



30th
Annual Report
2020 - 2021

Purohit Construction Ltd.

CIN : L45200GJ1991PLC015878

Sopan Elegance



Sopan Elevation



Sopan Heights



Sopan Lifestyle



Projects by Purohit Construction Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Nishitkumar Sandhani

BANKERS

Kotak Bank Limited
HDFC Bank Limited
State Bank of India

STATUTORY AUDITORS

M/s. Parekh Parekh & Associates
Chartered Accountants

SECRETARIAL AUDITOR

M/s. Parikh Dave & Associates
Company Secretaries

INTERNAL AUDITOR

M/s. Paresh Rupabhinda & Associates
Chartered Accountants

REGISTERED OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENTS

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

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30th Annual General Meeting

Date : 24/09/2021

Day : Friday

Time : 11.30 A.M.

The meeting will be convened through Video Conferencing or other audio visual means.

PUROHIT CONSTRUCTION LIMITED

NOTICE

NOTICE is hereby given that the **30th Annual General Meeting** of **PUROHIT CONSTRUCTION LIMITED** will be held on Friday, September 24, 2021 at 11.30 a.m. through Video Conferencing or other audio visual means to transact the following business and the place of the meeting shall be deemed to be the registered office of the Company:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the financial statements of the Company including Audited Balance Sheet as at 31st March, 2021 and Statement of Profit and Loss and Cash Flow statement for the year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Shri Narendra Purohit (DIN 00755195), who retires by rotation and being eligible offers himself for re- appointment.

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)

Date : **07/08/2021**

Place : Ahmedabad

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No.02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs followed by, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate is entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an

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agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.purohitconstruction.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, September 21, 2021 at 10:00 a.m. (IST) and ends on Thursday, September 23, 2021 at 5:00 p.m. (IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 17, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select

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	<p>“Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL .	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL .	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

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- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below **in process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting@parikh-dave.com with a copy marked to evoting@nsdl.co.in.

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2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@purohitconstruction.com
2. In In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@purohitconstruction.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e.Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under **Join General Meeting** menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

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2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **cs@purohitconstruction.com**. The same will be replied by the company suitably.
6. Brief Profile of Directors seeking re-appointment at the Annual General Meeting pursuant to Secretarial Standards and Regulation 36(3) of SEBI (Listing Obligations 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	Qualification & Expertise	Share-holding in the Company	No. of Board Meetings attended in the F.Y. 2020-21	*Details of Directorship held in other Companies as on 31/03/2021	#Details of Membership/ Chairmanship of Committee as on 31/03/2021
Narendra Purohit DIN: 00755195	01/05/1955	01/04/2007	Commerce Graduate, Management, Finance and Strategic business planning.	8,48,700 (19.26 %)	6/6	NIL	NIL

* 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 only is considered.

7. 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.
8. 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.
9. Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018-49 dated 30th November, 2018, all shareholders holding equity shares in physical form are informed that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be

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processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.

REGISTERED OFFICE:

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

Date : **07/08/2021**

Place : Ahmedabad

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

PUROHIT CONSTRUCTION LIMITED**DIRECTORS' REPORT**

To,
The Members,
PUROHIT CONSTRUCTION LIMITED

Your Directors have pleasure in presenting **30th Annual Report** together with the **Audited Financial Statements and Auditors' Report** thereon for the year ended **31st March, 2021**.

1. FINANCIAL RESULTS:*Rs. in Thousands*

Particulars	Standalone	
	For the year ended March 31,2021	For the year ended March 31,2020
Total Income (incl. Other Income)	1,456	36,640
Financial Expenses	33	12
Depreciation	802	1192
Profit/ (Loss) Before Taxation	(11,774)	570
Less: Provision for Income Tax	31	167
Less: Provision for Deferred Tax	(25)	(112)
Profit After Taxation	(18,756)	515
Less: Prior Period adjustment	-	-
Transferred to General Reserve	-	-
Surplus Brought Forward	14,441	13,926
Net Balance carried to Balance Sheet	(4,315)	14,441

2. OPERATIONS/STATE OF AFFAIRS :

The Company has completed all the projects on hand till the end of the year under review and due to economic downturn and continuous spreading of novel COVID-19 which hit the all sectors of economy and majorly real estate and constructions. The turnover of the Company has been reduced from Rs. 36640 Thousands in previous year to Rs. 1456 Thousands in current year. Consequently, the Profit before tax of the Company has been declined from Rs. 570 Thousands to loss of Rs.11774 Thousands and Profit after Tax from Rs. 515 Thousands to loss Rs. 18756 Thousands in the current financial year.

