



Purohit Construction Ltd.

26th
Annual Report
2016-17



CORPORATE INFORMATION

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Shri Sanny R Parante

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Nishitkumar Sandhani

BANKERS

Kotak Mahindra Prime Limited
HDFC Bank Ltd.
State Bank of India.
Tamilnadu Mercantile Bank Ltd.

AUDITORS

M/s. Gattani & Associates,
Chartered Accountants,

SECRETARIAL AUDITOR

M/s. Parikh & Dave Associates
Company Secretaries

INTERNAL AUDITOR

M/s. D M J & Co.,
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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26th Annual General Meeting

Date : 13th September, 2017
Day : Wednesday
Time : 10.00 a.m.
Place : Arya 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 26th 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 Wednesday, 13th September, 2017 at 10:00 a.m. to transact the following business:

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, 2017 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 Kumudchandra I Sheravia (DIN 00756927), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s. Saurabh R Shah & Co, Chartered Accountants (Firm Registration number 127176W), Ahmedabad be and is hereby appointed as Statutory Auditors of the Company in place of M/s. Gattani & Associates, Chartered Accountants, (Firm Registration number 103097W) , Ahmedabad, to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting, subject to ratification of appointment at every Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**
RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Nishitkumar Gohil (holding DIN 01663251), a non-executive Independent Director of the Company, who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting, whose period of office shall not be liable to determination by retirement by rotation in accordance with the provisions of the Companies Act, 2013.
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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Mahendra Sanghani (holding DIN 00755264), a non-executive Independent Director of the Company, who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting, whose period of office shall not be liable to determination by retirement by rotation in accordance with the provisions of the Companies Act, 2013.
6. 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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Smt. Jagrutiben Shah (holding DIN 05323587), a non-executive Independent Director of the Company, who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting, whose period of office shall not be liable to determination by retirement by rotation in accordance with the provisions of the Companies Act, 2013.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
RESOLVED THAT in supersession of all the earlier resolutions passed at the previous Annual General Meeting of the Company, pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to the Board of Directors to enter into various related party transactions during the year 2017-18, 2018-19 and 2019-20 up to maximum amount as mentioned below:

(Rs. in Lacs)

Name of the related party	Type of transactions	Maximum amount per annum for each F.Y. 2017-18, 2018-19 and 2019-20
Shri Narendra M Purohit	- Civil Construction work and others work - Land Development - Reimbursements of income / expenditure	950.00
Aabhaar Procon LLP	- Civil Construction work and others work - Land Development - Reimbursements of income / expenditure	1000.00
Shree Siddhivinayak Devsthan Trust	- Reimbursements of income / expenditure - Civil Construction work and others work	250.00
NSHB Projects	- Civil Construction work and others work - Land Development - Reimbursements of income / expenditure	1000.00

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

8. 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 Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority, if any, consent of the shareholders of the Company be and is hereby accorded to re-appoint Shri Narendra M Purohit (DIN: 00755195) as Managing Director of the Company for a period of five years including payment of remuneration for the period of three years with effect from 1st April, 2017 and on such terms and conditions as mentioned in Explanatory Statement attached herewith.

RESOLVED FURTHER THAT he shall not be liable to retire by rotation.

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.

BY ORDER OF THE BOARD
FOR, PUROHIT CONSTRUCTION LIMITED

Date : 8th August, 2017

Place : Ahmedabad

REGISTERED OFFICE:

401, Purohit House,
 Opp Sardar Patel Stadium
 Navrangpura, Ahmedabad-380009

Narendra Purohit
 Chairman & Managing Director
 (DIN: 00755195)

Notes:

1. 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.
2. 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.

3. The Explanatory Statement 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.
4. 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.
5. 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.
6. 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.
7. The annual accounts, the reports and all other documents required under the law to be annexed thereto and referred in to accompanying notice and explanatory statement 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.
8. 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.
9. Copies of the Annual Report for the year 2016-17 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.
10. 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	Shareholding in the Company	*Details of Directorship held in other Companies as on 31.03.17	#Details of Membership/ Chairmanship of Committee as on 31.03.17
Kumudchandra Sheravia DIN : 00756927	26/11/42	30/06/07	Commerce Graduate, Proficient in strategic and leadership skills	85998 1.95%	NIL	NIL
Narendra Purohit DIN : 00755195	01/05/55	01/04/07	Commerce Graduate, Management, Finance and Strategic business planning.	848700 19.26%	NIL	NIL
Nishitkumar Gohil DIN : 01663251	13/01/80	01/03/03	Commerce & Law Graduate, Strategic business planning.	NIL	NIL	NIL
Mahendra Sanghani DIN : 00755264	13/02/49	30/06/04	Commerce Graduate, Risk Management, Finance and Strategic business planning.	8500 0.19%	NIL	NIL
Jagruti Shah DIN : 05323587	22/02/63	30/08/14	Arts Graduated, Management, and Strategic business planning.	NIL	NIL	NIL

Shri Saumil Purohit, Joint Managing Director of the company is son of Shri Narendra Purohit, Managing Director of the company. Apart from the said Directors no other Directors are in any way inter se related with other Directors or KMPs.

* 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. 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.
14. In case of joint holders attending the Meeting, only such Joint holders, who are higher in order of names will be entitled to vote.
15. 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.
16. 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.
17. 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 26th 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 10th September, 2017 to 5.00 P.M. on 12th September, 2017. (Both days Inclusive).
18. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners.
19. The Shares of the Company are listed at BSE Limited & Ahmedabad Stock Exchange Limited.
20. A Route Map showing the Directions to reach the venue of the 26th Annual General Meeting is attached along with the notice as per the requirement of Secretarial Standards – 2 on General Meeting.
21. 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 two 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 10th September, 2017 [10:00 a.m.] and ends on 12th September, 2017 [5:00 p.m.]. During this period, Members holding shares either in physical form or demat form, as on 6th September, 2017 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

22. 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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. 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.
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	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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).

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 .

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@parikh-dave.com

Date : 8th August, 2017
Place : Ahmedabad
REGISTERED OFFICE:
401, Purohit House,
Opp Sardar Patel Stadium
Navrangpura, Ahmedabad-380009

BY ORDER OF THE BOARD
FOR, PUROHIT CONSTRUCTION LIMITED

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

Shri Nishitkumar Gohil (holding DIN 01663251) is a non-executive Independent Director of the Company, who holds office upto the date of the ensuing Annual General Meeting. He fulfils the requirement of Independent Director as laid down under Section 149 of the Companies Act, 2013 read with the Rules framed thereunder and is eligible for re-appointment as an Independent Director on passing of a Special resolution by the Company. The company has also received a notice in writing from a member along with the requisite deposit of money under Section 160 of the Companies Act, 2013 proposing his candidature as Independent Director of the Company. The Company has received from him a declaration that he meets the criteria of independence as provided under section 149(6) of the Act, in connection with his re-appointment as an independent Director.

Considering his skills, level of expertise and performance evaluation the Board of Directors, on the basis of recommendation by the Nomination and remuneration Committee, has proposed his re-appointment as an Independent Director for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 the re-appointment of Shri Nishitkumar Gohil as Independent Director is now being placed before the Members for their approval.

All the relevant documents, i.e. appointment letter, the terms and conditions of the appointment of Shri Nishitkumar Gohil as Independent Director of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 5:00 pm on all working days (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting.

Your Directors recommends the passing of the proposed Special Resolution.

Except Shri Nishitkumar Gohil, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5

Shri Mahendra Sanghani (holding DIN 00755264) is a non-executive Independent Director of the Company, who holds office upto the date of the ensuing Annual General Meeting. He fulfils the requirement of Independent Director as laid down under Section 149 of the Companies Act, 2013 read with the Rules framed thereunder and is eligible for re-appointment as an Independent Director on passing of a Special resolution by the Company. The company has also received a notice in writing from a member along with the requisite deposit of money under Section 160 of the Companies Act, 2013 proposing his candidature as Independent Director of the Company. The Company has received from him a declaration that he meets the criteria of independence as provided under section 149(6) of the Act, in connection with his re-appointment as an independent Director.

Considering his skills, level of expertise and performance evaluation the Board of Directors, on the basis of recommendation by the Nomination and remuneration Committee, has proposed his re-appointment as an Independent Director for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 the re-appointment of Shri Mahendra Sanghani as Independent Director is now being placed before the Members for their approval.

All the relevant documents, i.e. appointment letter, the terms and conditions of the appointment of Shri Mahendra Sanghani as Independent Director of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 5:00 pm on all working days (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting.

Your Directors recommends the passing of the proposed Special Resolution.

Except Shri Shri Mahendra Sanghani, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

Smt. Jagrutiben Shah (holding DIN 05323587) is a non-executive Independent Director of the Company, who holds office upto the date of the ensuing Annual General Meeting. She fulfils the requirement of Independent Director as laid down under Section 149 of the Companies Act, 2013 read with the Rules framed thereunder and is eligible for re-appointment as an Independent Director on passing of a Special resolution by the Company. The company has also received a notice in writing from a member along with the requisite deposit of money under Section 160 of the Companies Act, 2013 proposing her candidature as Independent Director of the Company. The Company has received from her a declaration that she meets the criteria of independence as provided under section 149(6) of the Act, in connection with her re-appointment as an independent Director.

Considering her skills, level of expertise and performance evaluation the Board of Directors, on the basis of recommendation by the Nomination and remuneration Committee, has proposed her re-appointment as an Independent Director for a period of five consecutive years, who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty First Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 the re-appointment of Smt. Jagrutiben Shah as Independent Director is now being placed before the Members for their approval.

All the relevant documents, i.e. appointment letter, the terms and conditions of the appointment of Smt. Jagrutiben Shah as Independent Director of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 5:00 pm on all working days (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting.

Your Directors recommends the passing of the proposed Special Resolution.

Except Smt. Jagrutiben Shah, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 7

Pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and Rules notified there under and under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to obtain consent of the Members by passing Ordinary resolution, in case if certain transactions with related parties exceeds prescribed amount as specified in Rules.

Disclosures as required under Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 are given here below for perusal of members:

1. Name of the related parties with the name of Director or Key Managerial Personnel who is related, if any :
 - a) Shri Narendra M Purohit- Managing Director
 - b) Aabhaar Procon LLP- Shri Narendra M Purohit,
 - c) Shree Siddhivinayak Devasthan Trust- Shri Narendra M Purohit
 - d) NSHB Projects- Shri Narendra M Purohit
2. Nature of relationship:

Name of related parties	Nature of relationship
Shri Narendra M Purohit	Managing Director of the Company.
Aabhaar Procon LLP	A LLP in which the Director of the Company and relative of Director are Designated Partners.
Shree Siddhivinayak Devasthan Trust	A trust in which Director is a trustee.
NSHB Projects	A partnership firm in which Director of the Company and relative of director are partners.

3. Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature of transactions, period of the transactions and monetary value of the transactions are referred in the Resolution. The transactions with the aforesaid related parties are entered into in the ordinary course of business and on arm's length price. However, for abundant caution and as a good corporate practice, your Directors thought it fit to get the approval of members. Except Shri Narendra M Purohit, Managing Director and Shri Saumil N Purohit, Joint Managing Director along with their relatives, None of the others Directors and key managerial personnel and / or their relative are concerned or interested financially or otherwise in proposed resolution.

Interested Shareholders would not be eligible to vote on the resolution set out at item No. 7 of the accompanying notice in term of Section 188 of the Companies Act, 2013 and SEBI Regulation.

Item No. 8

The Board of Directors of the Company at their Meeting, upon recommendation of Nomination and Remuneration Committee of the Board, had re-appointed Shri Narendra Purohit as Managing Director for the term of five years and for payment of remuneration for the period of three years w.e.f. 1st April, 2017 on the revised terms and conditions as mentioned herein below:

1. He shall be entitled to the following Salary and Perquisites:
 - i) Salary: Rs. 1,10,000/- (Rupees One Lakh Ten Thousand only) in the grade of Rs. 1,10,000 – 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 not be liable to retire by rotation.
6. The Managing Director shall not be entitled to receive any sitting fee for attending the meetings of the Board of Directors or committee thereof from the date of this appointment.

Your Directors recommend passing of the resolution as set out number 8 of the accompanying Notice.

None of the Directors of the company except Shri Narendra M Purohit, Managing director being the appointee 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 Lacs		
		Particulars	2016-17	2015-16
		Total Income	893.60	255.52
		Profit Before Tax and Depreciation (Including Exceptional Item)	33.48	33.21
		Depreciation	24.34	25.86
		Profit Before Tax	9.14	7.35
		Provision for Income Tax	7.35	5.00
		Provision for Deferred Tax	-4.87	-4.80
		Profit After Tax	6.66	7.15
		No. of Equity shares (face value ₹ 10)	44.05	44.05
Earnings per Share (₹)	0.15	0.16		
5	Export performance based on given indicators.	₹ in Lacs		
		Particulars	2016-17	2015-16
		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 10 years. He is actively involved in accomplishment of the Company's various projects.

