires 18.78 million housing. Of this huge shortage more than 90 percent of the housing is required by those who belong to either the economically weaker section or lower income groups. The huge domestic demand will continue to drive demand and keep pushing developers/ builders and the industry to build more mid income and affordable housing. The foreign direct investors are interested to invest in real estate industry such as infrastructure. India's infrastructure investment is bound to grow significantly. To maintain its growth momentum, the provision of adequate infrastructural facilities is critical. Unreliable services or a disruption in infrastructure facilities may restrict output or hinder investments in productive capital. Government of India is attempting to improve the country's infrastructure as a top policy priority.

The infrastructure and construction market in India is particularly affected in an atmosphere of lack of complete inertia in new project development and execution. Issues like environment clearances and financial difficulties for large developers have led to very little new opportunities in terms of infrastructure related development.

D. RISKS AND CONCERNS:

Risk is a multi-facet concept. In the context of construction industry, it could be the likelihood of the occurrence of a definite event/factor or combination of events/factors which occur during the whole process of construction to the detriment of the project a lack of predictability about structure outcome or consequences in a decision or planning situation, the uncertainty associated with estimates of outcomes – there is a chance that results could be better than expected as well as worse than expected etc. In addition to the different definitions of risk, there are various ways for categorizing risk for different purposes too. Some categorize risks in construction projects broadly into external risks and internal risks while others classify risk in more detailed categories of political risk, financial risk, market risk, intellectual property risk, social risk, safety risk, etc. The typology of the risks seems to depend mainly upon whether the project is local (domestic) or international. The internal risks are relevant to all projects irrespective of whether they are local or international. International projects tend to be subjected to the external risk such as unawareness of the social conditions, economic and political scenarios, unknown and new procedural formalities, regulatory framework and governing authority, etc. Risk is inherent and difficult to deal with, and this requires a proper management framework both of theoretical and practical meanings. Significant improvement to construction project management performance may be achieved from adopting the process of risk assessment. The types of exposure to risk that an organization is faced with are wide-ranging and vary from one organization to another. These exposures could be the risk of business failure, the risk of project financial losses, the occurrences of major construction accidents, default of business associates and dispute and organization risks. It is desirable to understand and identify the risks as early as possible, so that suitable strategy can be implemented to retain particular risks or to transfer them to minimize any likely negative aspect they may have. The risk management process begins with the initial identification of the relevant and potential risks associated with the construction project. It is of considerable importance since the process of risk analysis and response management may only be performed on identified potential risks. Risk analysis and evaluation is the intermediate process between risk identification and management. It incorporates uncertainty in a quantitative and qualitative manner to evaluate the potential impact of risk. The evaluation should generally concentrate on risks with high probabilities, high financial consequences or combinations thereof which yield a substantial financial impact.

Risks can be viewed as business, technical, or operational. A technical risk is the inability to build the product that will satisfy requirements. An operational risk is the inability of the customer to work with core team members. Risks are either acceptable or unacceptable. An acceptable risk is one that negatively affects a task on the non-critical path. An unacceptable risk is one that negatively affects the critical path. Risks are either short or long term. A short-term risk has an immediate impact, such as changing the requirements for a deliverable. A long-term risk has an impact sometime in the distant future, such as releasing a product without adequate testing. Risks are viewed as either manageable or unmanageable. A manageable risk is one you can live with, such as a minor requirement change. An unmanageable risk is impossible to accommodate, such as a huge turnover of core team members. Risk factors for this study are classified into eight categories namely.

- Construction Risk
- Design Risk
- Environmental Risk
- Financial Risk
- Management Risk
- Political Risk
- Procurement Risk
- Sub-Contractors Risk
- Technology Risk.

The construction companies need to include risk as an integral part of their project management. Decision making such as risk assessment in construction projects is very important in the construction management. The identification and assessment of project risk are the critical procedures for projecting success.

E. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

The Company has an internal control system, which provides protection to all its assets against loss from unauthorised use and for correct reporting of transactions. The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the management. The company has put in place Proper controls, which are reviewed at regular intervals to ensure that transactions are properly authorized & correctly reported and assets are safeguarded. The Audit Committee of the Board addresses issues raised by both the Internal and Statutory Auditors. The internal control systems are implemented to safeguard the Company's assets from loss or damage. To keep constant check on cost structure and to provide adequate financial and accounting controls and implement accounting standards.

In addition to above, Purohit Construction Limited has formulated a Vigil Mechanism (Whistle Blower Policy) for its Directors and Employees of the Company for reporting genuine concern about unethical practices and suspected mal-practices.

F. HUMAN RESOURCES DEVELOPMENT:

In construction industry, a project mainly focuses on two things, one is optimum utilization of resources and the other is speedy completion of project. In line to this trend, construction industry has seen Human Resource Management as a primary entity for every company.

Human Resource Management is managing organizational workforce. The biggest problem that the industry confronts is the acute shortage of skilled and trained manpower. Getting skilled and trained workforce these days has become an uphill task. There is wastage of about 7-10% of the construction material due to the lack of skills in workmanship. Thus the main task for the industry is to withhold the skilled workforce till the project gets completed.