The novel Corona virus [COVID-19] pandemic is spreading around the globe rapidly. The virus has taken its toll not just on human life, but business and financial markets to the extent of which is currently indeterminate. In view of restrictions imposed by the government to curb the spreading of corona virus adversely affected the operations of the Company. The Company has been critically evaluating various financial parameters affecting the operations of the Company. However, it would be difficult to ascertain the actual impact in monetary terms due to COVID- 19 pandemic. The management has taken proper measures for reducing the impact of COVID- 19.

3. DIVIDEND :

In view of losses, the management is unable to recommend any dividend for the financial year.

4. AMOUNT TRANSFERRED TO RESERVES:

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

5. DEPOSITS:

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

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

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company, to which the financial statements relate, i.e. 31st March, 2021 and the date of the Board's Report.

7. CHANGE IN THE NATURE OF BUSINESS:

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

8. CHANGES IN SHARE CAPITAL:

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. As on March 31, 2021, it stood at Rs. 44,056,000/- consisting of 44,05,600 equity shares of Rs. 10/- each.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

9.2 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.

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

The Policy of the Company on Directors' Appointment and remuneration of Directors, 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> Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The policy and details of familiarization programme imparted to the Independent Directors of the Company has been kept on the website of the Company at the link: <http://www.purohitconstruction.com/InvestorRelations.aspx>

9.4 Formal Annual Evaluation Process by Board;

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

10. DIRECTORS' RESPONSIBILITY STATEMENT:

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

(a) In the preparation of Annual Accounts for the period ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures.

PUROHIT CONSTRUCTION LIMITED

- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the Company for the year ended March 31, 2021.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. NUMBER OF MEETINGS OF BOARD:

During the year under review, six meetings of the Board of Directors were held on 1st June, 2020, 27th June, 2020, 14th August, 2020, 7th November, 2020, 9th February, 2021 and 2nd March, 2021. This intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

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

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

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

13. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:

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

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

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

14. AUDITORS AND AUDITORS' REPORT:

14.1 STATUTORY AUDITORS:

Pursuant to the provisions of the Companies Act and the Rules made thereunder, at the AGM of the Company held on September 27, 2019 M/s. Parekh Parekh and Associates, Chartered Accountants (Firm Reg. No. 132988W), were appointed as Statutory Auditors of the Company till the conclusion of the AGM to be held for the financial year ending on 31st March, 2024.

The Report does not contain any qualification, reservation, adverse remark or disclaimer.

14.2 INTERNAL AUDITORS:

The Board on the recommendation of Audit Committee had appointed M/s. Paresb Rupabhinda & Associates, Chartered Accountants (FRN: 135056W) as an Internal Auditors for the financial year 2020-21.

14.3 SECRETARIAL AUDITORS:

The Board on the recommendation of Audit Committee had appointed M/s. Parikh Dave & Associates, Practicing Company Secretaries as the Secretarial Auditors for the financial year 2020-21.

The report of Secretarial Auditors is annexed as Annexure 4. Their report does not contain any adverse remark or observation. During the year under review, neither the statutory auditors nor the secretarial auditors has reported to the Audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

15. 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.

16. SECRETARIAL STANDARDS:

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

17. 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.

18. 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.

19. 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.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

21. ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the Copy of Annual Return of the Company for the financial year ended March 31, 2021 is placed on the Company's website at www.purohitconstruction.com.

22. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 15 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provision of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V does not apply to the Company. Hence, report on Corporate Governance does not form part of the Directors' report. Report on Management Discussion and Analysis Report is given herewith as Annexure 5.

23. AUDIT COMMITTEE:

The Audit Committee consist of following members:

PUROHIT CONSTRUCTION LIMITED

1. Mr. Mahendra Harkishandas Sanghani, Chairman: Non Executive / Independent
2. Mr. Nishitkumar Bhikhubhai Gohel, Member: Non Executive / Independent
3. Ms. Jagrutiben Hitenbhai Shah, Member: Non Executive / Independent

During the year under review, four committee meetings were held on (1) 27th June, 2020 (2) 14th August, 2020 (3) 7th November, 2020 and (4) 9th February, 2021 which has been attended by all the three members.