2 Past Remuneration

Period	Remuneration Paid
01-04-2015 to 31-03-2016	11.40 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 in depth 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. Hence his appointment as Managing Director is in the interest of the Company.

5 Remuneration proposed:

Salary: As mentioned 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. He is a Father of Shri Saumil Purohit, Joint Managing Director of 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.

Date : 8th August, 2017

Place : Ahmedabad

REGISTERED OFFICE:

401, Purohit House,

Opp Sardar Patel Stadium

Navrangpura, Ahmedabad-380009

BY ORDER OF THE BOARD
FOR, PUROHIT CONSTRUCTION LIMITED

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

DIRECTORS' REPORT

To,
The Members,
PUROHIT CONSTRUCTION LIMITED

Your Directors have pleasure in presenting 26th Annual Report together with the Audited Financial Statements and Auditors' Report thereon for the year ended 31st March, 2017.

FINANCIAL RESULTS:

Rs. in lacs

Particulars	Standalone	
	For the year ended March 31,2017	For the year ended March 31,2016
Total Income (incl. Other Income)	893.60	255.52
Financial Expenses	2.22	11.84
Depreciation	24.34	25.86
Profit/ (Loss) Before Taxation	9.14	7.35
Less: Provision for Income Tax	7.35	5.00
Less: Provision for Deferred Tax	(4.87)	(4.81)
Less: Provision for Wealth Tax	NIL	NIL
Profit After Taxation	6.66	7.15
Less: Prior Period adjustment	NIL	NIL
Transfer to General Reserve	NIL	NIL
Surplus Brought Forward	100.51	93.36
Less: Depreciation Adjustment	NIL	NIL
Net Balance carried to balance Sheet	107.17	100.51

OPERATIONS/STATE OF AFFAIRS :

The Company was able to achieve Rs. 893.60 lacs as total income during the year as compared to Rs.255.52 lac (2015-16) in previous year. During the year under review the Company has earned net profit of Rs. 6.66 Lacs as compared to Rs. 7.15 Lacs during previous year.

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 2016-17.

AMOUNT TRANSFERRED TO RESERVES:

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

DEPOSITS:

The Company has not accepted any deposit from public during financial year 2016-17.

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, 2017 and the date of the Board's Report.

CHANGE IN THE NATURE OF BUSINESS:

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

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, 2017, it stood at Rs.44, 056,000/- consisting of 4405600 equity shares of Rs.10/- each.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Shri Kumudchandra I Sheravia , Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for reappointment.

Shri Narendra M Purohit has been re-appointed as Managing Director by the Board of Directors of the Company with effect from 01-04-2017 subject to approval of the members in general meeting.

In accordance with the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV and the rules framed thereunder, Shri Nishitkumar Gohil (holding DIN 01663251), Shri Mahendra Sanghani (holding DIN 00755264) and Smt. Jagrutiben Shah (holding DIN 05323587), who were appointed as Independent Directors for the periods of five consecutive years shall hold the office till the conclusion of forthcoming Annual General meeting. The resolutions proposing their re-appointment for further period of Five years are set out in the notice convening the Annual General Meeting.

The Board recommends the re-appointment of above Directors by passing of the necessary resolutions.

Declaration by Independent Directors

The Independent Directors of the Company viz. Shri Mahendra Sanghani, Shri Nishitkumar Gohil, and Smt. 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.

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>

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.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134 (5) of the Companies Act, 2013, in relation to financial statements for the year 2016-17, the Board of Directors state that:

In the preparation of Annual Accounts for the period ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures.

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, 2017.

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;

The Directors have prepared the annual accounts on a going concern basis.

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.

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.

NUMBER OF MEETINGS OF BOARD:

During the year under review four meetings of the Board of Directors were held, details of which are given in the 'Corporate Governance Report' forming part of this Annual Report. This intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

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(2) 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.

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.

AUDITORS AND AUDITORS' REPORT:

Pursuant to the provisions of Section 139 (2) of the Companies Act, 2013 the Statutory Auditors M/s. Gattani & Associates, Chartered Accountants (FRN:103097W) who have been acting as statutory auditors of the Company for more than ten years, cannot be re-appointed at the ensuing Annual General Meeting

In view of the said provisions of the Companies Act, 2013, the Board of Directors, on the recommendation of Audit Committee has approached M/s Saurabh R Shah & Co, Chartered Accountants (Firm Registration Number 127176W), for their appointment as Statutory Auditors of the Company. They have consented to act as the Statutory Auditors of the Company and have also given the confirmation to the effect that their appointment, if made by the Company would be within the limits prescribed under Section 139 of the Companies Act, 2013.

Accordingly, a resolution seeking members' approval for their appointment as Statutory Auditors of the Company for the period of 5 consecutive years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2021-22 is proposed. The Board recommends passing of the proposed resolution.

Auditors' report for the year under review does not contain any qualifications which call for any explanation from the Board of Directors.

INTERNAL AUDITOR:

The Board on the recommendation of Audit Committee had appointed M/s. D.M.J & Company, Chartered Accountants (FRN : 130199W) as an Internal Auditors for the financial year 2017-18.

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.

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.

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.

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.

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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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.

CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013.

A separate report on Corporate Governance Compliance and a Management Discussion and Analysis Report as stipulated in Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") forms part of the Director's Report as Annexure- 6 and 7 respectively along with the required Certificate from the auditor's regarding compliance of the conditions of Corporate Governance.

AUDIT COMMITTEE:

The particulars of an Audit Committee of the Company constituted as per provisions of the Act read with rules framed thereunder and Listing Regulations are given in the Corporate Governance Report forming part of this report.

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

SUBSIDIARIES COMPANIES , ASSOCIATES AND JOINT VENTURE COMPANIES:

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

SAFETY, HEALTH AND ENVIRONMENT:

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.

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.

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.

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 Details of the Vigil policy is explained in the Corporate Governance Report and posted on the website of the Company <http://www.purohitconstruction.com/InvestorRelations.aspx>

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 2016-17:

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

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-8 to this Report.

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.

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>.

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.

INSURANCE:

The Company has taken adequate insurance to cover its assets.

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.

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.

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Date : 8th August,2017
Place : Ahmedabad

ANNEXURE : 1

NOMINATION REMUNERATION POLICY

In terms of section 178 of the companies act, 2013, this policy on nomination and remuneration of directors, key managerial personnel, senior management and other employees of the company has been formulated by the nomination and remuneration committee of the company and approved by the board of directors.

I. The following matters of provisions of the companies act, 2013 have been included and considered while formulating the remuneration policy for the company.

- (a) Criteria determining the qualifications, positive attributes and independence of a Director.
- (b) Appointment and removal of Directors, Key Managerial Personnel, Senior Management.
- (c) Remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees.
- (d) Evaluation of performance of the Directors of the Company.
- (e) Scope and Role of the Nomination and Remuneration Committee
- (f) Disclosures in the Directors' Report

II. Objective:

- (a) The key objective of this policy is to enable a framework that allows attracting and retaining competitive and skilled human resource in the company and for competitive and fair rewards for the achievement of key deliverables and also aligns with practice in the industry and shareholders' expectations. This policy reviews the compensation package payable to the executive and non-executive directors, key management personnel, the senior management and other employees of the company.
- (b) When deciding remuneration, the committee will consider the market scenario, business performance of the company and the remuneration practices in industry.

III. Criteria determining the qualifications, positive attributes and independence of a director and policy for appointment and removal:

(a) Independent directors

1. Qualifications of independent director:-

An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

2. Positive attributes of independent directors:-

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of independent directors:-

An independent director should meet the requirements of section 149, schedule iv of the companies act, 2013.

(b) Other directors and senior management

- 1. the committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director or at senior management level and recommend to the board his/her appointment.
- 2. a person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

3. the company shall not appoint or continue the employment of any person as whole-time director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Moreover any person appointed shall not continue in the company if the evaluation of his performance is not satisfactory to the nomination and remuneration committee.

(c) Rationale for remuneration framework

1. Internal ratios: the compensation package for employees at levels lower than executive directors should be revised in the form of performance increments, structural improvements and cost of living adjustments at regular intervals. This will lead to a compressing of the compensation differential between the lowest and highest levels of executive management.
2. Compliance & risk parameters: in view of company law regulations, the compliance roles of executive directors far outweigh that of any other level, and consequently the risk parameters associated with these jobs are of a significantly higher level as compared to the junior levels and accordingly the remuneration should be paid.

IV. Remuneration pattern:

a) Executive directors:

(1) Structure: a summary of the structure set is as mentioned below:

Components	Item	Description	Policy
Base salary	<ul style="list-style-type: none"> • reflects the person's experience, criticality of the role with the company and the risk factor involved 	<ul style="list-style-type: none"> • consolidated salary fixed for each financial year • this component is also used for paying retiral benefits • paid on a monthly basis 	Normally positioned as the highest as compared to the other components.
Short-term incentive	<ul style="list-style-type: none"> • based totally on the performance of the director 	<ul style="list-style-type: none"> • variable component of the remuneration package • paid on an annually basis 	Determined by the nomination and remuneration Committee after year-end based on the evaluation of performance against the pre-determined financial and non- financial metrics
Long-term incentive	<ul style="list-style-type: none"> • drive and reward delivery of sustained long-term performance 	<ul style="list-style-type: none"> • variable long-term remuneration component. 	Determined by the nomination and remuneration committee and distributed on the basis of time, level and performance
Retiral benefits	<ul style="list-style-type: none"> • provide for sustained contribution 	<ul style="list-style-type: none"> • accrues depending on length on service. 	Paid post separation from the company as per the rules of the provident fund and gratuity acts

b) Key management personnel and senior management and other employees:

1. "senior management" shall mean the personnel of the company who are members of its core management team excluding the board of directors including functional heads.

2. the remuneration package of the key management and senior management and other employees comprises of:
- Fixed remuneration: this includes a monthly salary such as consolidated pay, variable house rent allowance, compensatory allowance, utility allowance, interest subsidy on housing loans;
 - Annual allowances: this consists of leave travel allowance, medical reimbursement and house maintenance allowance.
 - Retrials: this includes provident fund, gratuity and superannuation, if any.

c) Non-executive directors:

The board is responsible for setting policy in relation to the non-executive directors' fees and reviews them periodically. General policy is to provide fees in line with market practice for similar non-executive director roles in the comparable corporate and institutions in India. Fees paid to the non-executive directors also take account of the company's complexity, the significant travel and time commitments required for attending board and other meetings in India and the risk profile of the company. The remuneration to the non-executive directors should be determined as per the provisions of the companies act, 2013 and related rules framed there under. However the nomination and remuneration committee may from time to time suggest the payment and revision in the same as and when necessary.

d) Remuneration mix:

The total remuneration package is designed to provide an appropriate balance between fixed and variable components with focus on performance related pay so that strong performance is incentivized but without encouraging excessive risk taking.

e) Scope and role of the nomination and remuneration committee ('the committee'):

The committee, in addition to the responsibilities specified as per companies act, 2013, would play a pivotal role in ensuring the governance as follows:

- I. Recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel (kmp) and other employees
- II. The nomination and remuneration committee shall while formulating the remuneration policy ensure that:
 - A) 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.
 - B) relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - C) remuneration to directors, key managerial personnel and senior management 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.
- III. The nomination and remuneration committee shall ensure that the remuneration policy is disclosed in the board's report.

f) Disclosures:

Disclosure(s) in board's report should be made by the company as provided in rule 5 of the companies (appointment and remuneration of managerial personnel) rules, 2014 as amended from time to time.

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Date : 8th August,2017
Place : Ahmedabad

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, 2017;

Sr. No	Name of Director	Remuneration	Median Remuneration	Ratio
1.	Shri Narendra Purohit	1197600	422805	2.83:1
2.	Shri Saumil Purohit	1137600	422805	2.69:1

- 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	5.05
2.	Shri Saumil Purohit	5.06
3.	Shri Nishit Sandhani- Company Secretary	41.90
4.	Shri Sanny Parante –CFO	8.79

- III. The percentage increase in the median remuneration of employees in the financial year: 3.81% increase
- IV. The number of permanent employees on the rolls of company; 8
- 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 2016-17 was 2.05%. Percentage increase in the managerial remuneration for the year was 5% to 42%. 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 Directors have not availed any variable remuneration components.