For a construction industry, employees are an organisation's most valuable asset. However, people also represent the most difficult resource for organisations to manage. Unlike physical assets, people have their own individual needs which must be met and idiosyncrasies which must be managed if they are to contribute to organisational growth and development. People are individuals who bring their own perspectives, values and attributes to organisational life, and, when managed effectively, these human traits can bring considerable benefits to organisations. However, when managed poorly they have the potential to severely limit organisational growth and threaten the viability of a business.

Purohit Construction Limited ensures that the project has sufficient human resources, with the correct skill sets and experience, for the project to be successfully completed.

G. STATUTORY COMPLIANCE:

The Company has complied with all the statutory requirements. A declaration regarding compliance of the provisions of the various statutes is also made by the Managing Director at each Board Meeting. The Company ensures compliance of the ROC, SEBI Regulations and provisions of the Listing Agreement.

H. RETURN ON NETWORTH:

Due to adverse market condition the overall turnover of the Company has decreased and this caused decline in the return on networth from 14.12 to 8.60 in this year.

I. CAUTIONARY STATEMENT:

The above Management Discussion and Analysis contains certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation ,etc. In accordance with the Regulations on Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Date : 19th August, 2019
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

ANNEXURE – 7

Additional information as per Section 134 of The Companies Act, 2013 and forming part of the Director's Report for the year ended on 31st March, 2019.

(A) CONSERVATION OF ENERGY:

(A)	Conservation of energy-	
(i)	the steps taken or impact on conservation of energy;	Necessary precautions have been taken while designing process and equipment to ensure conservation of energy through the use of fuel efficient devices and advanced instrumentation systems.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	Not Applicable.
(iii)	the capital investment on energy conservation equipments;	There is no specific investment plan for energy conservation.

(B) TECHNOLOGY ABSORPTION- NIL

(C) FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. In Lac)

For the year Ended on	31st March, 2019	31st March, 2018
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Date : 19th August, 2019
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

INDEPENDENT AUDITOR'S REPORT

**To,
The Members
M/s Purohit Construction Limited**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Purohit Construction Limited, Ahmedabad, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended on that date and a summary of significant accounting policies along with other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and loss and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Companies (Accounting Standards) Rules 2006 (as amended) ratified under section 133 of the Act read with the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the accounting principles generally accepted in India including the Companies (Accounting Standards) Rules 2006 (as amended) ratified under section 133 of the Act read with the Companies (Accounts) Rules 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which may have a material bearing on its state of affairs.
 - ii. The Company has not undertaken any derivative trading during the year nor it has any outstanding thereof,

- iii. There has been no occasion in case of the company during the year under audit to transfer any sums of Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Saurabh R Shah & Co
Chartered Accountants
(Firm Registration No. 127176W)

Place : Ahmedabad
Date : 30th May 2019

Saurabh R Shah
Partner
(Membership No. 117471)

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Control under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of M/s Purohit Construction Limited ('the company') as of March 31, 2019 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Control

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for insuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards of Auditing, both issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These Standards and the Guidance Notes required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to this financial statement, were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting with reference to this financial statement assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk.

The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the internal financial control over financial reporting with reference to this financial statement.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting with reference to this financial statement and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to this financial statement includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitations of internal financial control over financial reporting with reference to this financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to fraud or error may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting with reference to this financial statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to this financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to this financial statement and such internal financial controls over financial reporting with reference to this financial statement were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Saurabh R Shah & Co
Chartered Accountants
(Firm Registration No. 127176W)

Place : Ahmedabad
Date : 30th May 2019

Saurabh R Shah
Partner
(Membership No. 117471)

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Purohit Construction Limited of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds of the properties held by the company are held in its name.
- ii. The Company has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 except those in the nature of contractual obligations. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and not commented upon. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the company has complied with provisions of Section 186 of the Companies Act 2013 in respect of investments made during the year.
- v. According to the information and explanations given to us the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, Goods and Services Tax, custom duty, excise duty, VAT, cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state

insurance, income tax, sales tax, wealth tax, service tax, Goods and Services Tax, custom duty, excise duty, VAT, cess and other material statutory dues were outstanding at the year end, for a period more than six months from the date they become payable.

According to the information and explanations given to us, no amount payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, value added tax, goods and service tax and cess were unpaid on account of any dispute, except the following under income tax and service tax :

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the amount relates	Date of Filing of Appeal	Rs. (In Lakhs)
Income Tax Act, 1961	Section 271 (1)(c) of IT Act, 1961	CIT Appeal – 9, Ahmedabad	FY 2009-10	06.04.2015	50.68
Central Excise Act, 1944	CCR,2004 r.w. Finance Act 1994	AC of CGST, Div –VII, Ahmedabad	July'12 to March'17	15.05.2018	4.50

- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Saurabh R Shah & Co
Chartered Accountants
(Firm Registration No. 127176W)

Place : Ahmedabad
Date : 30th May 2019

Saurabh R Shah
Partner
(Membership No. 117471)

BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in Rupees thousands, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,504	5,330
Capital work-in-progress			
Intangible assets			
Financial assets			
i. Investments	3	192	192
ii. Trade receivables	4	33,934	6,818
iii. Deposits	5	1,162	1,162
iv. Other Financial Asset	5a	159	159
Deferred tax Assets (net)	26 (c)	528	283
Income tax assets		-	-
Other non-current assets	6	1,442	1,649
Total Non-Current Assets		40,921	15,593
Current assets			
Inventories	7	1,325	1,325
Financial assets			
i. Trade receivables	8	32,652	122,725
ii. Cash and cash equivalents	9	160	829
iii. Bank balances other than (ii) above		-	-
iv. Loans	10	11,202	7,807
v. Other financial assets			
Other current assets	11	2,191	2,043
Total Current Assets		47,530	134,728
Total Assets		88,451	150,321
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	44,056	44,056
Other equity	12(b)	13,926	13,547
Total Equity		57,982	57,603
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings		-	-
ii. Trade payables	13	4,649	4,953
Provisions			
Deferred tax Liabilities (net)	26 (d)	-	-
Total Non-Current Liabilities		4,649	4,953
Current liabilities			
Financial liabilities			
i. Borrowings	14	-	4,055
ii. Trade payables	15	22,083	79,182
iii. Other financial liabilities	16	2,613	2,635
Provisions	17	420	771
Employee benefit obligations			
Other current liabilities	18	704	1,121
Total Current Liabilities		25,820	87,765
Total Equity & Liabilities		88,451	150,321

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Saurabh R Shah & Co

Firm Registration No. : 127176W

Chartered Accountants

Narendra M. Purohit

Chairman & Managing Director

DIN: 00755195

Mahendra H. Sanghani

Director

DIN: 00755264

Saurabh R Shah

Partner

Membership No.: 117471

Saumil N. Purohit

Chief Financial Officer

DIN: 01861110

Nishit Kumar Sandhani

Company Secretary

Place : Ahmedabad

Date : May 30, 2019

Place : Ahmedabad

Date : May 30, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in Rupees thousands, unless otherwise stated)

	Note	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations	19	32,493	169,239
Other income	20	699	446
Total Income		33,192	169,685
Expenses			
Cost of materials consumed	21	-	135,787
Changes in inventories of finished goods and work-in-progress		-	-
Employees benefit expenses	22	3,940	3,875
Finance costs	23	53	76
Depreciation and amortisation expenses	24	1,826	2,629
Other expenses	25	26,799	26,341
Total Expenses		32,618	168,708
Profit before tax		574	977
Income tax expense			
Current tax	26(a)	420	752
Taxes on income of previous financial years.	26(a)	20	84
Deferred tax	26(a)	(245)	(482)
Total tax expenses		195	354
Profit for the year		379	623
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		-	-
Income tax relating to above		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		379	623
Earnings per equity share (in Rs.) (Nominal value per share Rs.10)			
Basic earning per share (In Rs.)		0.09	0.14
Diluted earning per share (In Rs.)		0.09	0.14

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Saurabh R Shah & CoFirm Registration No. : 127176W
Chartered Accountants**Narendra M. Purohit**Chairman & Managing Director
DIN: 00755195**Mahendra H. Sanghani**Director
DIN: 00755264**Saurabh R Shah**Partner
Membership No.: 117471**Saumil N. Purohit**Chief Financial Officer
DIN: 01861110**Nishit Kumar Sandhani**

Company Secretary

Place : Ahmedabad

Date : May 30, 2019

Place : Ahmedabad

Date : May 30, 2019

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

		31-Mar-19 (Rs. In Thousand)	31-Mar-18 (Rs. In Thousand)
A.	CASH FROM OPERATING ACTIVITIES		
	PROFIT BEFORE TAX	574	977
	Adjustment For :		
	Depreciation	1,826	2,629
	Interest Expenses	53	76
	Interest Income	(698)	(444)
	Fixed asset written off	0	135
	Financial assets written off	0	127
	Operating Profit Before Working Capital Changes	1,755	3,499
	Adjustment For :		
	(Increase) / Decrease in Trade Receivables	62,957	(72,311)
	(Increase) / Decrease in Loan	(3,395)	(7,807)
	(Increase) / Decrease in Other assets	317	4,483
	(Increase) / Decrease in Inventories	0	2,592
	Increase / (Decrease) in Trade payables	(57,403)	66,540
	Increase / (Decrease) in Other financial liabilities	(22)	2,014
	Increase / (Decrease) in Provisions	(19)	14
	Increase / (Decrease) in Other liabilities	(417)	(3,860)
	Cash generated from Operations	3,771	(4,834)
	Taxes paid (net of refunds)	(1,030)	128
	Net Cash Flow from Operating Activities	2,741	(4,706)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	0	(46)
	Sale of Investments	0	0
	Interest Received	698	444
	Interest paid	(53)	(76)
	Net Cash Flow from Investing Activities	645	322
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Share Capital	0	0
	Proceeds from / (Repayment of) Long-Term Borrowings	0	0
	Proceeds from / (Repayment of) short -Term Borrowings	(4,055)	4,055
	Net Cash Flow from Financing Activities	(4,055)	4,055
	Net Increase/(Decrease) in Cash & Cash Equivalent : (A + B + C)	(669)	(329)
	Cash and Cash equivalents at the beginning of the year	829	1,158
	Cash and Cash equivalents at the end of the year	160	829
	Cash & Cash Equivalents Comprise:		
	Cash on Hand	79	216
	Balance with Banks	81	613
	Total	160	829

In terms of our report of even date

For and on Behalf of Board of Directors

For Saurabh R Shah & CoFirm Registration No. : 127176W
Chartered Accountants**Narendra M. Purohit**Chairman & Managing Director
DIN: 00755195**Mahendra H. Sanghani**Director
DIN: 00755264**Saurabh R Shah**Partner
Membership No.: 117471**Saumil N. Purohit**Chief Financial Officer
DIN: 01861110**Nishit Kumar Sandhani**