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

24. SUBSIDIARIES COMPANIES , ASSOCIATES AND JOINT VENTURE COMPANIES:

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

25. SAFETY, HEALTH AND ENVIRONMENT:

- (a) **Safety:** The Company encourages a high level of awareness of safety issues among its employees and strives for continuous improvement. All incidents are analysed in the safety committee meetings and corrective actions are taken immediately. Employees are trained in safe practices to be followed at work place.
- (b) **Health:** Your Company attaches utmost importance to the health of its employees. Periodic checkup of employees is done to monitor their health. Health related issues if any are discussed with visiting Medical Officer.
- (c) **Environment:** Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company.

26. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

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

It is affirmed that no personnel of the Company have been denied access to the Audit Committee during the year under review.

27. MAINTENANCE OF COST RECORDS:

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

28. 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.

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

29. 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 6 to this Report.

30. 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.

31. 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>.

32. 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.

33. INSURANCE:

The Company has taken adequate insurance to cover its assets.

34. 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.

35. 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.

36. 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.

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Date : 07/08/2021
Place : Ahmedabad

Annexure-1

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

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

Objectives:

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

Role of Nomination and Remuneration Committee:

The Committee shall perform the role for following matters:

Criteria for appointment of Director:

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

Nomination of directors:

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

Evaluation of Director:

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

Consultative role:

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

Senior Management of the Company consist of:

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

Evaluation of KMP and Senior Management:

- The committee shall annually review and approve for the KMP and Senior Management the corporate goals and objectives applicable to them, evaluate at least annually their performance in light of those goals and objectives, and determine and approve their (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) any other benefits, compensation or arrangements, based on this evaluation.

PUROHIT CONSTRUCTION LIMITED

- The Committee may also make recommendations to the Board with respect to incentive compensation plans. The committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

Duties of Nomination and Remuneration Committee:

A. The duties of the Committee in relation to nomination matters include:

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

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

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

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Date : 07/08/2021
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, 2021:

(Amt. in Rs.)

No.	Director	Remuneration	Median Remuneration	Ratio
1.	Shri Narendra Purohit	16,40,000	5,17,899	3.17:1
2.	Shri Saumil Purohit	13,20,000	5,17,899	2.55:1

- 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:

No.	Key Managerial Personnel	% increase
1.	Shri Narendra Purohit	5.12%
2.	Shri Saumil Purohit	NIL
3.	Shri NishitSandhani- Company Secretary	24.00%

- iii. Percentage increase in the median remuneration of employees in the financial year: There is no increase in the median remuneration of employees.

- iv. The number of permanent employees on the rolls of company: 5

- 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 increase in remuneration of Managerial personnel is in compliance of the provisions of the Companies Act, 2013 and resolution passed by the members. The difference in median remuneration is mainly due to reduction of number of employees on the roll.

- vi. The key parameters for any variable component of remuneration availed by the Directors:

The Managing Directors have not availed any variable remuneration components.

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

It is affirmed that the remuneration paid is as per the remuneration policy of the company.

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

Date : 07/08/2021
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Annexure 3

Form No. AOC-2

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

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Rs. in Thousands)

Name(s) of the related party and nature of relationship	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
N.M. Purohit HUF	HUF of Director/ relative of Director	Availing services (taking premises on rent)	20 Years – As per Lease deed	371	N.A.	NIL
		Purchase	April 1, 2020 to March 31, 2021	29	N.A.	NIL
Aabhaar Infrastructure Pvt. Ltd.	Private Limited Company in which Director/ Relative of Director is a Director	Sales	April 1, 2020 to March 31, 2021	1218	N.A.	NIL

PUROHIT CONSTRUCTION LIMITED*(Rs. in Thousands)*

Name(s) of the related party and nature of relationship	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Aabhaar Procon LLP	A LLP in which director is designated partner	Sales	April 1, 2020 to March 31, 2021	28,543	N.A. *Special Resolution passed on 30h September, 2020	NIL
Shri Siddhivinayak Devsthan Trust Sales NIL	A Trust in which a Director is a trustee	Sales	April 1, 2020 to March 31, 2021	14,216	N.A. *Special Resolution passed on 30th September, 2020	NIL

Note: All the related party transactions are entered on arm's length basis and in ordinary course of business and at prevailing industrial contract price and terms for said transaction.

* The Company by following the spirit of good corporate governance practice has taken the approval from members at their Annual General Meeting held on 30th September, 2020.