- VII. Affirmation that the remuneration is as per the remuneration policy of the company:

We hereby affirm that the remuneration given to all the employees, Directors and KMP is as per the Remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Narendra Purohit

Chairman & Managing Director

(DIN: 00755195)

Date : 8th August,2017

Place : Ahmedabad

**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:

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)
Narendra Purohit	Managing Director	Civil Work Contracts	3 Years	In tune with market parameters, Annual Value of Rs.4,34,62,375	N.A Special Resolution passed on 17/09/2016*	Nil
Narendra Purohit	Managing Director	Reimbursement of expense (Rent)	3 Years	Rs.3,40,244	N.A Special Resolution passed on 17/09/2016*	Nil
Aabhar Procon LLP	A LLP in which director and relative of Director are designated partners	Civil Work Contracts	3 Years	Rs.4,80,24,974	N.A Special Resolution passed on 17/09/2016*	Rs.1,179,789
NSHB Projects	A firm in which director is partner	Civil Work Contracts	3 Years	Rs.1,20,86,980	N.A*	Rs.31,68,600

Notes: * 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 has taken the approval from members at their Annual General Meeting held on 17th September, 2016.

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

Date : 8th August, 2017
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, 2017

[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 M/s. 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, 2017 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, 2017 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 during the Audit period under review;
- 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 - Not applicable as the Company has not issued any shares 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:

- (i) Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into by the Company with BSE Limited (BSE).

Since the paid-up Share Capital of the Company is not exceeding Rupees Ten Crore and net worth of the Company is not exceeding Rupees Twenty Five Crore 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 sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V, shall not apply to the Company. However as a good corporate governance practice, the Company has been complying with all 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. There were no changes which took place in the composition of the Board during the year under review.

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 such as Labour Laws, Environmental Laws , The Trade Marks Act, 1999, The Indian Copyright Act, 1957, The Patents Act, 1970.

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

Place : Ahmedabad
Date : 21/07/2017

FCS No.: 6545 C. P. No.: 7158

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.

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.

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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

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.

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 : 21/07/2017

**ANNEXURE -5
FORM MGT 9**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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	General construction (including alteration, addition, repair and maintenance) of non-residential buildings, carried -out on own-account basis or on a fee or contract basis	45202	100%

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(01/04/2016)				NO.OF SHARES HELD AT THE ENDING OF THE YEAR (31/03/2017)				% 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	1545698	0.00	1545698	35.08%	1745698	0.00	1745698	39.63%	4.54%
(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)	1654398	0.00	1654398	37.55%	1854398	0.00	1854398	42.09%	4.54%
(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)	1654398	0.00	1654398	37.55%	1854398	0.00	1854398	42.09%	4.54%
(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(01/04/2016)				NO.OF SHARES HELD AT THE ENDING OF THE YEAR (31/03/2017)				% 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.	14531	28700	43231	0.98%	850	28700	29550	0.67%	-0.31%
(b)	Individuals									
	i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	336496	1421400	1757896	39.90%	343832	1349600	1693432	38.44%	-1.46%
	ii) Individual Shareholders holding nominal share capital in excess Rs. 1 lakh	879975	62400	942375	21.39%	703952	122400	826352	18.76%	-2.63%
(c)	Others									
	Non resident Indians	7700	0.00	7700	0.17%	0	0.00	0	0	-0.17%
	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	0.00	0.00	0.00	0.00%	1868	0.00	1868	0.04%	0.04%
	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		0.00			0	0	0	0	
	Sub Total (B) (2)	1238702	1512500	2751202	62.48%	1050502	1500700	2551202	57.90%	9.08%
	Total (B)=B(1) +(2)	1438702	1512500	2951202	66.99%	1050502	1500700	2551202	57.90%	9.08%
(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)	2893100	1512500	4405600	100.00%	2904900	1500700	4405600	100.00%	0.00%

(B) Shareholding Of Promoter & Promoter Group:

S.No	Name of shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No of shares	% Total shares of the company	No.Of shares pledged/ encumberd to total shares	No of shares	% Total shares of the company	No.Of shares pledged/ encumberd to total shares	
1	Narendra Maganlal Purohit	848700	19.26%	0.00%	848700	19.26%	0.00%	0.00%
2	Saumil Narendra Purohit	245910	5.58%	0.00%	445910	10.12%	0.00%	4.54%
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	85998	1.95%	0.00%	85998	1.95%	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%
	Total	1654398	37.55%	0.00%	1854398	42.09%	0.00%	9.08%

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

SN	Particulars	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*	01/04/2016		848,700	19.26%	848,700	19.26%
	At the end of the year	31/03/2017		848,700	19.26%	848,700	19.26%
				NO CHANGE DURING THE YEAR			
2	Saumil Narendra Purohit						
	At the beginning of the year	01/04/2016		245,910	5.58%	245,910	5.58%
	Changes during the year	20/04/2016	Purchase	200,000	4.54%	445,910	10.12%
	At the end of the year	31/03/2017		445,910	10.12%	445,910	10.12%
3	Hemlata Narendra Purohit						
	At the beginning of the year	01/04/2016		209,990	4.77%	209,990	4.77%
	Changes during the year	---		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		209,990	4.77%	209,990	4.77%
4	Status finstocks pvt.ltd.						
	At the beginning of the year	01/04/2016		108,700	2.47%	108,700	2.47%
	Changes during the year	---		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		108,700	2.47%	108,700	2.47%

PUROHIT CONSTRUCTION LIMITED

SN	Particulars	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
5	Kumudchandra Ishvarlal Sheravia						
	At the beginning of the year	01/04/2016		85998	1.95%	85998	1.95%
	Changes during the year	—		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2016		85998	1.95%	85998	1.95%
6	Ami Narendra Purohit						
	At the beginning of the year	01/04/2016		78,000	1.77%	78,000	1.77%
	Changes during the year	—		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		78,000	1.77%	78,000	1.77%
7	Urvi Narendra Purohit						
	At the beginning of the year	01/04/2016		58,400	1.33%	58,400	1.33%
	Changes during the year	—		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		58,400	1.33%	58,400	1.33%
8	Deepkiran Saamil Purohit						
	At the beginning of the year	01/04/2016		18,700	0.42%	18,700	0.42%
	Changes during the year	—		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		18,700	0.42%	18,700	0.42%

*Shri Narendra Purohit had acquired 2,00,000 shares on 30th March, 2016 and the said shares were not credited to his beneficiary account on 31st March, 2016

(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	01/04/2016		488,300	11.08%	488,300	11.08%
	Changes during the year	-	Purchase	6,276	0.14%	494,576	11.23%
		12/09/2016	Purchase	16,988	0.39%	511,564	11.61%
	At the end of the year	31/03/2017		511,564	11.61%	511,564	11.61%
2	VICKY R JHAVERI						
	At the beginning of the year	01/04/2016		200,000	4.54%	200,000	4.54%
	Changes during the year	20/04/2016	Sale	2,00,000	4.54	-	0.00%
	At the end of the year	31/03/2017		0	0.00%	0	0.00%
3	RASIKLAL LALJIBHAI PATEL						
	At the beginning of the year	01/04/2016		66,000	1.50%	66,000	1.50%
	Changes during the year	-		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		66,000	1.50%	66,000	1.50%

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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	PATEL AVANTIKA RASIKLAL						
	At the beginning of the year	01/04/2016		66,000	1.50%	66,000	1.50%
	Changes during the year	-		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		66,000	1.50%	66,000	1.50%
5	HITEN NARENRABHAI SHAH						
	At the beginning of the year	01/04/2016		42,675	0.97%	42,675	0.97%
			Purchase	713	0.02	43,388	0.99
	At the end of the year	31/03/2017		43,388	0.99%	43,388	0.99%
6	RELIANCE CAPITAL TRUSTEE CO.LIMITED						
	At the beginning of the year	01/04/2016		20,800	0.47%	20,800	0.47%
	Changes during the year	-		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		20,800	0.47%	20,800	0.47%
7	KUMAR J KAPSI						
	At the beginning of the year	01/04/2016		32,000	0.72%	32,000	0.72%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		32,000	0.72%	32,000	0.72%
8	DEVENDRA SINGH BAGGA						
	At the beginning of the year	01/04/2016		19,800	0.45%	19,800	0.45%
	Changes during the year	---		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		19,800	0.45%	19,800	0.45%
9	NIHARIKA SUBHASHCHANDRA PARIKH						
	At the beginning of the year	01/04/2016		17,000	0.39%	17000	0.39%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		17,000	0.39%	17,000	0.39%
10	GEETA DEVI						
	At the beginning of the year	01/04/2016		10,600	0.24%	10,600	0.24%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		10600	0.24%	10600	0.24%
11	DIPAKBHAI SHANKERLAL						
	At the beginning of the year	01/04/2016		10,000	0.23%	10,000	0.23%
	Changes during the year			NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		10000	0.23%	10000	0.23%

(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	01/04/2016		848,700	19.26%	848,700	19.26%
	Changes during the year	---		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		848,700	19.26%	848,700	19.26%
2	SAUMIL NARENDRA PUROHIT						
	At the beginning of the year	01/04/2016		245,910	5.58%	245,910	5.58%
	Changes during the year	---		200,000	4.54%	445,910	10.12%
	At the end of the year	31/03/2017		445,910	10.12%	445,910	10.12%
3	KUMUDCHANDRA ISHVARLAL SHERAVIA						
	At the beginning of the year	01/04/2016		85,998	1.95%	85,998	1.95%
	Changes during the year	---		NO CHANGE DURING THE YEAR			
	At the end of the year	31/03/2017		85,998	1.95%	85,998	1.95%
4	NISHITKUMAR BHIKHABHAI GOHIL						
	At the beginning of the year	01/04/2016		-	0.00%	-	0.00%
	Changes during the year	---		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		-	0.00%	-	0.00%
5	JAGRUTIBEN HITENBHAI SHAH						
	At the beginning of the year	01/04/2016		-	0.00%	-	0.00%
	Changes during the year	---		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		-	0.00%	-	0.00%
6	MAHENDRA HARKISHANDAS SANGHANI						
	At the beginning of the year	01/04/2016		8,500	0.19%	8,500	0.19%
	Changes during the year	---		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		8,500	0.19%	8,500	0.19%
7	SANNY R.PARANTE (CHIEF FINANCIAL OFFICER)						
	At the beginning of the year	01/04/2016		-	0.00%	-	0.00%
	Changes during the year	---		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		-	0.00%	-	0.00%
8	NISHITKUMAR CHINUBHAI SANDHANI (COMPANY SECRETARY & COMPLIANCE OFFICER)						
	At the beginning of the year	01/04/2016		-	0.00%	-	0.00%
	Changes during the year	---		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		-	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	13.15	0.00	-	13.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13.15	0.00	-	13.15
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	10.99	-	-	10.99
Net Change	(10.99)	-	-	(10.99)
Indebtedness at the end of the financial year				
i) Principal Amount	2.16	0.00	-	2.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2.16	0.00	-	2.16

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	1197,600	1137,600	2335,200
(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)	1197,600	1137,600	2335,200
	Ceiling as per the Act	It is within the limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013.		

(B) Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors				Total
		Kumudchandra Sheravia	Mahendra Sanghani	Nishitkumar Gohil	Jagrutiben Hitenbhai Shah	
1.	Fee for attending board committee meetings	NONE	NONE	NONE	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						2335200
Overall Ceiling as per the Act		It is within the limit prescribed Under Section 197 read with Schedule V of the Companies Act, 2013				

(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	357,600	215,420	573,020
(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	357,600	215,420	573,020

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Date : 8th August,2017
Place : Ahmedabad

Annexure- 6

**Report On Corporate Governance
for the year 2016-17**

[As required under Regulation 34 (Schedule V) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)]

INTRODUCTION:

Corporate Governance is all about maintaining a valuable relationship and trust with all shareholders. The Company remain committed to maximising stakeholder value, be it is shareholders, employees, suppliers, investors or policy makers. The Company believes that the Corporate Governance is essential for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfil its overall responsibilities and to provide management with the strategic direction needed to create long-term shareholders value.

Your Company has complied in all material respects with the requirements of the corporate governance provisions as specified in chapter IV of the Listing Regulations.

A report on the implementation of the corporate governance provisions of the Listing Regulations by the Company is given below:

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company’s philosophy on the code of governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the Company and help the Company achieve its goal in maximizing value for all its stakeholders as well as in achieving the objectives of the principles as mentioned in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS:

In keeping with the commitment of the Management for the principle of integrity and transparency in business operations for good corporate governance, the Company’s policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. The Board reviews and approves management strategic plan and business objectives and monitors the Company’s strategic direction. The Board sets strategic goals and seeks accountability for their fulfilment. Acting as trustees on behalf of the shareholders, Board ensures that the Company has clear goals relating to shareholders value and growth.

2.1 Composition of the Board:

The Board of Directors of the Company comprises of Directors having rich and wide experience. Shri Narendra Purohit is the Chairman of the Company and handles the affairs of the Company with the support of the other Directors of the Company. The Composition of the Board of the Company is in conformity with the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The table below provides the composition of the Board, their attendance at Board meetings & AGM and number of other directorship, chairmanship/membership of other companies etc.