Company Secretary

Place : Ahmedabad

Date : May 30, 2019

Place : Ahmedabad

Date : May 30, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(All amounts in Rupees thousands, unless otherwise stated)

A. Equity share capital

Particulars	Amount
As at March 31, 2018	44,056
Changes in equity share capital	-
As at March 31, 2019	44,056

B. Other equity

Particulars	Reserves and surplus				Total other equity
	Securities premium reserve	Retained earnings	Revaluation reserve	General reserve	
As at March 31, 2017	1,000	10,718	1,206		12,924
Profit for the year		623			623
Other comprehensive income		-			-
Total comprehensive income for the year	1,000	11,341	1,206	-	13,547
Depreciation on revalued assets		315	(315)		-
As at March 31, 2018	1,000	11,656	891	-	13,547
Profit for the year		379			379
Other comprehensive income					0
Total comprehensive income for the year	1,000	12,035	891	-	13,926
Depreciation on revalued assets		315	(315)		
As at March 31, 2019	1,000	12,350	576	-	13,926

In terms of our report of even date

For and on Behalf of Board of Directors

For Saurabh R Shah & CoFirm Registration No. : 127176W
Chartered Accountants**Narendra M. Purohit**Chairman & Managing Director
DIN: 00755195**Mahendra H. Sanghani**Director
DIN: 00755264**Saurabh R Shah**Partner
Membership No.: 117471**Saumil N. Purohit**Chief Financial Officer
DIN: 01861110**Nishit Kumar Sandhani**

Company Secretary

Place : Ahmedabad

Date : May 30, 2019

Place : Ahmedabad

Date : May 30, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

BACKGROUND

Purohit Construction Limited is a public Limited company incorporated and domiciled in India. The company is engaged in the business of providing civil construction services.

These financial statements were authorized to be issued by the board of directors on May 30, 2019

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities measure at fair value;

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of the Company has been identified as CODM and he assesses the financial performance and position of the Company, and makes strategic decisions. Refer Note 33 for segment information.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and service tax and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below.

- (a) In case of construction contracts or part thereof completed during the year, revenue is recognized based on the work bills raised on the principals of such projects.
- (b) In respect of the construction contracts on hand, company recognizes revenue at the year-end on the basis of "Percentage of work completion" method based on the amounts admitted by principals or certified by the Architect till the year end in accordance with the agreements entered into with the principal.

(d) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised using the Balance Sheet approach on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts as per financial statements as at the reporting date.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(h) Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw material includes cost of purchases and other cost incurred in bringing the inventories to the present location and condition.

Cost of work-in-progress comprises of raw material, direct labour, other direct costs and an appropriate proportion of variable and fixed overhead expenditure.

Work in progress at the year-end has been physically verified, valued and certified by the management based on the terms of agreement with the respective principals. Included in WIP is cost of acquisition of land for such project as applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to complete the contract

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets: Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit or Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through profit or loss), or
- amortized cost

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in the Statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of Financial Assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- financial assets that are debt instruments, and are measured at amortised cost e.g. loans, deposits, and bank balance.
- trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Income Recognition*Interest income*

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

Financial Liabilities:**Initial recognition and measurement**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(j) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical Cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, rates and residual value

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets, based on technical evaluation done by management's expert, which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

The management estimates the useful life for the property, plant and equipment as follows:

Asset	Total Useful Life
Office Building	30 Years
Plant & Machinery	12 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Vehicles	8 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(m) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(n) Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(o) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The company operates the following post-employment schemes.

- Defined contribution plans such as provident fund, superannuation etc.

Defined contribution plans

The company pays contribution to defined contribution schemes such as provident fund, superannuation fund etc. The company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(p) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

a.) Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/ losses and/or cash flows.

Recognition of deferred tax assets/ liabilities

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which we operate and prudent and feasible tax planning strategies. (Refer Note 26)

b.) Estimation of Provisions & Contingent Liabilities.

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. If a loss arising from these litigations and/or claims is probable and can be reasonably estimated, the management record the amount of the estimated loss. If a loss is reasonably possible, but not probable, the management discloses the nature of the significant contingency and, if quantifiable, the possible loss that could result from the resolution of the matter. As additional information becomes available, the management reassess any potential liability related to these litigations and claims and may need to revise the estimates. Such revisions or ultimate resolution of these matters could materially impact the results of operations, cash flows or financial statements of the company. (Refer Note 17, 27 and 28)

c.) Estimated Useful Life of Property, Plant and Equipment

The charge in respect of periodic depreciation on Property, Plant and Equipment is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Useful Lives and residual values of Company's Property, Plant and Equipment are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer Note 2).