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

Date : 07/08/2021
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[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 the adherence to good corporate practices by **PUROHIT CONSTRUCTION LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise 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, 2021 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, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable to the extent of External Commercial Borrowings as there were no reportable events during the financial year 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, 2018- Not applicable during the year under review;
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014 - Not applicable during the year under review;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the year under review;

PUROHIT CONSTRUCTION LIMITED

- (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 during the year under review;
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable 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 issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Uniform Listing Agreement entered into by the Company with BSE Limited (BSE).

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

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

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the 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 in the composition of the Board during the year under review.

Adequate notice is given to all Directors to schedule the Board Meetings, 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.

PUROHIT CONSTRUCTION LIMITED

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 and compliance certificate(s) placed before the Board Meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has 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
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020**

**UDAY DAVE
Partner**

**Place : Ahmedabad
Date : 07/08/2021**

**FCS No.: 6545 C. P. No.: 7158
UDIN: F006545C000764588**

Note:

1. 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.
2. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers, disclosures from Directors and other records etc., received by us by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.

PUROHIT CONSTRUCTION LIMITED

Annexure - A

To,
The Members,
PUROHIT CONSTRUCTION LIMITED
CIN- L45200GJ1991PLC015878

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

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

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020

UDAY DAVE
Partner

Place : Ahmedabad
Date : 07/08/2021

FCS No.: 6545 C. P. No.: 7158
UDIN: F006545C000764588

ANNEXURE 6

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INTRODUCTION:

Purohit Construction Limited, Established in 1991, is one of the leading Construction Company in India . Your Company has more than twenty-nine years of experience in the construction business with capabilities in providing Construction services for civil construction and infrastructure projects. With engineering experience, trained and qualified manpower, your Company can successfully execute and implement projects independently or through subcontracting.

B. ECONOMIC OVERVIEW:

The year 2020 started with the US and China signing the trade deal and stalemate over Brexit coming to end, which indicated some signs of recovery. That said, with the onset of COVID-19 and subsequent lockdowns imposed across the world to contain the virus spread, economic activities came to a standstill. This synchronised pause led to a significant contraction during the first half of 2020. With the easing of lockdown norms at the end of the second quarter, the economy rebounded sharply, though global output is estimated to decline by 3.5% for the full year, as against a growth of 2.8% reported in 2019.

The global economy is projected to grow 5.5% in 2021 and 4.2% in 2022, reflecting additional policy support in a few large economies and expectations of a vaccine-powered strengthening of activity.

The Indian economy was already grappling with a structural slowdown which resulted in six-year low GDP growth of 4.2% in 2019-20. The lockdown, which started at the end of 2019-20, remained in full swing during the first two months of 2020- 21. This led to a contraction of 23.9% during the first quarter of 2020-21. However, the recovery has been 'V'-shaped after the restrictions were lifted during the second half of the year. According to the Economic Survey 2020-21, the Indian economy is likely to contract by 7.7% in 2020-21. A state-wise analysis suggests that states with a larger share in overall GDP were the ones most impacted due to disruptions in people and trade movement. The services sector (particularly contact-based) remains more vulnerable than manufacturing. The government announced its initial set of measures to limit the damage. This included direct cash transfers and food security measures to poor, followed by a special economic stimulus package, which was equivalent to 10% of India's GDP, with a call for building a self-reliant India.

India took decisive steps to deal with the COVID-19 crisis. This proactive stance by the government and policy makers will certainly help the country's faster economic revival. With the start of the vaccination drive, India is expected to track a faster recovery in 2021-22. The Economic Survey 2021 predicts 10-12% growth in 2021-22, and back on the trend of 6.5% in 2022-23.

INDIA'S CIVIL CONSTRUCTION & REAL ESTATE SECTOR

The Indian real estate sector, which includes the residential, office, retail, industrial, logistics and hospitality segments, is a key contributor to GDP growth, and is one of the largest employers in India- second only to agriculture. The sector contributes nearly 6% to the total GDP of the country. According to Anarock Research and various industry sources, with a CAGR of around 10% Real Estate market has grown from US\$ 50 bn in 2008 to US\$ 120 bn in 2017. The sector is expected to reach a market size of US\$ 1 trillion by 2030 clocking a CAGR of 18% and becoming third largest globally.

In the past three to four years, Indian Real Estate has witnessed various change agents including demonetization, implementation of RERA, GST, liquidity crisis, etc, which have cleaned up the sector, brought transparency and have started the process for consolidation of the sector towards the branded developers.