2.2 BoardMeeting:

During F.Y. 2016-17, the Board of Directors met four times on dates (1) 30th May, 2016 (2) 12th August, 2016 (3) 14th November, 2016 and (4) 10th February, 2017. The gap between any two meetings has been less than one hundred and twenty days.

2.3 Composition of the Board and the attendance record of Directors:

Name of Director	Category	No. of Board meetings attended	Whether attended Last AGM	@No. of other Directorships	\$No. of other Committee Membership/ Chairmanship
Narendra M Purohit	Chairman, Managing Director & Promoter / Executive	4	Y	NIL	NIL
Saumil N Purohit	Joint Managing Director & Promoter / Executive	3	Y	NIL	NIL
Kumudchandra I Sheravia	Non-executive	4	Y	NIL	NIL
Mahendra H Sanghani	Non-executive, Independent	4	Y	NIL	NIL
Nishitkumar B Gohil	Non-executive, Independent	4	Y	NIL	NIL
Jagrutiben H Shah	Non-executive, Independent	4	Y	NIL	NIL

@ Excludes alternate Directorship / Directorship of Private Limited Companies, Foreign Companies and Companies covered under Section 8 of the Companies Act, 2013.

\$ Member/Chairperson of Audit Committee and Stakeholders Relationship Committee only is considered.

2.4 Information supplied to the Board:

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by the different functional heads on important matters from time to time. The directors have separate and independent access to officers of the Company.

In addition to items which are required to be placed before the Board for its noting and/or approval, information is provided on various significant items. In terms of quality and importance, the information supplied by the Management to the Board of the Company is far ahead of the list mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Non-executive Independent Directors fulfils the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Rules made there under and meet with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the directors holds office as a director, in more than 20 companies at the same time. None of them has directorships in more than 10 public companies.

None of the director is a member in more than ten committees nor a chairman in more than five committees across all companies in which he is a director.

2.5 Disclosure of relationships between Directors inter-se:

The Board comprises of combination of Independent, Non-Executive and Executive Director. Shri Narendra Purohit, Chairman & Managing Director is the father of Shri Saumil N. Purohit, Jt. Managing Director. None of the other Directors are related to each other.

2.6 Number of shares and convertible instruments held by Non-Executive Directors:

The numbers of shares held by the Non-Executive Directors as on March 31, 2017 are as mentioned below. Non-Executive Directors of the Company do not hold any convertible instruments.

Name Of the Directors	Number of Shares Held as on March 31, 2017
Shri Kumudchandra Sheravia	85,998
Shri Mahendra H Sanghani	8,500
Shri Nishitkumar B Gohil	NIL
Smt. Jagrutiben H. Shah	NIL

The policy on familiarization programme of Independent Directors of the Company is available on the website of the Company i.e. <http://www.purohitconstruction.com/InvestorRelations.aspx>.

2.7 Independent Directors Meeting:

The IDs met on March 31, 2017 without the presence of non-independent directors and members of the management. At this meeting, the IDs inter alia reviewed the performance of the non-independent directors and the board of directors as a whole, reviewed the performance of the chairman of the board and assessed the quality, quantity and timeliness of flow of information between the management and the board of directors.

3. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE:

i. Term of reference:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of references of the Audit Committee are as outlined in the Companies Act, 2013 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief terms of reference is outline as under:

Brief description of Terms of Reference is as under:

- The recommendation for appointment, remuneration and terms of appointment of CFO, Statutory and Internal Auditors of the company;
- To review and monitor the Auditors independence, scope, performance and effectiveness of audit process and their reports and discussion on significant findings and follow up thereon;
- To review internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- To review the adequacy of internal control systems, evaluation of internal financial controls and risk management systems and to review the functioning of the Whistle Blower mechanism;
- Scrutiny of inter corporate loans, advances and investments, valuation of undertakings or assets of the company, wherever it is necessary and to approve the transactions of the company with related parties and any subsequent modification thereto;
- To review the quarterly (un-audited) and annual financial statements before the same are submitted to the Board and to oversee the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, adequate and credible;
- To review with the management of funds, application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board and to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors, if any;
- To carry out any other function that relates to accounts and audit of the company.

ii. Composition and Meetings:

The Audit committee consists of three Members, Shri Mahendra Sanghani (designated as chairman of the committee), Shri Nishit Gohil, and Shri Kumudchandra Sheravia. During the year under review, 4 meetings were held on (1) 30th May, 2016, (2) 12th August, 2016, (3) 14th November, 2016 and (4) 10th February, 2017. The attendance record of the members at the meeting was as follows:

Name of member	Designation	Attendance
Mahendra Sanghani	Chairman, Non-executive and Independent	4
Nishitkumar B Gohil	Member, Non-executive and Independent	4
Kumudchandra Sheravia	Member, Non-executive	4

The Chairman of Audit Committee had attended last Annual General Meeting of the company held on 17th September, 2016.

B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of references of the Nomination and Remuneration Committee are as outlined in the Companies Act and Part D (A) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief description of terms of reference is outlined as under:

i. The terms of reference:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;
- To recommend to the Board their appointment and removal and shall carry out evaluation of Directors' performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- To recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

ii. Composition and Meetings:

The Nomination and Remuneration Committee consists of three members Shri MahendraSanghani (Chairman of the committee), Shri NishitGohil, and Shri KumudchandraSheravia.

During the year, the Committee met one time on: 10thFebruary 2017.The attendance record of the members at the meeting was as follows:

Name of member	Designation	Attendance
MahendraSanghani	Chairman, Non-executive and Independent	1
Nishitkumar B Gohil	Member, Non-executive and Independent	1
Kumudchandra Sheravia	Member, Non-executive	1

The Company pays remuneration to its Executive Directors by way of Salary, perquisites and allowances, as approved by the members in general meeting. Non- executive Directors have no pecuniary transactions with the Company.

Performance Evaluation:

The Performance of the Independent Director is evaluated based on the criteria such as his knowledge, experience, integrity, expertise in any area, number of Board / Committee meetings attended, time devoted to the Company, his participation in the Board / Committee meetings etc. The Performance evaluation of the Independent Directors was carried out by the Board and while evaluating the performance of the Independent Directors, the Director who was subject to the evaluation did not participate.

iii. Remuneration Policy:

In accordance with the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees which was approved by the Board and forms the part of the Directors’ Report and the same has been uploaded on the website of the Company at www.purohitconstruction.com.

iv. Details of Remuneration for F.Y. 2016-17:

a. EXECUTIVE:

Name of the Director	Salary (Rs.)	Commission (Rs.)	Perquisites (Rs.)	Retirement Benefits (Rs.)	Total (Rs.)
Shri Narendra M. Purohit Managing Director	11,97,600	-	-	-	11,97,600
Shri Saumil N. Purohit Joint Managing Director	11,37,600	-	-	-	11,37,600

b. NON-EXECUTIVE:

No Sitting fees was paid to any of the Directors and the Company does not have any other pecuniary relationship with the Non Executive Directors of the Company.

Details of service contracts :

Name and Designation	Current Tenure	From	To
Mr. Narendra Purohit, Chairman & Managing Director	5 Years	1 st April, 2017	31 st March, 2022
Mr. Saumil Purohit, Jt. Managing Director	5 years	1 st January, 2015	31 st December, 2020

Notice Period: Six months prior notice in writing by either side is required.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In terms of Section 178 of the Companies Act, 2013, read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has constituted the Stakeholders Relationship Committee. The terms of reference of the Stakeholders Relationship Committee are as under:

Brief description of Terms of Reference:

The Committee oversees redressal of grievances of shareholders and investor complaints, approves transfer and transmission of shares; authorizes issue of duplicate share certificates; and generally deals with all matters in connection with all securities issued by the Company from time to time.

i. Composition and Meetings:

The Stakeholders Relationship Committee comprises of three members, Shri Mahendra Sanghani (designated as chairman of the committee), Shri Nishit Gohil, and Shri Kumudchandra Sheravia.

As a measure of good corporate governance and to focus on the Shareholders’ grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee deals with redressing of shareholders and investors complaints and Grievances like transfer of shares, non-receipts of Balance-sheet:

Shri Nishit Kumar Sandhani, Company Secretary of the company is the compliance officer of the company. The Chairman of the Stakeholders Relationship Committee, was present at the annual general meeting of the Company held on 17th September, 2016 to answer the shareholders’ queries.

The status of the Investors' Complaints during the Financial Year 2016-17 is as under:

Investor Complaints during FY 2016-17	No. of Complaints
Pending at the beginning of the Financial Year 2016-17	0
Received during the Financial Year 2016-17	0
Disposed of during the Financial Year 2016-17	0
Remaining unresolved at the end of the Financial Year 2016-17	0

4. GENERAL BODY MEETING:

(A) Details of the last three Annual General Meetings are as under:

Financial Year	No. of AGM	Date	Time	Venue
2013-2014	23 rd AGM	29 th September, 2014	10:30 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.
2014-2015	24 th AGM	30 th September, 2015	10:00 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.
2015-2016	25 th AGM	17 th September, 2016	10.00 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.

(B) Special Resolution passed in the Last three Annual General Meetings:

Financial year ended	Date and Time	Venue	Special Resolutions passed
March 31, 2016	17 th September, 2016 10.00 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.	No Special Resolution Passed
March 31, 2015	30 th September, 2015 10:00 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.	Approval of Related Party Transaction.
March 31, 2014	29 th September, 2014, 10:30 A.M.	Fun- Point Club, Sarkhej-Gandhinagar Highway, Ahmedabad.	<ol style="list-style-type: none"> 1. Approval for issuing 12,00,000 equity shares on preferential basis to non promoter group. 2. Approval for authorize Board of Director of the Company to borrow up to 50 crore under section 180 (1) (c) of the Companies Act,2013. 3. Approval of Related party transaction.

- No Extraordinary General Meeting was held during last year.
- No special resolution was to be carried out through postal ballot last year.
- No resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

5. DISCLOSURES:

a) Disclosure on Materially significant related Party transaction:

Particulars of the related party transactions are listed out in the Notes of Accounts of Annual Report. However, none of the transactions with any of the related parties were in conflict with the interests of the Company.

b) Statutory Compliance, Penalties and Strictures:

There were no instances of non-compliance or penalties, strictures imposed on the Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets, during the last three years.

c) Whistle blower policy/vigil mechanism:

The Company has adopted Whistle Blower Policy. The Details in this regard have been mentioned in the Board's report forming part of this Annual Report. Also personnel of the Company havenot been denied the access to the Audit Committee to report the genuine concern or grievance.

d) Compliance with mandatory requirements:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations.
The Company has partially adopted the Non-mandatory requirements of the Listing Regulations.

e) Policy on Related Party Transactions:

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company i.e www.purohitconstruction.com

6. DECLARATION WITH THE COMPLIANCE OF CODE OF CONDUCT

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place, a Code of Conduct for its Board of Directors and Senior Management of the Company. The Board and the Senior Management of the Company affirms the Compliance with the Code annually. The Code of Conduct is also placed on the website of the Company www.purohitconstruction.com.

7. CODE ON PROHIBITION OF INSIDER TRADING:

SEBI, via new norms i.e. SEBI (Prohibition of Insider Trading) Regulations, 2015 has enhanced the role and responsibilities of the Compliance Officer for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information and implementation of codes specified in the Regulations.

Accordingly, the Company substituted its "Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices" by a new "Code of Fair Disclosure" and a "Code of Conduct". The said Code is also available on the website of the Company www.purohitconstruction.com

8. MEANS OF COMMUNICATION:

(A) Financial Results:

The Quarterly/ Annual Financial Results were published in English newspaper and in vernacular newspaper namely Free Press & Lokmitra respectively and is also displaying on company's website, www.purohitconstruction.com.

(B) News Releases, Presentation etc:

Official news release, press release and presentation made to analysts, institutional investors etc. (if any) are displayed on the website of the Company.

(C) Website:

The Company's Website www.purohitconstruction.com contains a separate dedicated section namely "Investors' Relations" where the useful information for the Shareholders is available.