For Saurabh R Shah & Co
Firm Registration No. : 127176W
Chartered Accountants

Narendra M. Purohit
Chairman & Managing Director
DIN: 00755195

Mahendra H. Sanghani
Director
DIN: 00755264

Saurabh R Shah
Partner
Membership No.: 117471

Saumil N. Purohit
Chief Financial Officer
DIN: 01861110

Nishit Kumar Sandhani
Company Secretary

Place : Ahmedabad
Date : May 30, 2019

Place : Ahmedabad
Date : May 30, 2019

Notes to the financial statements as at and for the year ended March 31, 2019

(All amounts in Rupees thousands, unless otherwise stated)

Note 2 - Property, plant and equipment

Particulars	Office Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total
Year ended March 31,2018						
Gross carrying amount						
Opening gross carrying amount	3,144	516	867	140	6,130	10,797
Additions				46		46
Written off	-	(12)	(63)	(56)	(4)	(135)
Closing gross carrying amount	3,144	504	804	130	6,126	10,708
Accumulated depreciation and impairment						
Opening accumulated depreciation	(483)	(92)	(296)	(82)	(1,797)	(2,749)
Depreciation charge during the year	(483)	(93)	(242)	(14)	(1,797)	(2,629)
Closing accumulated depreciation	(965)	(185)	(538)	(95)	(3,594)	(5,378)
Net carrying amount	2,179	319	266	35	2,532	5,330
Year ended March 31,2019						
Gross carrying amount						
Opening gross carrying amount	3,144	504	804	130	6,126	10,708
Additions	-	-	-	-	-	-
Written off	-	-	-	-	-	-
Closing gross carrying amount	3,144	504	804	130	6,126	10,708
Accumulated depreciation and impairment						
Opening accumulated depreciation	(965)	(185)	(538)	(95)	(3,594)	(5,378)
Depreciation charge during the year	(483)	(93)	(113)	(15)	(1,122)	(1,826)
Closing accumulated depreciation	(1,448)	(278)	(651)	(110)	(4,716)	(7,204)
Net carrying amount	1,696	226	153	20	1,410	3,504

Note 3 - Non-current investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in equity instruments		
Quoted		
Sterling Guaranty & Finance Ltd	182	182
Investment in equity instruments		
Unquoted		
Shri Bhagyalaxmi Co-op. Bank Ltd	1	1
Shiv Sankalp Owner's Association	1	1
Investment in mutual funds		
Unquoted		
ICICI-Prudential Flexible Income Plan	8	8
Total	192	192
Aggregate amount of quoted investments and market value thereof	182	182
Aggregate amount of unquoted investments	10	10
Aggregate amount of impairment in the value of investments	-	-

Note 4 - Non current trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	33,934	6,818
Total	33,934	6,818

Note 5 - Non-current loans

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	1,162	1,162
Total	1,162	1,162

Note 5a-Non Current Financial Asset

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposit with State Bank of India (Maturity after 12 months)	159	159
Total	159	159

Note 6 - Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to vendor	-	311
Advance against development rights	1,285	1,285
Advance to staff	157	53
Total	1,442	1,649

Note 7 - Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw material	1,325	1,325
Total	1,325	1,325

Inventory at the year end is physically verified and valued by the management on the following basis :

Inventory of building materials is valued at cost on FIFO basis.

Note 8 - Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	32,652	122,725
Total	32,652	122,725

Note 9 - Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
In current accounts	81	613
Cash	79	216
Total	160	829

Note 10 - Current Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Inter corporate deposits	11,202	7,807
Total	11,202	7,807

Note 11 - Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to vendor	12	12
Advance to staff	21	140
Advance tax	1,539	1,281
Other assets	619	610
Total	2,191	2,043

Note 12 - Share capital and other equity

12(a) - Equity share capital

Particulars	31 March 2019	31 March 2018
Authorised share capital		
10,000,000 (March 31, 2018: 10,000,000) Equity shares of Rs. 10/- each	100,000	100,000
	100,000	100,000
Issued, Subscribed and fully paid-up shares		
4,405,600 (March 31, 2018: 4,405,600) Equity shares of Rs. 10/- each	44,056	44,056
	44,056	44,056

Movements in equity share capital

Particulars	Number of shares	Amount
As at March 31, 2018	4,405,600	44,056
Issued during the year	-	-
As at March 31, 2019	4,405,600	44,056

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019	As at March 31, 2018
Narendra M. Purohit		
Number of shares held	848,700	848,700
% of Holding	19.26	19.26
Saumil N. Purohit		
Number of shares held	445,910	445,910
% of Holding	10.12	10.12
Pranav Hareshbhai Patel		
Number of shares held	555,304	546,804
% of Holding	12.60	12.41

Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

12(b) - Reserves and surplus

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earnings	12,350	11,656
Securities Premium Account	1,000	1,000
Revaluation Reserve	576	891
Total	13,926	13,547

For detailed movement in the balances of reserves refer statement of changes in equity

Nature and purpose of reserves

Securities Premium represents amount received in excess of face value of equity shares issued by the company. The same shall be utilised in accordance with provisions of the companies Act, 2013. Revaluation Reserve represents amount of gain on certain class of assets in 2010.