Another key contributor towards the consolidation theme for sector and the cause for its acceleration has been the sharp decline in credit from the formal financial sector to unbranded developers. This

PUROHIT CONSTRUCTION LIMITED

coupled with lack of customer trust for this segment has meant that such unbranded players will be unable to bring any meaningful supply in the near future. As per Anarock Research, incremental credit to real estate developers has come down from over an average of ` 40,000 crore over FY17-19 to merely ` 5,000 crore in FY20. As per estimate, this figure would have further dropped in FY21. Clearly the dramatic fall in incremental credit flowing from banks & NBFCs to the developers meant that most of the unbranded developers are unable to continue the existing projects as well as launching new projects. These unbranded developers along with the financial institutions who supported them earlier are now looking at the branded and stronger tier-1 developers to rescue those projects by taking over the existing projects and/or tie-up for their new land parcels. Thus, the sector is currently very favourable for the well-known branded developers.

Residential Market Overview

FY21 for residential market could be termed as the tale of two halves. It was the most volatile year on record as a residential industry already struggling for survival was forced to deal with a collapse in residential demand caused by the pandemic induced lockdowns in Q1FY21. In 1HFY21, it seemed unlikely that the subsequent economic fallout would allow market demand to revive in any meaningful way. However, once the initial panic subsided in 2HFY21, due to improved understanding of the fight against the pandemic, economic activity resumed, and market forces rationalized over the latter half of the year. The broad-based income disruption caused by the pandemic weighed heavy on market sentiment initially. Homeownership has traditionally been a coveted aspiration of the average Indian and the acute loss of income security felt by the masses during the worst of the pandemic only reinforced this sentiment. Contrary to the initial belief that Covid would likely hurt the residential demand, it made people realize the importance of owning a quality home. Thus, as the economy opened up, people who had under-bought for last several years rushed to transact. This was further boosted by the lowest home loan rates.

C. STRENGTHS & OPPORTUNITIES:

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

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

D. Threats & Challenges:

While we are well prepared to capture the opportunities, few challenges in the near to medium term may have an impact on performance:

- ◆ Covid related lockdowns & disruptions
- ◆ Covid related impact on the wellbeing of employees
- ◆ Availability of trained labor especially given the trend of Covid-induced reverse migration
- ◆ Rising global commodity prices
- ◆ Unanticipated regulatory changes
- ◆ General health of financial sector and its ability to keep ample availability of mortgages

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. KEY FINANCIAL RATIOS:

Key Ratios	FY 2020-21	FY 2019-20	Change %	Explanation, If any.
Debtors Turnover	-	719 Days	-	During the FY 2020-21, no sale made.
Inventory Turnover	-	3295 Days	-	During the FY 2020-21, No Purchases made and there is no consumption of inventory
Interest Coverage Ratio	-	-	-	No Interest paid during the FY 2020-21 as well as during the FY 2019-20

PUROHIT CONSTRUCTION LIMITED

Key Ratios	FY 2020-21	FY 2019-20	Change %	Explanation, If any.
Current Ratio	4.34	2.6	66.92%	The Current ration improved due to payment of liabilities and recovery from debtors.
Debt Equity Ratio	0.03	0.05	-40.00%	The debt equity ration improved due to decrease in external borrowing by the company.
Operating Profit Margin(%)	-1285.82%	1.59%	80969.18%	Operating Profit Margin Ratio deteriorated due to no sales made during the FY 2020-21
Net Profit Margin (%)	-1288.57%	1.41%	91487.94%	Net Profit Margin Ratio deteriorated due to no sales made during the FY 2020-21
Return on Networth	-42.58%	1.17%	-3739.32%	Return on Networth Ratio deteriorated due to no sales made during the FY 2020-21

I. CAUTIONARY STATEMENT:

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

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

Date : 07/08/2021
Place : Ahmedabad

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

Annexure - 7

Additional information as per Section 134 of The Companies Act, 2013 and forming part of the Director's Report for the year ended on 31st March, 2021.