9. GENERAL SHAREHOLDER INFORMATION:

a) Registered Office and Contact details:

401, Purohit House, Opposite Sardar Patel Stadium, Navrangpura, Ahmedabad - 380 009.
CIN: L45200GJ1991PLC015878
Telephone: 079 66620104 E-mail:- cs@purohitconstruction.com, Web: www.purohitconstruction.com

b) 26th Annual general meeting:

Date:	13 th September, 2017
Day:	Wednesday
Time:	10.00 a.m
Venue:	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
Financial Year	1 st April, 2016 to 31 st March, 2017

c) Financial calendar for F.Y. 2017– 2018 (tentative)

Annual General Meeting	Last week of September, 2018
Unaudited first quarter financial results	Second week of August, 2017
Unaudited second quarter financial results	Second Week of November, 2017
Unaudited third quarter financial results	Second Week of February, 2018
Audited annual results	Last Week of May, 2018

d) Listing on Stock Exchange:

BSE Limited(BSE), Mumbai [Scrip Code: 538993], Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 and Ahmedabad Stock Exchange Limited (ASE)(Company Code: PCL), Ahmedabad A-2, Kamdhenu Complex, Opposite Sahajanand College, Panjara Pol, Ambawadi, Ahmedabad - 380 015.

e) The Company has paid annual listing fees to BSE Limited.

f) Demat ISIN Number in NSDL and CDSL:INE147J01012

g) Market Price Data: details of share market price during the financial year 2016-2017.

MONTH	HIGH (in Rs.)	LOW (in Rs.)	CLOSE (in Rs.)
April-16	6.12	4.86	6.12
May-16	6.12	4.81	4.81
June-16	4.61	4.17	4.17
July-16	5.25	3.99	5.25
August-16	6.00	5.11	5.11
September-16	5.62	5.36	5.62
October-16	7.10	5.90	7.10
November-16	7.82	6.65	6.65
December-16	8.08	6.37	6.75
January-17	6.85	6.11	6.25
February-17	6.56	5.60	5.60
March-17	7.17	5.33	7.17

h) Shares held in Physical and Dematerialised Form:

The Company's shares are compulsorily traded in dematerialized mode. As on 31stMarch 2017, 65.94 % shares were held in dematerialized form and balance 34.06 % shares were held in physical form. Those shareholders whose shares are held in physical form are requested to dematerialized the same at the earliest in their own interest. The demat security code (ISIN) for the equity shares is INE147J01012.

i) Distribution of Shareholding (as on March 31, 2017)

No. of Equity Shares held (Range)	No. of share-holders	Percentage to total share-holders	No. of Shares held	Percentage to total shares held
1-500	5005	88.71%	7,38,628	16.77%
501-1000	338	5.99%	3,02,687	6.87%
1001-2000	153	2.71%	2,33,542	5.30%
2001-3000	64	1.13%	1,61,315	3.66%
3001-4000	24	0.42%	82,901	1.88%
4001-5000	16	0.28%	77,708	1.76%
5001-10,000	21	0.37%	1,67,269	3.80%
Above 10,000	21	0.37%	26,41,550	59.96%
Total	5642		4405600	100

j) **Pattern of Shareholding**

Sr.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
A	PROMOTER AND PROMOTER GROUP				
	Indian	8	0.20	18,54,398	42.09
	Foreign	0	0.00	0	0
	Total (A)	8	0.20	18,54,398	42.09
B	PUBLIC SHAREHOLDING				
	INSTITUTIONS	0	0.00	0	0.00
	NON-INSTITUTIONS				
	i. Bodies Corporate	12	0.21	29,550	0.67
	ii. Individual	5614	99.50	25,19,784	57.20
	iii. Clearing Member	5	0.09	1,868	0.04
	Total (B)	5631	99.80	25,51,202	57.91
	Total (A) + (B)	5639	100	44,05,600	100

K) **Share Transfer System:**

Share Transfers in physical form can be lodged with the Company's Registrar and Share Transfer Agents. The Board of Directors have delegated powers to the Registrar and Share Transfer Agents for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, rematerialization and dematerialization etc., as and when such requests are received. Shares held in dematerialized form are traded electronically in the Depositories. As at March 31, 2017 no equity shares were pending for transfer.

As per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company has also carried out quarterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI Rules and Regulation.

l) **Outstanding GDRs/ADRs/Warrants/Any other Convertible Instruments:**

The Company has not issued any outstanding Depositories / warrants / convertible instruments and hence there are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on date.

m) **Commodity Risk or Foreign Exchange Risk.**

The Company is not dealing in any activity which may have commodity price risk or Foreign Exchange risk nor it is undertaken any hedging activities.

n) **Investors Communication:**

Share Transfers / Dematerialisation or any other queries relating to Shares of the Company should be addressed to:

M/s. Bigshare Services Pvt. Ltd.

Unit :Purohit Construction Limited

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

Investor complaints, if any, may be addressed to –

Mr. Nishitkumar C. Sandhani, Company Secretary

Purohit Construction Limited,

401, Purohit House, Opp. S.P. Stadium, Navrangpura, Ahmedabad-380009

Tel No: 079-66620104, Email: cs@purohitconstruction.com

10. **STATUS OF COMPLIANCE WITH DISCRETIONARY REQUIREMENTS:**

The Listing Regulations requires disclosures of adoption by the Company of discretionary requirements as specified in Part E of Schedule II of the said regulations, which as the name suggests, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of the discretionary requirements is given below:

a. **The Board:**

An office with required facilities for the non executive Chairman is not provided and maintained by the Company. The Company also does not reimburse the expenses incurred by the non-executive Chairman in the performance of his duties.

b. Shareholders Rights:

Since the quarterly, half yearly and annual financial results of the Company are posted on the Company's website, these are not sent individually to the shareholders of the Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company under the 'Investors Relations' section. The complete Annual Report is sent to every Shareholder of the Company.

c. Modified opinion(s) in Audit Report:

It is always the Company's endeavour to present unqualified Financial Statements. There is no audit qualification in the Company's Financial Statements for the financial year ended 31st March, 2017.

d. Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

11. Disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:

The Company have complied with the requirements specified in regulation 17 to 27 and clause (b) to(i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and disclosure Requirements) Regulation, 2015.

12. CEO AND CFO CERTIFICATION:

The CEO / CFO of the Company has given certification on the financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015. The CEO/CFO has also given quarterly certification on financial results to the Board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT:

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and according to the information provided/available, it is hereby confirmed that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2016-2017. The Code of Conduct is also posted on the website of the Company i.e. www.purohitconstruction.com

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

NARENDRA PUROHIT
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00755195)

DATE : 8th August, 2017
PLACE : AHMEDABAD

AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
PUROHIT CONSTRUCTION LIMITED

CIN: L45200GJ1991PLC015878
401 Purohit House, Opp Sardar Patel Stadium
Navrangpura, Ahmedabad 380009

We have examined all relevant records of PUROHIT CONSTRUCTION LIMITED for the purpose of certifying compliance of conditions of Corporate Governance as stipulated in para C of Schedule V read with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the condition of the Corporate Governance as stipulated in para C of Schedule V read with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR GATTANI & ASSOCIATES
Chartered Accountants
FRN:103097W

SD/-
Sharad Gattani
(Partner)

Place : Ahmedabad
Date : 8th August, 2017

Membership No:37999

ANNEXURE 7

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. ABOUT THE COMPANY

Your Company has more than twenty-five 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

(1) Indian Economy:

The Indian economy has sustained an environment of relatively lower inflation, fiscal discipline and moderate current account deficit coupled with broadly stable rupee-dollar exchange rate. Volume growth is improving in a number of sectors in FY 2018. Agricultural growth and rural demand in FY 2018 will be influenced by monsoon dynamics. Lower Inflation, especially in food and fuel items and the impact of lower interest rate will improve the purchasing power of consumers. Policy rate changes by Central Banks impact the economy with a lag. The Government of India announced demonetization of notes on November 8, 2016, in order to eliminate black money and the growing menace of fake Indian currency notes, thereby creating opportunities for improvement in economic growth.

The Indian economy is strong enough to absorb the impact of the US Federal Reserve interest rate hike.

Recent United States Immigration restrictions are the main source of India's vulnerability. But India is fundamentally in a strong position due to sharply lower fiscal and current account deficits, lower inflation and sustainable growth prospects due to continued productivity enhancing reforms instituted by Government of India.

(2) Infrastructure & Construction Sector in India:

Being a rapidly growing nation, India has always accorded higher importance to infrastructure sector and it has received considerable attention from the government as well as private players. Indian infrastructure sector mainly includes development of roads, airports, shipping and ports which have contributed greatly to the economy of India over the last decade.

The government has tried to frontload investments in roads, railways. This approach may continue in next fiscal. These factors will, in turn, raise capacity utilization and create conditions for new investment by the private sector. Construction companies witnessed an improvement in order inflows over the last two years with a major push coming from segments like roads, railways, and urban infrastructure. This has helped improve the order book position of most construction companies. However, execution has not gained significant traction as the order books of several companies remaining burdened with slow moving or stalled projects and many companies continued to have weak liquidity impacting their project execution ability – thereby resulting in weaker revenue growth. In terms of profitability, however, there has been a gradual improvement and stability in the last two years, led by a reduction in subcontracting and benign commodity prices. The current fiscal has witnessed an uptick in commodity prices which would put pressure on profitability. While the sustainability of the improvement in operating profitability is uncertain, with high overall debt the interest coverage ratios continue to remain weak.

(3) Regulatory Challenges leading to time and cost overrun:

Funding constraints, land acquisition issues, delays related to identification and award of projects and shortage of skilled manpower are some of the major reasons that are currently causing delays in infrastructure projects.

Undoubtedly, infrastructure is a key priority sector clearly made evident from the increasing allocations to infrastructure in every budget since this government came to power. There is consistency and coherence in the government's policy on infrastructure. It is evident that this sector needs consolidation in policy framework starting from approval to implementation, an institutional mechanism for fair pricing and competition, and developing financial markets along with enhanced budgetary allocation even in future for achieving India's long-term growth potential. The government did focus on kick-starting delayed projects, but it is yet to act on other key issues including setting up of a dedicated institute for Public Private Partnerships (PPP's), proper risk-sharing measures, independent regulation in few sectors, protection to private investment in infrastructure etc. The government needs to give a serious thought and revisit the PPP models and re-instate some confidence into the private sector. India needs to develop a better regulatory mechanism, a rational pricing system, reform financial markets and strengthen dispute resolution mechanisms so that the private sector finds infrastructure projects economically feasible.

(4) Challenges relating to Financing:

Finance will become an ever more important constraint for Indian infrastructure over the medium term is evident from calculations on financing gaps. Infrastructure projects are complex, capital intensive, long gestation projects that involve multiple and often unique risks to project financiers. Infrastructure projects are characterized by non-recourse or limited recourse financing, i.e., lenders can only be repaid from the revenues generated by the project. This limited recourse characteristic, and the scale and complexity of an infrastructure project makes financing a significant challenge, which is

further compounded by two factors. First, a combination of high capital costs and low operating costs implies that initial financing costs are a very large proportion of the total costs. Second, infrastructure project financing calls for a complex and varied mix of financial and contractual arrangements amongst multiple parties includes the project sponsors, commercial banks, domestic and international financial institutions (FIs), and government agencies. Any significant improvement in the liquidity profile and credit metrics of construction companies will take time and will be contingent on an improvement in the working capital cycle and in the pace of execution, besides their ability to deleverage by raising long-term funds through stake sale or equity placements.

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.

Housing Demand

The gap between the demand and supply of housing continues to be of great opportunity for Infrastructure companies. Investment in housing is a prioritized item on the national agenda as it contributes in the country's GDP growth, directly and indirectly.

The average age of a new homeowner is now 32 years compared with 45 years a decade ago.

Your Company expects demand from the mid income residential segment to remain strong as we believe there is significant demand in this category across the country. Increasing disposable incomes, rapid urbanization and strong demographics are some of the trends favouring the mid-income residential.

Real Estate Reforms

In order to realize the long-term growth potential of the sector, there is a growing need to introduce reforms. Year 2016-2017 has witnessed various measures initiated by the Indian Government to revive growth in the real estate sector, which if executed correctly, will encourage transparency, corporate governance and investment and improve the industry's long-term prospects. It is our hope that various regulations also incorporate provisions to address challenges the sector currently faces in terms of receiving project Approvals.

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.

Once the risks of a project have been identified and analyzed, an appropriate method of treating risk must be adopted. Within a framework of risk management, contractors also should decide how to handle or treat each risk and formulate suitable risk treatment strategies or mitigation measures. These mitigation measures are generally based on the nature and potential consequences of the risk. The main objective is to remove as much as possible the potential impact and to increase the level of control of risk. More the control of one mitigation measure on one risk, the more effective the measure of risk the process of risk management does not aim to remove completely all risks from a project. Its objective is to develop an organized framework to assist decision makers to manage the risks, especially the critical ones, effectively and efficiently.

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.