Note 13 - Trade Payable-Non Current

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Trade Payable (More than 12 months)	4,649	4,953
Total	4,649	4,953

Note: Secured against hypothecation of vehicle and personal guarantee of one of the director

Note 14 - Borrowings - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Loan from director	-	4,055
Total	-	4,055

Note 15 - Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables	22,083	79,182
Total	22,083	79,182

The dues to Micro, Small and Medium undertakings out of Trade Payables : Nil (March 31, 2019: Nil, March 31, 2018: Nil)

Note 16 - Other financial liabilities - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Employee benefits payable	329	351
Others	2284	2,284
Total	2,613	2,635

Note 17 - Provisions - Current

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for expenses	-	19
Provision for tax	420	752
Total	420	771

Note 18 - Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory dues	704	1,121
Total	704	1,121

Note 19 - Revenue from operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of goods	-	144,893
Sale of services		
Value of contractual work completed	24,041	24,346
Value of Construction related Services	5,681	-
Others	2,771	-
Total	32,493	169,239

Note 20 - Other income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income	698	444
Net gain on financial assets mandatorily measured at Fair value through profit and loss	1	1
Other non operating Income	0	1
Total	699	446

Note 21 - Cost of material consumed/sold

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Raw materials		
Opening stock of raw material	1,325	1,353
Add: Purchase during the year	0	135,417
Add: Cartage during the year	0	342
Less: Closing Stock of raw material	1,325	1,325
Total	-	135,787

Note 22 - Employee benefit expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	1,071	1,139
Directors' Remuneration & Perquisites	2,700	2,520
Contribution to provident and other funds	71	94
Staff welfare expenses	1	25
Other payment for employees	97	97
Total	3,940	3,875

Note 23 - Net finance costs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Other Interest	50	64
Bank charges	3	12
Total	53	76

Note 24 - Depreciation and amortisation expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on property, plant and equipment	1826	2,629
Total	1,826	2,629

Note 25 - Other expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Subcontract and labour charges	23,727	23,040
Site Expenses		64
Repairs & Maintenance	187	329
Advertisement & Sales Promotion Expenses	226	216
Office expenses	250	566
Legal and professional charges (refer note below)	942	820
Technical -Professional Fees/Charges	270	25
Rates and tax	74	156
Conveyance Expenses	2	85
Electricity Expenses	112	128
Rent	371	371
Postage, Telegram & Telephone Expenses	207	82
Insurance	224	21
Foreign Travelling Expenses	207	176
Fixed asset written off		135
Financial assets written off		127
Total	26,799	26,341

Note 25(a)- Payment to auditors

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Audit fees	75	50
Others	25	-
	100	50

Note 26 - Taxation

26(a) - Income tax expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
Current tax on profits for the year	420	752
Adjustments for current tax of prior periods	20	84
Total current tax expense	440	836
Deferred tax		
(Decrease)/increase in deferred tax liabilities	(245)	(482)
Total deferred tax expense/(benefit)	(245)	(482)
Income tax expense	195	354

26(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year	574	977
Statutory tax rate applicable to Purohit Construction Limited	26%	26%
Tax expense at applicable tax rate	148	251
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Interest on delayed payments	7	14
Income tax relating to previous years	20	84
Other disallowances	1	5
Income tax expense	176	354

26(c) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2019	As at March 31, 2018
Depreciation on property, plant and equipment	528	283
Total deferred tax assets	528	283
Set-off of deferred tax liabilities pursuant to set-off provisions	-	-
Net deferred tax assets	528	283

Movement in deferred tax assets

Particulars	As at April 1, 2017	(Charged)/ credited to profit and loss	Charged/ (credited) to OCI	Charged/ (credited) to equity	As at March 31, 2018
Depreciation on property, plant and equipment	(199)	482			283
Total deferred tax assets	(199)	482	-	-	283

Particulars	As at March 31, 2018	(Charged)/ credited to profit and loss	Charged/ (credited) to OCI	Charged/ (credited) to equity	As at March 31, 2019
Depreciation on property, plant and equipment	283	245			528
Total deferred tax assets	283	245	-	-	528

26(d) - Deferred tax liabilities

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2019	As at March 31, 2018
Depreciation on property, plant and equipment	-	-
Total deferred tax liabilities	-	-
Set-off of deferred tax assets pursuant to set-off provisions	-	-
Net deferred tax liabilities	-	-

Note 27 - Contingent liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Service Tax Matter	450	450
Income tax matters disputed by the company	5,068	5,068

The management has preferred an appeal against the aforesaid demand of Income Tax, being confident of succeeding in the same, it does not propose any provision on that account. And The Company has received Show Cause Notice from Service Tax Department, And Management has filed reply in response to Said Notice.

Note 28 - Commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts to be executed on capital account	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments	-	-

Note 29 - Employee Benefit Obligations

(i) Defined contribution Plans

The company has certain defined contribution plans. Contributions are made to provident fund in India for employees at prescribed % of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 70828

Note 30 -Fair value measurements

(i) Financial instruments by category

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Equity instruments	184	-	184	-
Mutual funds	8	-	8	-
Loans		12,364	-	8,969
Trade receivables		66,586	-	129,543
Total financial assets	192	78,950	192	138,511
Financial liabilities				
Borrowings	-	-	-	4,055
Trade payables	-	26,732	-	84,135
Other financial liabilities	-	2,613	-	2,635
Total financial liabilities	-	29,345	-	90,825

(ii) Fair value of Financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security deposits	1,162		1,162	
Total Financial Assets	1,162	-	1,162	-

The carrying amounts of trade current loans, receivables, cash and cash equivalents, short term borrowings, trade payables and Other current financial liabilities are considered to be the same as their fair values due to their short-term nature.

The fair values for security deposits is calculated based on cash flows discounted using a current lending rate. This is classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

Note 31 - Financial Risk Management

The Company's activities expose it to a variety of financial risks namely credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, security deposits and cash and cash equivalents.

Credit risk on trade receivables is limited as the customers of the company mainly consists of the related parties, as a result the management has assessed that the credit risk is low.