(A) CONSERVATION OF ENERGY:

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

(B) TECHNOLOGY ABSORPTION - NIL

(C) FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. In Lac)

For the year Ended on	31st March,2021	31st March,2020
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

REGISTERED OFFICE:

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

Date : **07/08/2021**
Place : Ahmedabad

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

Narendra Purohit
Chairman & Managing Director
(DIN: 00755195)

PUROHIT CONSTRUCTION LIMITED

Independent Auditors' Report

To,
The Members
M/s Purohit Construction Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Purohit Construction Limited, Ahmedabad, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year then ended on that date and a summary of significant accounting policies along with other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and loss audits cash flows for the year ended on that date.

Basis for opinion

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

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

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

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

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

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

Management's Responsibility for the Financial Statements

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

financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid the financial statements comply with the accounting principles generally accepted in India including the Companies (Accounting Standards) Rules 2006 (as amended) ratified under section 133 of the Act read with the Companies (Accounts) Rules 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which may have a material bearing on its state of affairs.
 - ii. The Company has not undertaken any derivative trading during the year nor it has any outstanding thereof,
 - iii. There has been no occasion in case of the company during the year under audit to transfer any sums of Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Parekh Parekh & Associates
Chartered Accountants
(Firm Registration No.: 132988W)

Sunny Parekh
Partner

(Membership No.: 131188)
UDIN: 21131188AAAADG3792

Place : Ahmedabad
Date : 27th May 2021

Annexure A to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s Purohit Construction Limited (the company) as of March 31, 2021 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Control

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

Auditor's Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitations of internal financial control over financial reporting with reference to

PUROHIT CONSTRUCTION LIMITED

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to this financial statement and such internal financial controls over financial reporting with reference to this financial statement were operating effectively as at March 31, 2021, 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 Parekh Parekh & Associates
Chartered Accountants
(Firm Registration No.: 132988W)

Sunny Parekh
Partner

(Membership No.: 131188)
UDIN: 21131188AAAADG3792

Place : Ahmedabad
Date : 27th May 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds of the properties held by the company are held in its name.
- ii. The Company has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 except those in the nature of contractual obligations. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and not commented upon. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the company has complied with provisions of Section 186 of the Companies Act 2013 in respect of investments made during the year.
- v. According to the information and explanations given to us the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

PUROHIT CONSTRUCTION LIMITED

- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, Goods and Services Tax, custom duty, excise duty, VAT, cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, Goods and Services Tax, custom duty, excise duty, VAT, cess and other material statutory dues were outstanding at the year end, for a period more than six months from the date they become payable.
- According to the information and explanations given to us, no amount payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, value added tax, goods and service tax and cess were unpaid on account of any dispute:
- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Parekh Parekh & Associates
Chartered Accountants
(Firm Registration No.: 132988W)

Sunny Parekh
Partner

(Membership No.: 131188)
UDIN: 21131188AAAADG3792

Place : Ahmedabad
Date : 27th May 2021

PUROHIT CONSTRUCTION LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	Note	As at March 31, 2021	As at March 31, 2020
ASSETS:			
Non-current assets			
Property, plant and equipment	2	1,964	2,706
Capital work-in-progress			
Intangible assets			
Financial assets			
i. Investments	3	11	11
ii. Trade receivables	4	46,263	49,113
iii. Deposits	5	1,682	2,523
iv. Other Financial Asset	5a	179	159
Deferred tax Assets (net)	26(c)	665	640
Income tax assets		-	-
Other non-current assets	6	1,452	1,455
Total Non-Current Assets		52,216	56,607
Current assets			
Inventories	7	231	231
Financial assets			
i. Trade receivables	8	-	367
ii. Cash and cash equivalents	9	1,252	24,825
iii. Bank balances other than (ii) above		-	-
iv. Loans	10	7,460	17,890
v. Other financial assets			
Current Tax Asset (Net)	11 (a)	1,476	2,081
Other current assets	11 (b)	1,852	725
Total Current Assets		12,271	46,119
Total Assets		64,488	102,725
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	44,056	44,056
Other equity	12(b)	(4,315)	14,441
Total Equity		39,741	58,497
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings		-	-
ii. Trade payables	13	21,879	26,422
Provisions		-	-
Deferred tax Liabilities (net)		-	-
Total Non-Current Liabilities		21,879	26,422
Current liabilities			
Financial liabilities			
i. Borrowings	14	1,263	2,998
ii. Trade payables	15	367	11,518
iii. Other financial liabilities	16	727	1,594
Provisions		-	-
Current tax Liability (Net)	17	-	330
Other current liabilities	18	511	1,365
Total Current Liabilities		2,868	17,805
Total Equity & Liabilities		64,488	102,725