Construction Risk:

- Disputes between labours
- Changing sequences in construction activity
- Non availability of resources
- Revision of design
- Availability of camp for labours
- Change in quantities of work
- In Time work permissions for executing work

Safety of workers

- Stoppage of work due to Medical outbreak

Design Risk:

- Late changes of design from client side
- Will the level of details of design delivered by the owner affect over all construction time?
- Improper specifications
- Inadequate and incomplete design

Environmental Risk:

- Impact of weather condition on completion of project
- Pollution by construction waste
- Procedure to facilitate construction waste clean-up or disposal

Financial Risk:

- Delay from clients
- Increment for staff benefits

- Unprecedented price in raw materials
- Fluctuations in Estimated finance than expected

Management Risk:

- Documents and process directed as per agreement for mitigation of risk
- Project team discussions on risk
- Use of WBS and project milestones to help identify project risks
- Time for planning • Loosing of critical staff at crucial point of construction
- Documented process for identifying project risks

Political Risk:

- Pressure from any political party
- Local bodies (political/rowdies) compelling to use their resources
- Union Issue

Procurement Risk:

- Temporary demand of increase in price of materials
- Specialized labour for fixation/Installation
- Is there a chance of procurement team to know the sales chart of client?

Sub-Contractors Risk:

- Chances of sub-contractor walk out
- Delay in work execution of sub-contractor
- Revision of price

Technology Risk:

- Knowledge on equipment's
- Service for damaged equipment's
- Loss of data or software/hardware of computer

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. FORWARD LOOKING STATEMENTS:

This communication contains statements that constitute 'forward looking statements' including, without limitation, statements relating to the implementation of strategic initiatives and other statements relating to our future business developments and economic performance. While these forward-looking statements represent the management's judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments and other key factors that could adversely affect our business and financial performance.

Purohit Construction Limited undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances.

ANNEXURE – 8

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, 2017.

(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	31stMarch,2017	31stMarch,2016
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

FOR AND ON BEHALF OF THE BOARD
FOR PUROHIT CONSTRUCTION LIMITED

NARENDRA PUROHIT
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00755195)

DATE : 8th August,2017
PLACE : AHMEDABAD

INDEPENDENT AUDITOR'S REPORT

To the Members of
PUROHIT CONSTRUCTION LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of **Purohit Construction Ltd.**, Ahmedabad, which comprise the Balance Sheet as at March 31, 2017, 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules framed there under. We conducted our audit in accordance with the Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and Management representation. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements and Management representation in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Auditor's Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. 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 A** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except that no provision has been made in the account in respect of retirement due of employees.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 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, please refer to our separate report in **Annexure B**,
- g) With respect to the other matters included in the Auditor's Report 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 did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - 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.

For **GATTANI & ASSOCIATES**,
CHARTERED ACCOUNTANTS,
FRN: 103097W,

SHARAD GATTANI,
PARTNER.
Membership No.:37999

Place :- Ahmedabad
Date :- 30/05/2017

**“ANNEXURE A” TO THE AUDITORS REPORT OF EVEN DATE TO THE SHAREHOLDERS OF
PURUHIT CONSTRUCTION LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

Referred to in paragraph 1 under the heading ‘Report on other legal and regulatory requirements’ of our report of even date to the financial statements of the Company for the year ended on March 31, 2017

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (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. No material discrepancies were noticed on such verification.
- (c) The title deeds of the properties held by the company are held in its name.
- (ii) The management 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 hence 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 records of the Company and according to the information and explanation given to us, the Company has not accepted any Deposit from the Public hence provisions of Section 73 to 76 of the Companies Act, 2013, are not applicable to it.
- (vi) According to the information and explanation given to us, the Company is not required to maintain cost records as prescribed under sub section (1) of section 148 of Companies Act, 2013.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it and 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, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, no amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were unpaid on account of any dispute, except the following under income tax:

Sr. No.	Assessment Year	Authority of Appeal	Statute of Demand	Date of Filing of Appeal	Rs. In Lacs
1	2010-11	CIT Appeal – 9, Ahmedabad	Section 271(1)(c)	06/04/2015	50.68

- (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, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan repayable on term taken from financial institution or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans and hence, reporting under clause 3 (ix) is not applicable to the Company and hence not commented upon.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 to the extent applicable and the details 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 on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review hence the provisions of Clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of Clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- (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 and accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For **GATTANI & ASSOCIATES,**
CHARTERED ACCOUNTANTS,
FRN: 103097W,

SHARAD GATTANI,
PARTNER.
Membership No.:37999

Place :- Ahmedabad
Date :- 30/05/2017

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON
THE FINANCIAL STATEMENTS OF PUROHIT CONSTRUCTION LIMITED**

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

To the Members of Purohit Construction Limited

We have audited the internal financial controls over financial reporting of Purohit Construction Limited ("the Company") as of March 31, 2017 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 Controls

The Company's Management is responsible for establishing and maintaining internal financial controls 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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 frauds 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 on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require 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 was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 for our audit opinion on the internal financial control system over financial reporting.

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 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 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 management and directors of the Company; and
- (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 Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override the controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March31,2016, 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 **GATTANI & ASSOCIATES,**
CHARTERED ACCOUNTANTS,
FRN: 103097W,

Place :- Ahmedabad
Date :- 30/05/2017

SHARAD GATTANI,
PARTNER.
Membership No.:37999

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	44,056,000	44,056,000
(b) Reserves and Surplus	4	12,922,631	12,572,106
		56,978,631	56,628,106
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	-	216,495
(b) Deferred tax liabilities (Net)		198,925	685,825
		198,925	902,320
(3) Current Liabilities			
(a) Short-term borrowings		-	863,187
(b) Trade payables	7	17,594,900	3,028,556
(c) Other current liabilities	8	5,553,458	635,955
(d) Short-term provisions	9	1,288,221	2,056,188
		24,436,579	6,583,886
TOTAL		81,614,135	64,114,312
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	8,048,044	10,777,295
(b) Non-current investments	11	188,505	188,505
(c) Other non-current Assets	12	9,516,232	10,141,271
		17,752,781	21,107,071
(2) Current assets			
(a) Inventories	13	3,917,039	28,547,051
(b) Trade receivables	14	50,067,310	1,732,279
(c) Cash and cash equivalents	15	1,142,950	1,336,536
(d) Short-term loans and advances	16	8,734,055	11,391,375
		63,861,354	43,007,241
TOTAL		81,614,135	64,114,312

Notes referred as above attached thereto, form an integral part of Balance Sheet. This is the Financial Statement referred to in our report of even date

For Gattani & Associates
Chartered Accountants

Sharad R Gattani
Partner
FRN: 103097W

Place : Ahmedabad
Date : 30th May, 2017

For and on behalf of the Board of Directors

Narendra M. Purohit
(Chairman & Managing Director)

Mahendra H. Sanghani
(Director)

Sanny R Parante
(Chief Financial Officer)

NishitKumar Sandhani
(Comapany Secretary)

Profit and Loss statement for the Year ended 31st March, 2017

	Particulars	Note No.	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
	INCOME :			
I.	Revenue from operations	17	89,028,917	24,828,941
II.	Other Income	18	330,859	723,384
III.	Total Revenue		89,359,776	25,552,325
IV.	EXPENDITURE :			
	Cost of materials consumed	19	23,944,053	10,843,640
	Employee benefit expenses	20	3,551,538	3,402,203
	Financial costs	21	222,081	1,184,455
	Depreciation and amortization expenses	10	2,434,253	2,586,215
	Other expenses	22	58,294,248	6,798,822
	Prior Period Expenses	23	-	2,500
V.	Total Expenses		88,446,173	24,817,835
VI.	Profit before tax (III - V)		913,603	734,490
VII.	Tax expense:			
	(1) Current tax		735,000	500,000
	(2) Wealth tax		-	-
	(3) Deferred tax		(486,900)	(480,605)
XI.	Profit/(Loss) from the period from continuing operations (VII - VIII)		665,503	715,095
XII.	Profit/(Loss) from discontinuing operations		-	-
XIII.	Tax expense of discounting operations		-	-
XIV.	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
VIII.	Profit/(Loss) for the period (After Tax) (VI-VII)		665,503	715,095
IX.	Earning per equity share:			
	Basic		0.15	0.16
	Diluted		0.15	0.16

Notes referred as above attached thereto, form an integral part of Balance Sheet. This is the Financial Statement referred to in our report of even date

For Gattani & Associates

Chartered Accountants

Sharad R Gattani

Partner
FRN: 103097W

Place : Ahmedabad
Date : 30th May, 2017

For and on behalf of the Board of Directors

Narendra M. Purohit
(Chairman & Managing Director)

Mahendra H. Sanghani
(Director)

Sanny R Parante
(Chief Financial Officer)

NishitKumar Sandhani
(Comapany Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2017

	31-Mar-17 (Rupees)	31-Mar-16 (Rupees)
A. CASH FROM OPERATING ACTIVITY :		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEMS :	913,603	734,490
Adjustment For :		
1 Depreciation	2,434,253	2,586,215
2 Deferred Tax	486,900	480,605
3 Interest Expenses	222,081	1,184,455
4 Interest Income	(282,914)	(35,157)
5 Taxes	(735,000)	(500,000)
Operating Activity Before Working Capital Changes : (a)	3,038,923	4,450,608
Adjustment For :		
1 (Increase) / Decrease in Trade & Other Receivables	(47,709,992)	18,031,179
2 (Increase) / Decrease in Loans & Advances	2,657,320	18,013,251
3 (Increase) / Decrease in Inventories	24,630,012	50,245,953
4 (Increase) / Decrease in Current Liabilities	18,228,980	(80,997,143)
5 Interest Paid	(222,081)	(1,184,455)
Net Working Capital Changes : (b)	(2,415,761)	4,108,785
Prior Period Item	623,162	8,559,393
	0	0
Net Cash Flow from Operating Activities : (A)	623,162	8,559,393
B. CASH FLOW FROM INVESTING ACTIVITIES :		
1 Purchase of Fixed Assets	(19,980)	(656,673)
2 Sale of Investments	0	0
3 Interest Received	282,914	35,157
Net Cash Flow from Investing Activities : (B)	262,934	(621,516)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
1 Proceeds from Issue of Share Capital	0	0
2 Proceeds from / (Repayment of) Long-Term Borrowings	(216,495)	(235,153)
3 Proceeds from / (Repayment of) short -Term Borrowings	(863,187)	(7,603,781)
Net Cash Flow from Financing Activities : (C)	(1,079,682)	(7,838,934)
Net Increase/(Decrease) in Cash & Cash Equivalent : (A + B + C) = (D)	(193,586)	98,943
Cash & Cash Equivalents (Opening):		
Cash on Hand	233,455	908,508
Balance with Banks	1,103,081	329,085
Total : (E)	1,336,536	1,237,593
Cash & Cash Equivalents (Closing):		
Cash on Hand	551,596	233,455
Balance with Banks	591,354	1,103,081
Total : (D+E)	1,142,950	1,336,536

For and on behalf of the Board of Directors

Narendra M. Purohit
(Chairman & Managing Director)

Mahendra H. Sanghani
(Director)

Sanny R Parante
(Chief Financial Officer)

NishitKumar Sandhani
(Comapany Secretary)

Place : Ahmedabad
Date : 30th May, 2017

AUDITOR'S CERTIFICATE

We have verified the above cash flow statement with the books & records maintained by "Purohit Construction Limited" and certify that in our opinion and according to the information and explanations given to us, the above statement is in accordance there with.

For **GATTANI & ASSOCIATES,**
CHARTERED ACCOUNTANTS,
FRN: 103097W,

Place :- Ahmedabad
Date :- 30/05/2017

SHARAD GATTANI,
PARTNER.
Membership No.:37999

NOTE 1: CORPORATE INFORMATION

Purohit Construction Limited is a public company domiciled in India and incorporated under the provisions of Companies Act 1956. The company is engaged in the business of real estate development and execution of civil construction contracts as well as in trading of bullion, metal, metal scrap, building materials, shares, stocks, securities and derivatives

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**1. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:**

- a. The financial statements have been prepared and presented under the historical cost convention and materially comply with the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, unless stated otherwise.
- b. Company generally follows mercantile system of accounting, recognizing significant items of income and expenditure on accrual basis except in the case of income from investments, income by way of extra work receipts, and income by way of sales of scrap as well as expenses by way of retirement benefits to employees, which are recognized on cash basis.

2. USE OF ESTIMATES:

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from those estimated. Any revision to accounting estimates is recognized prospectively in future periods.

3. FIXED ASSETS:

Fixed assets are stated at "HISTORICAL COST" inclusive of cost of acquisition and directly attributable costs such as freight, installation, etc. incurred for bringing the assets to their working conditions. However assets comprising office building and furniture and fixtures are stated at revalued amount.

4. DEPRECIATION:

Depreciation on Fixed Assets has been provided on "STRAIGHT LINE METHOD" as per useful life prescribed in schedule II to the Companies Act, 2013. Depreciation in the case of any additions/deletions has been provided on pro-rata basis. Depreciation pertaining to revaluation amount of assets has been charged to the Revaluation Reserve.