Security deposits are receivable from the customers on the expiry of lease period, therefore the credit risk is limited. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

(ii) Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Company's objective is to, at all time maintain optimum levels of liquidity to meet its financial obligations. The Group manages liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than 1 year	1 - 3 Years	Total
As at March 31, 2019			
Borrowings	-	-	-
Trade payables	26,732	4,649	31,381
Other financial liabilities	2,613	-	2,613
	29,345	4,649	33,994
As at March 31, 2018			
Borrowings	4,055	-	4,055
Trade payables	84,135	4,953	89,088
Other financial liabilities	2,635	-	2,635
	90,825	4,953	95,778

Note 32 - Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements. The management also monitors the return on capital as well as the level of dividends to shareholders.

Note 33 - Segment Information

The company's managing director who is identified as the chief operating decision maker of the company, examines the performance of the business and allocates funds on the basis of i.e. 'Civil construction services' related to Construction. The company has no other reportable segment. The company does not have any reportable geographical segment.

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the period, is as reflected in the Financial Statements as of and for the financial year ended March 31, 2019 as attached here as pert of Note 33.

	CONSTRUCTION		OTHER GOODS/ MATERIAL RELATED TO CONSTRUCTION(TRADED)		OTHER NOT ALLOCATED	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE						
External Sales	32,493	24,346	-	144,893	699	446
Inter-Segment Sales						
Total Revenue	32,493	24,346	-	144,893	699	446
RESULTS						
Segment Results	8,766	1,278	-	9,133	(7,012)	(7,176)
Unallocated Corporate Exp					(1,826)	(2,629)
Operating Profit	8,766	1,278	-	9,133	(8,838)	(9,805)
Interest Expenses					(53)	(76)
Interest Incomes					699	446
Income Taxes					(195)	(354)
Profit from Ordinary Activities	8,766	1,278	-	9,133	(8,387)	(9,789)
Extraordinary Items						
Net Profit	8,766	1,278	-	9,133	(8,387)	(9,789)
SEGMENT ASSETS						
Segment Assets	67,082	53,136	2,283	79,392	19,087	17,792
Unallocated Corporate Assets						
Total Assets	67,082	53,136	2,283	79,392	19,087	17,792
SEGMENT LIABILITIES						
Segment Liabilities	26,732	16,078	-	68,058	3,738	8,582
Unallocated Corporate Liabilities						
					57,982	57,603
Total Liabilities	26,732	16,078	-	68,058	61,720	66,185

Information relating to major customers

The revenue from transaction accounted for more than 10% of the revenues.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Aabhar Procon LLP	20,041	20,771
Sekisui DLJM Molding Pvt Ltd	8,452	-
Narendra M Purohit	-	714
Aashish Trading Company Pvt Ltd	-	41,762
Navkar Builders Ltd	-	65,919
Nila Infrastructures Ltd	-	24,228

Note 34 - Related party transactions

Associate Concerns

PCL Infracon Pvt Ltd
Shree Siddhivinayak Devstahan Trust
Status Finstocks Pvt. Ltd.

Abhaar Procon LLP
N.S.H.B. Projects

Key Management Personnels

Narendra M. Purohit
Nishitkumar C. Sandhani (C.S.)

Saumil N. Purohit
Sanny R. Parante (C.F.O.)
(* Resigned w.e.f.08/01/2019)

Independend Director

Jagrutiben Shah
Kumudchandra Shevaria*
(* Resigned w.e.f. 29/03/2019)

Mahindra Sanghani
Nishitkumar Gohil

Relatives of Key Management Personnel

Hemlata N. Purohit
Ami M. Shah
Forum S. Parikh
Saumil Purohit HUF
Saumil N Purohit
Nirag Choksi
Arman S Purohit
Narendra Purohit
Pravin Sanghvi
Sankeet Sanghvi
Jignesh Sanghvi
Vandnaben M Sanghani
Kantaben H Sanghani
Ashokbhai Sanghani
Urveshi H Shah
Nainaben B Gohil
Iviran B Chauhan
Dahiben M purohit
Jayaben Panadya
Sundira Joshi
Ishvarlal M Sheravia
Rudhi P Sheravia

Deepkiran S. Purohit
Urvi N. Chokshi
Narendra Purohit HUF
Hemlata N. Purohit
Malay Shah
Sapan Parikh
Anaisha S Purohit
Hiten Shah
Hansa Sanghvi
Vidushi Shah
Parul Shah
Harkishandas Sanghani
Bhavin M sanghani
Shashikant Sanghani
Bhikhabhai M Gohil
Mital J Parmar
Maganlal j purohit
Bhanumati Joshi
Ramila Pandya
Kashamira K Sheravia
Pranav K Sheravia

Key management personnel compensation

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Short-term employee benefits	3,312	3,156
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee share-based payment	-	-
Total compensation	3,312	3,156

PUROHIT CONSTRUCTION LIMITED

Transactions during the year	Year ended March 31, 2019			Year ended March 31, 2018		
	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives	Total	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives	Total
Incomes						
Contract Work Executed						
i) N.M. Purohit	-	-	-	-	714	714
ii) Aabhaar Procon LLP	24,041	-	24,041	20,771	-	20,771
iii) Shri Sidhdivinayak Devsthan	-	-	-	4,390	-	4,390
Expenses						
Sub Contract Charges paid						
i) NSHB Projects	-	-	-	3,225	-	3,225
Rent Expenses						
i) N.M. Purohit HUF	-	371	371	-	371	371