5. INVESTMENTS:

Investments being long term in nature are stated at "COST". No provision is made for diminution in the value of the same.

6. VALUATION OF INVENTORIES:

- a. Inventory of building materials verified by the Management is valued at cost.
- b. 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.
- c. Included in WIP is cost of acquisition of land for such project as applicable.

7. REVENUE RECOGNITION / ACCOUNTING FOR CONSTRUCTION CONTRACTS:

- 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.
- c. In case of sale of goods the revenue is recognized upon dispatch of goods.
- d. In case of sales of securities the revenue is recognized upon executing contract in that respect.

8. CASH FLOW STATEMENTS:

The cash flow statement is prepared showing differently, the cash flow from Operating Activities, Investing Activities and Financing Activities during the year.

9. PRIOR PERIOD ITEMS:

Material items related to earlier period, to the extent distinctly identifiable, are accordingly accounted.

10. EMPLOYEE BENEFITS:

- a. Company's contribution to Provident Fund is charged to Profit & Loss account.
- b. Gratuity, Leave Encashment and other retirement benefits payable to employees are accounted for on cash basis.

11. RELATED PARTY DISCLOSURES:

The disclosure in respect of names, relationship, nature and volume of transactions with related parties is made in the accounts. The disclosure has been made by the management which has been relied upon by the auditors.

12. EARNINGS PER SHARE:

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

13. ACCOUNTING FOR TAXES ON INCOME:

Tax expense for a year comprises of current tax and deferred tax. Current tax is measured after taking into consideration, the deductions and exemptions admissible under relevant provisions of the Income Tax Act, 1961.

Deferred Tax, which is computed on the basis of enacted/ substantially enacted rates, is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are recognized only to the extent there is reasonable certainty of realization thereof in future.

14. IMPAIRMENT OF ASSETS:

As per an assessment carried out by the management as on the balance sheet date, there is no indication of any substantial loss on account of overall impairment in the value of the assets. In the opinion of the management the assets are likely to recover the value at which these are stated in the accounts, on an overall basis.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities if material are disclosed by way of Notes.

16. SALES TURNOVER:

Sales Turnover for the period is exclusive of duties and taxes to the extent applicable and is net of sales return.

17. EXPENSES:

Material known liabilities are provided for on the basis of available information/estimates at the period end.

18. BORROWING COSTS:

Borrowing Costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss Account.

19. SEGMENT REPORTING:

During the year the company has generated income from segment of real estate and at the one geographical segment i.e. Ahmedabad. Hence, the management has not identified any reportable segment for the year under audit.

Notes referred as above attached thereto, form an integral part of Balance Sheet. This is the Financial Statement referred to in our report of even date

For Gattani & Associates
Chartered Accountants

Sharad R Gattani
Partner
FRN: 103097W

Place : Ahmedabad
Date : 30th May, 2017

For and on behalf of the Board of Directors

Narendra M. Purohit
(Chairman & Managing Director)

Mahendra H. Sanghani
(Director)

Sanny R Parante
(Chief Financial Officer)

NishitKumar Sandhani
(Company Secretary)

NOTES

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
3	Share Capital				
	Equity Share Capital				
	Authorised Share capital 10,000,000 (P.Y. 10,000,000) Equity shares of Rs. 10/- each	10,00,00,000		10,00,00,000	
			10,00,00,000		10,00,00,000
	Issued, subscribed & fully up paid share capital 4,405,600 (P.Y. 4,405,600) Equity shares of Rs. 10/- each	4,40,56,000		4,40,56,000	
			4,40,56,000		4,40,56,000
	Total		4,40,56,000		4,40,56,000
Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period					
	Particulars	2016-17		2015-16	
		Number	Amount	Number	Amount
	Shares outstanding at the beginning of the year	44,05,600	4,40,56,000	44,05,600	4,40,56,000
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	44,05,600	4,40,56,000	44,05,600	4,40,56,000
Shares in the company held by each shareholder holding more than 5 percent shares					
	Name of Shareholder	2016-17		2015-16	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Narendra M. Purohit	8,48,700	19.26	6,48,700	14.72
	Saumil N. Purohit	4,45,910	10.12	2,45,910	5.58
	Pranav Hareshbhai Patel	5,11,564	11.61	4,88,300	11.08
4	Reserves and Surplus				
	Security Premium				
	Opening Balance	10,00,000		10,00,000	
	Add : Received during the year	-		-	
			10,00,000		10,00,000
	Revaluation Reserve				
	Opening Balance	15,20,961		18,35,940	
	Less : Depreciation on Revaluation	3,14,978		3,14,979	
			12,05,983		15,20,961
	Surplus of Profit & loss A/c				
	Balance as per last Balance Sheet	1,00,51,145		93,36,050	
	Add: Transferred from Profit & Loss A/c	6,65,503		7,15,095	
	Balance carried to Balance Sheet		1,07,16,648		1,00,51,145
	Total		1,29,22,631		1,25,72,106

PUROHIT CONSTRUCTION LIMITED

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
5	Long-term borrowings				
	Secured KOTAK MAHINDRA PRIME LTD. (excluding installments payable in next 12 months) (Secured against hypothecation of Vehicle & Personal Guarantee of One of the Director)	-		2,16,495	
			-		2,16,495
	Total		-		2,16,495

Note 5A Details of security offered and terms of repayment of Secured Loans			
Lender	Amount of loan	Security Offered	Terms of Repayment
Kotak Mahindra Prime Ltd.	7,00,000	Hypothecation of Vehicle & Personal Guarantee of One of the Directors	Repayment in 36 equated monthly installment of Rs.22750 each

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
6	Short-terms borrowings				
	Secured HDFC Overdraft a/c	-		8,63,187	
			-		8,63,187
	Total		-		8,63,187

7	Trade Payables				
	Creditors for Goods	15,03,881		26,80,235	
	Creditors for Expenses	1,60,91,019		3,48,321	
	Total		1,75,94,900		30,28,556
The dues to Micro, Small and Medium undertakings out of Trade Payables : Not identified (PY - not identified) The Trade Payables are subject to confirmation and reconciliation.					

8	OTHER CURRENT LIABILITIES				
	Current maturity of long term debt.				
	Secured				
	KOTAK MAHINDRA PRIME LTD. Car Loan (Installments payable in next 12 Months) (Refer Note 5A for term of repayment and Security)	2,16,495		2,35,153	
			2,16,495		2,35,153
	Advance against Booking / Contract		45,00,000		-
	Others		3,55,822		1,46,307
Statutory Liabilities		4,81,141		2,54,495	
	Total		55,53,458		6,35,955
Other current Liabilities subject to Confirmation and Reconciliation					

9	Short-term provisions				
	Provision for employee benefits		48,221		3,91,688
	Provision For Expenses		5,000		14,500
	Provision For Taxation		12,35,000		16,50,000
	Total		12,88,221		20,56,188

Note No. 10 TANGIBLE FIXED ASSETS AND DEPRECIATION

Description of Assets	Gross Block				Depreciation					Net Block	
	As at 01-04-2016	Addition	Deduction	As at 31-03-2017	As at 01-04-2016	Current Year	Current Year (Adj.)	Deduction	Total Dep. as at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Office Building	4406267	0	0	4406267	1262489	482696	0	0	1745185	2661082	3143778
Plant & Machinery	869563	19980	0	889543	373218	91848	0	0	465066	424477	496345
Furniture & Fixtures	2138926	0	0	2138926	1271631	295870	0	0	1567501	571425	867295
Vehicles	11625453	0	0	11625453	5495697	1797137	0	0	7292834	4332619	6129756
Office Equipments	1226828	0	0	1226828	1086707	81680	0	0	1168387	58441	140121
Total	20267037	19980	0	20287017	9489742	2749231	0	0	12238973	8048044	10777295

Note : Out of total amount of depreciation of Rs.27,49,231 an amount of Rs.3,14,978/- pertaining to revaluation of assets, has been charged to Revaluation Reserve and balance amount of Rs. 24,34,253 is charged to Profit and Loss account.

Note No. 11 Non Current Investments

Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units	No. of Shares / Units	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Market Value		Amount		Basis of Valuation
			2016-17	2015-16			2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)			(10)	(11)	(12)
(a)	Investment in Equity Instruments												
	Non Trade and Quoted												
	Sterling Guaranty & Finance Ltd	Others	12100	12100	Quoted	Fully Paid	100%	100%	* NA	* NA	1,81,500	1,81,500	At M.V
											1,81,500	1,81,500	
(b)	Non Trade and UnQuoted												
	Shri Bhagyalaxmi Co-op. Bank Ltd	Others	100	100	Unquoted	Fully Paid	100%	100%	NA	NA	1,005	1,005	At Cost
	Shiv Sankalp Owner's Association	Others	20	20	Unquoted	Fully Paid	100%	100%	NA	NA	1,000	1,000	At Cost
	Total									-	2,005	2005	
(c)	Investments in Mutual Funds												
	ICICI-Prudential Flexible Income Plan	Others			Unquoted	Fully Paid	100%	100%	7,405	NA	5,000	5,000	At Cost
	Total											5,000	5000
	Grand Total:										1,88,505	1,88,505	

Note : * No quotation available

PUROHIT CONSTRUCTION LIMITED

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)		
12	Other Non-Current Assets					
	Deposits		1,288,864		1,288,864	
	(Of Deposits deposit of Rs 3,50,000 pledged with the Executive Engineer,Ahmedabad-R&B-Division for Registration as Contractor in "B" Class with the Government of Gujarat)					
	Deposits include Entities in which Directors are positioned as under :					
	Particulars		Position	Current Year Amount	Previous Year Amount	
	Narendra M. Purohit - HUF (Rent Deposit)		Karta	500,000	500,000	
	Total			500,000	500,000	
	Trade Receivable (Exceeding 12 months)			7,164,668	5,822,701	
	Trade Receivables exceeding 12 months include Entities in which Directors are positioned as under :					
	Particulars	Director Name	Position	Current Year Amount	Previous Year Amount	
	Shri Siddhi Vinayak Devasthan:Trust	Narendra M Purohit	As Trustee	5,567,816	5,567,816	
	AABHAR PROCON LLP	Narendra M Purohit	As Partner	378,515	254,885	
	Total			5,946,331	5822701	
	Loans and advances			1,062,700	3,029,706	
	Loans and Advances include Entities in which Directors are positioned as under :					
Particulars	Director Name	Position	Current Year Amount	Previous Year Amount		
Shri Siddhi Vinayak Devasthan:Trust	Narendra M Purohit	As Trustee	1,062,700	1,062,700		
AABHAR PROCON LLP	Narendra M Purohit	As Partner	-	1,467,006		
Total			1,062,700	2,529,706		
Total			9,516,232	10,141,271		
13	Inventories					
	Raw materials					
	Building Material	1,352,865		467,377		
	Land held as stock in trade	-		17,341,951		
	Work-in- Progress	2,564,174		10,737,723		
			3,917,039		28,547,051	
Total			3,917,039	28,547,051		

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.
- Inventory of Work In Progress in respect of the on going construction projects is valued on the basis of the work for the project carried out till the year end as certified by the principal or Project Architech in that respect.

PUROHIT CONSTRUCTION LIMITED

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)		
14	Trade receivables -					
	Secured/ Unsecured/ Doubtful					
	Over Six Months	244,163		1,544,926		
	Others	49,823,147		187,353		
	Total		50,067,310		1,732,279	
	Trade Receivables more than six months old include Entities in which Directors are positioned as under :					
	Particulars	Director Name	Position	Current Year Amount	Previous Year Amount	
	Shri Siddhi Vinayak Devasthan:Trust	Narendra M Purohit	As Trustee	30,303	-	
	AABHAR PROCON LLP	Narendra M Purohit	As Partner	212,726	-	
	Total			243,029	-	
	Trade Receivables less than six months old include Entities in which Directors are positioned as under :					
	Particulars	Director Name	Position	Current Year Amount	Previous Year Amount	
	AABHAR PROCON LLP	Narendra M Purohit	As Partner	16,071,428	187,353	
	Narendra M. Purohit	Narendra M Purohit	As Individual	16,737,086	0	
Total			32,808,514	187,353		
The Trade Receivables are subject to confirmation and reconciliation.						
Trade Receivables include the firms/entities in which Directors are interested :						
15	Cash and cash equivalents					
	Balances with banks					
	In Current Accounts	464,946		976,673		
	Fixed Deposit with State Bank of India (Pledged with Bank for obtenance of Overdrefit Limit)	126,408		126,408		
			591,354		1,103,081	
	Cash on hand	551,596		233,455		
			551,596		233,455	
Total		1,142,950		1,336,536		
16	Short term loans and advances					
	Unsecured & Considered good					
	-Advance Receivable In Cash or Kind or in Value to be receivable	4,450,037		43,073		

PUROHIT CONSTRUCTION LIMITED

	Particulars	Director Name	Position	Current Year Amount	Previous Year Amount
	Loans and Advances include Entities in which Directors are positioned as under :				
	NSHB Projects	Narendra M Purohit	As Partner	3,168,600	-
	AABHAR PROCON LLP	Narendra M Purohit	As Partner	1,179,789	-
	Total			4,348,389	-
	-Advances Against Development Rights	1,285,000		9,785,000	
	-Advance Taxes	2,728,444		1,348,493	
	- Advances to Staff	223,520		190,020	
	-Other current Assets	47,054		24,789	
	Total		8,734,055		11,391,375
	The Deposits & Advances are subject to confirmation and reconciliation.				
Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
17	Revenue from Operations				
	Sales of Goods				
	Sales of Goods	-		10,238,364	
	Sale of Services		-		10,238,364
	Value of Contractual work completed		88,808,998		14,590,577
	Profit on Sale of Project		219,919		
	Total		89,028,917		24,828,941
18	Other Income				
	Interest income		285,236		37,479
	Other non-operating income		45,623		685,905
	Total		330,859		723,384
19	COST OF MATERIAL CONSUMED/SOLD :				
	Opening Stock (Materials)	467,377		411,168	
	Add: Purchase During the Year	23,374,615		3,754,480	
	Add: Cartage During the Year	1,454,926		84,433	
	Less: Closing Stock(Materials)	1,352,865		467,377	
			23,944,053		3,782,704
	Stock in Trade				
	Opening Stock	-		-	
	Add: Purchase During the Year	-		7,060,936	
	Add: Cartage During the Year	-		-	
	Less: Closing Stock	-		-	
			-		7,060,936
	Total		23,944,053		10,843,640

PUROHIT CONSTRUCTION LIMITED

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
20	Employee Benefits Expense				
	Salaries and wages	1,042,440	1,042,440	987,400	987,400
	Directors' Remuneration & Perquisites	2,340,000		2,220,000	
	Contribution to provident and other funds	80,216	2,340,000	73,544	2,220,000
	Other payments for employees	70,180	80,216	101,294	73,544
	Staff welfare expenses	18,702	88,882	19,965	121,259
	Total		3,551,538		3,402,203
21	Finance Costs				
	Interest expenses				
	Bank Interest	-	222,081	1,095,847	1,184,455
	Other Interest	215,351		81,467	
Other Borrowing costs	6,730	7,141			
	Total		222,081		1,184,455
22	Other Expenses				
	Consumption of stores and spare parts		54,548,246		3,585,303
	Power and fuel				
	Operating Expenses				
	Direct Overheads				
	Project Expenses				
	Sub-Contract & Labour Charges	52,371,910		2,917,614	
	Freight Charges	32,623		-	
	Repairs & Maintenance-Plant & Machinery	5,060		58,581	
	Technical -Professional Fees/Charges	64,000		-	
	Site Expenses	564,039		160,408	
	Rates and Taxes, excluding taxes on income	1,510,614		448,700	
	Administrative Expenses		3,535,449		2,543,935
	Rent Expenses	370,800		375,800	
	Conveyance Expenses	55,175		41,048	
	Postage, Telegram & Telephone Expenses	108,055		111,653	
	Office Expenses	910,396		293,515	
	Electricity Expenses	162,520		208,512	
	Repairs & Maintenance	395,048		191,358	
	Taxes on income of previous financial years.	17,940		-	
	Insurance	216,758		468,472	
	Legal & Professional Charges	1,298,757		853,577	
Selling & Distribution Expenses		210,553			
Advertisement & Sales Promotion Expenses	210,553		595,984		
Foreign Travelling Expenses	-	-	73,600	73,600	
	Total		58,294,248		6,798,822

PUROHIT CONSTRUCTION LIMITED

Note No.	Particulars	F.Y. 2016-17 (Rs.)		F.Y. 2015-16 (Rs.)	
23	Prior Period Expenses				
	Professional Fees	-		2,500	
			-		2,500
	Total		-		2,500
24	Contingent liabilities and commitments (to the extent not provided for)				
	Contingent liabilities				
	Claims against the company not acknowledged as debt				
	Outstanding Bank Guarantee		Nil		Nil
	Income Tax liability disputed in Appeal		50,68,000		50,68,000
	Other money for which the company is contingently liable		-		-
	Outstanding premium of KEY MAN INSURANCE POLICY not provided for in the accounts				-
	Sub Total		5,068,000		5,068,000
	Commitments				
	Estimated amount of contracts to be executed on capital account		Nil		Nil
	Uncalled liability on shares and other investments partly paid		Nil		Nil
	Other commitments				
		Sub Total		5,068,000	
	Total		5,068,000		6,557,100
	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.				
25	The Company had obtained consent from its share holders to execute the works for Related Parties for a total value of Rs 2200 Lacs vide Special Resolution No. 4 of the Annual General Meeting of the Company held on 17/09/2016.				
26	Earning in Foreign Currency : Rs. NIL (P.Y. Nil).				
27	Expenditure in Foreign Currency : Nil				
28	Break up of expenditure on employees who are in receipt of remuneration which in aggregate was not less than Rs. 72,00,000/- p.a. if employed throughout the year is Rs. Nil (P.Y. NIL) or Rs. 6,00,000/- p.m. if employed for a part of the year is Rs. Nil (P.Y. NIL).				
29	Auditor's Remuneration:				
	Particulars		2016-17	2015-16	
	Audit Fees		50,000	50,000	
	Others		Nil	Nil	
30	Earnings Per Share (EPS):				
	Particulars		2016-17	2015-16	
	a) Net Profit/Loss available to Equity shareholders (Numerator use for calculation)		665,503	715,095	
	b) No. of Shares		4,405,600	4,405,600	
	c) Basic EPS		0.15	0.16	
	d) Diluted EPS		0.15	0.16	

31 DISCLOURE IN RESPECT OF RELATED PARTIES

Associate Concerns	
PCL Infracon Pvt Ltd	Abhaar Procon LLP
Shree Siddhivinayak Devstahan Trust	N.S.H.B. Projects
Status Finstocks Pvt. Ltd.	
Key Management Personnels	
Narendra M. Purohit	Saumil N. Purohit
Nishitkumar C. Sandhani (C.S.)	Sanny R. Parante (C.F.O.)
Non Executive Director	
Kumudchandra Shevaria	
Directors (Independent)	
Jagrutiben Shah	Nishitkumar Gohil
Mahindra Sanghani	
Relatives of Key Management Personnel	
Hemlata N. Purohit	Deepkiran S. Purohit
Ami M. Shah	Urvi N. Chokshi
Forum S. Parikh	Narendra Purohit HUF
Saumil Purohit HUF	Hemlata N. Purohit
Saumil N Purohit	Malay Shah
Nirag Choksi	Sapan Parikh
Arman S Purohit	Anaisha S Purohit
Narendra Purohit	Hiten Shah
Pravin Sanghvi	Hansa Sanghvi
Sankeet Sanghvi	Vidushi Shah
Jignesh Sanghvi	Parul Shah
Vandnaben M Sanghani	Harkishandas Sanghani
Kantaben H Sanghani	Bhavin M sanghani
Ashokbhai Sanghani	Shashikant Sanghani
Urveshi H Shah	Bhikhabhai M Gohil
Nainaben B Gohil	Mital J Parmar
Iviran B Chauhan	Maganlal j purohit
Dahiben M purohit	Bhanumati Joshi
Jayaben Panadya	Ramila Pandya
Sundira Joshi	Kashamira K Sheravia
Ishvarlal M Sheravia	Pranav K Sheravia
Rudhi P Sheravia	

PUROHIT CONSTRUCTION LIMITED

Transaction	Associates/ Enterprise over which Key Management Personnel exercise Significant Influence (Rs In Lacs)	Key Management Personnel & Relatives (Rs In Lacs)	Total Amount (Rs In Lacs)
Incomes			
Contract Work Executed	453.07	434.62	887.69
Expenses			
Sub Contract Charges paid	120.87	0.00	120.87
Rent Expenses	0.00	3.71	3.71
Salary & Remuneration	0.00	29.18	29.18
Outstanding at Beginning of year			
Unsecured Loans	0.00	0.00	0.00
Deposits	0.00	5.00	5.00
Advances	25.30	0.00	25.30
Trade Receivables	61.71	0.00	61.71
Trade Payables	0.00	0.10	0.10
Advances received against contract	0.00	0.00	0.00
Outstandings at the End of Year			
Unsecured Loans	0.00	0.00	0.00
Deposits	0.00	5.00	5.00
Advances	54.11	0.00	54.11
Trade Receivables	392.75	167.37	560.13
Trade Payables	0.00	0.40	0.40
Advances received against contract/project	0.00	45.00	45.00

- 32** The deferred tax liability has been provided for in the books on the differential in carrying value of assets as per the financial statements and those as per the Tax statement.

Particular	31/03/2017 (RS.)
Arising on Account if timing difference in carrying Amount of fixed assets in the	
1. Financial Statement	80,48,044
2. Income Tax statement	74,04,274
Difference in carrying amount	6,43,770
3. Deferred Tax Liabilities / Assets (Closing)	1,98,925
4. Deferred Tax Liabilities / Assets (Opening)	6,85,825
5. Deferred Tax provision for the year	(4,86,900)

33 Segment Reporting

The management has identified two business segments, viz, Construction Contract / Development and Trading segments.

Details of Revenue, Results as well as Assets and Liabilities deployed in these segments are as under Rs. in lacs

Particulars	Real Estate Development & Contracting Segment	Trading Segment	Total
Revenue			
External Revenue	888.090	0.000	888.090
Inter-segment Revenue	0.000	0.000	0.000
Total Segmental Revenue	888.090	0.000	888.090
Unallocated Revenue	0.000	0.000	3.309
Total Revenue	888.090	0.000	891.399
Segment Expenditure	784.923	0.000	784.923
Unallocated Expenditure	0.000	0.000	99.539
Total Expenditure	784.923	0.000	884.462
Profit / (Loss)	0.000	0.000	6.939
Other Information	0.000	0.000	0.000
Segment Assets	668.841	0.000	668.841
Unallocated Assets	0.000	0.000	147.301
Total Assets	668.841	0.000	816.141
Segment Liabilities	220.949	0.000	220.949
Unallocated Liabilities	0.000	0.000	595.192
Total Liabilities	220.949	0.000	816.141

34 Cash Transactions

Disclosure of Specified Bank Notes (SBN) held and transacted during 08/11/2016 to 30/12/2016

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in hand as on 08/11/2016	Nil	272815.00	272815.00
Add : Permitted Receipts	Nil	440467.00	440467.00
Less : Permitted Payments	Nil	161560.00	161560.00
Less : Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30/12/2016	Nil	551722.00	551722.00

35 Figures are rounded off to the nearest Rupees.

36 The Accounts have been prepared and presented as per the Schedule III to the Companies Act, 2013. Accordingly all the assets and liabilities are bifurcated into current and non-current based on perception of the Management in that respect. The previous year figures have also been regrouped accordingly.

37 Figures stated in bracket are those in relation to the previous year.

Notes referred as above attached thereto, form an integral part of Balance Sheet. This is the Financial Statement referred to in our report of even date

For Gattani & Associates

Chartered Accountants

Sharad R Gattani

Partner

FRN: 103097W

Place : Ahmedabad

Date : 30th May, 2017

For and on behalf of the Board of Directors

Narendra M. Purohit

(Chairman & Managing Director)

Mahendra H. Sanghani

(Director)

Sanny R Parante

(Chief Financial Officer)

NishitKumar Sandhani

(Comapany Secretary)

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 26thAnnual General Meeting of the Company held on Wednesday,13th September, 2017 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	:	

_____ Signature

Full Name of Shareholder (In block letters)

_____ Signature

Full Name of Proxy (In block letters)

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 sixth Annual General Meeting of the Company to be held on Wednesday,13th September, 2017 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, 2017 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 Kumudchandra Sheravia (DIN 00756927), who retires by rotation and being eligible offers himself for re-appointment.		
3.	Appointment of M/s. Saurabh R. Shah & Co, Chartered Accountants as Statutory Auditors and fixation of their remuneration.		
SPECIAL BUSINESS			
4	To approve re-appointment of Shri Nishitkumar Gohil as an Independent Director of the Company. (Special Resolution)		
5	To approve re-appointment of Shri Mahendra Sanghani as an Independent Director of the Company. (Special Resolution)		
6	To approve re-appointment of Smt. Jagrutiben Shah as an Independent Director of the Company. (Special Resolution)		
7	To approve Related Party Transaction. (Ordinary Resolution)		
8	To approve re-appointment of Mr. Narendra Purohit as Managing Director and payment of remuneration payable to him. (Special Resolution)		

Signed this day of 2017

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.

MAP for AGM Venue



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