Balances at the end of the year	As at March 31, 2019		As at March 31, 2018	
	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives
Borrowings				
i) Aabhaar Procon LLP	-	-	-	-
ii) NSHB Projects	-	-	-	-
iii) N.M. Purohit	-	-	-	4,055
Deposits				
i) N.M. Purohit HUF	-	500	-	500
Advance to vendors				
i) Aabhaar Procon LLP	-	-	-	-
ii) Shree Siddhivinayak Devasthan	-	-	311	-
iii) NSHB Projects	-	-	-	-
Trade Receivables				
i) Aabhaar Procon LLP	35,453	-	21,990	-
ii) Aabhaar Infrastructure Pvt Ltd	1,218	-	1,218	-
iii) Shri Sidhdivinayak Devsthan	23,346	-	26,941	-
Trade Payables				
i) N.M. Purohit HUF	-	70	-	50
ii) NSHB Projects	55	-	55	-
Other financial liabilities - Others				
i) Aabhaar Procon LLP	2,284	-	2,284	-
Advances received against contract	-	-	-	-

In terms of our report of even date

For and on Behalf of Board of Directors

For Saurabh R Shah & Co
Firm Registration No. : 127176W
Chartered Accountants

Narendra M. Purohit
Chairman & Managing Director
DIN: 00755195

Mahendra H. Sanghani
Director
DIN: 00755264

Saurabh R Shah
Partner
Membership No.: 117471

Saumil N. Purohit
Chief Financial Officer
DIN: 01861110

Nishit Kumar Sandhani
Company Secretary

Place : Ahmedabad
Date : May 30, 2019

Place : Ahmedabad
Date : May 30, 2019

PUROHIT CONSTRUCTION LIMITED

CIN No. L45200GJ1991PLC015878

Regd. Office: 401, PUROHIT House, Opp. S.P Stadium, Navrangpura, Ahmedabad 380 009.

ATTENDANCE SLIP**To be handed over at the entrance of the Meeting Hall**

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company held on Friday, 27th September, 2019 at 10.00 a.m. at Aarya Grand Hotel & Resorts (Earlier know as Fun Point Club), Sarkhej – Gandhinagar Highway, Ahmedabad-380 060.

Name and Registered Address of the Sole / First Named Member	:	
DP ID-Client ID	:	
No. of shares held	:	
Full name of the Member/Proxy	:	
Member's/Proxy's Signature	:	

Full Name of Shareholder (In block letters)

Signature

Full Name of Proxy (In block letters)

Signature

PUROHIT CONSTRUCTION LIMITED

CIN No. L45200GJ1991PLC015878

Regd. Office: 401, PUROHIT House, Opp. S.P Stadium, Navrangpura, Ahmedabad 380 009.

PROXY FORM**Form MGT - 11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered address : _____

E-mail Id : _____

Folio No. / Client ID No. : _____ DP ID No. : _____

I / We, being the member(s) of _____ Shares of Purohit Construction Limited, hereby appoint

1. Name : _____ E-mail Id : _____

Address : _____

Signature : _____ or failing him

2. Name : _____ E-mail Id : _____

Address : _____

Signature : _____ or failing him

3. Name : _____ E-mail Id : _____

Address : _____

Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Eight Annual General Meeting of the Company to be held on Friday, 27th September, 2019 at 10.00 a.m. at Aarya Grand Hotel & Resorts (Earlier know as Fun Point Club), Sarkhej – Gandhinagar Highway, Ahmedabad-380 060 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Resolution No.	Particulars of Resolution	Optional	
		For	Against
ORDINARY BUSINESS			
1.	To receive, consider and adopt the Audited Statement of Profit and Loss and statement of Cash Flow for the Financial year ended on 31st March, 2019 and the Balance Sheet as on that date along with the Directors' and Auditors' Report thereon.		
2.	To appoint a Director in place of Shri Narendra Purohit (DIN 00755195), who retires by rotation and being eligible offers himself for re-appointment.		
3.	Appointment of M/s. Parekh Parekh and Associates, Chartered Accountants as Statutory Auditors and fixation of their remuneration.		
SPECIAL BUSINESS			
4.	To approve re-appointment of Mr.Narendra Purohit as Managing Director and payment of remuneration payable to him.(Special Resolution)		
5.	To approve remuneration of Mr. Saumil Purohit as Managing Director. (Special Resolution)		

Signed this day of 2019

Signature of shareholder.....

Signature of Proxyholder(s).....

Affix
Revenue
Stamp

NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 401, Purohit House, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad -380009 not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different jointholders may use copies of this Attendance slip/Proxy.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
4. **It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. Appointing the proxy does not prevent a shareholder from attending the meeting in person if he so wishes.
6. Please complete all details including details of member (s) in the above box before submission.

[illegible]

[illegible]

**BOOK-POST
PRINTED MATTER**

To,



PUROHIT CONSTRUCTION LIMITED

CIN No. L45200GJ1991PLC015878

Regd. Office: 401, PUROHIT House, Opp. S.P Stadium, Navrangpura, Ahmedabad 380 009.

Ph.: 079-66620104 • E-mail : cs@purohitconstruction.com