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Parekh Parekh & Associates

Narendra M. Purohit

Mahendra H. Sanghani

Chartered Accountants
Firm Registration No. : 132988W

Chairman & MD
DIN : 00755195

Director
DIN: 00755264

Sunny Parekh

Saumil N. Purohit

Nishit Kumar Sandhani

Partner
Membership No.: 131188
UDIN: 21131188AAAADG3792

Chief Financial Officer

Comapany Secretary

Place : Ahemdabad
Date : 27th May 2021

Place : Ahemdabad
Date : 27th May 2021

PUROHIT CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	19	-	35,364
Other income	20	1,456	1,277
Total Income		1,456	36,640
Expenses			
Cost of materials consumed	21	-	9,244
Purchase of Stock in Trade		-	-
Changes in inventories of finished goods and work-in-progress		-	-
Employees benefit expenses	22	6,277	6,174
Finance costs	23	33	12
Depreciation and amortisation expenses	24	802	1,192
Other expenses	25	6,118	19,449
Total Expenses		13,230	36,070
Profit / (Loss) before exceptional items and tax		(11,774)	570
Exceptional items		6,975	-
Profit /(Loss) after exceptional items and before tax		(18,749)	570
Income tax expense			
Current tax 26(a)		-	330
Taxes/Refund on income of previous financial years	26(a)	31	(163)
Deferred tax	26(a)	(25)	(112)
Total tax expenses		6	55
Profit for the year		(18,756)	515
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		-	-
Income tax relating to above		-	-
Other comprehensive income for the year, net of tax			-
Total comprehensive income for the year		(18,756)	515
Earnings per equity share (in Rs.) (Nominal value per share Rs.10)			
Basic earning per share (In Rs.)		(4.26)	0.12
Diluted earning per share (In Rs.)		(4.26)	0.12

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Parekh Parekh & Associates

Narendra M. Purohit

Mahendra H. Sanghani

Chartered Accountants
Firm Registration No. : 132988W

Chairman & MD
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Chief Financial Officer

Comapany Secretary

Place : Ahemdabad
Date : 27th May 2021

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Date : 27th May 2021

PUROHIT CONSTRUCTION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	Year ended March 31, 2021 (Rs. In Thousand)	Year ended March 31, 2020 (Rs. In Thousand)
A. CASH FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	(18,749)	570
Adjustment For :		
Depreciation	802	1,192
Interest Expenses	33	12
Interest Income	(1,445)	(1,276)
Operating Profit Before Working Capital Changes	(19,359)	498
Adjustment For :		
(Increase) / Decrease in Trade Receivables	3,217	17,106
(Increase) / Decrease in Loan	10,430	(6,688)
(Increase) / Decrease in Other assets	(567)	(86)
(Increase) / Decrease in Deposits	841	(1,361)
(Increase) / Decrease in Inventories	-	1,094
Increase / (Decrease) in Trade payables	(15,694)	11,209
Increase / (Decrease) in Other financial liabilities	(867)	(1,019)
Increase / (Decrease) in Provisions	-	0
Increase /(Decrease) in Other liabilities	(854)	661
Cash generated from Operations	(22,854)	21,414
Taxes paid (net of refunds)	(336)	(436)
Net Cash Flow from Operating Activities	(23,190)	20,978
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(60)	(394)
Sale of Investments	0	(181)
Interest Received	1,445	1,276
Interest paid	(33)	(12)
Net Cash Flow from Investing Activities	1,352	690
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	0	0
Proceeds from / (Repayment of) Long-Term Borrowings	0	0
Proceeds from / (Repayment of) short -Term Borrowings	(1,735)	2,998
Net Cash Flow from Financing Activities	(1,735)	2,998
Net Increase/(Decrease) in Cash & Cash Equivalent : (A + B + C)	(23,573)	24,665
Cash and Cash equivalents at the beginning of the year	24,825	160
Cash and Cash equivalents at the end of the year	1,252	24,825
Cash & Cash Equivalents Comprise:		
Cash on Hand	787	723
Balance with Banks	465	24,102
Total	1,252	24,825

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Parekh Parekh & Associates
Chartered Accountants
Firm Registration No. : 132988W

Narendra M. Purohit
Chairman & MD
DIN : 00755195

Mahendra H. Sanghani
Director
DIN: 00755264

Sunny Parekh
Partner
Membership No.: 131188
UDIN: 21131188AAAADG3792

Saumil N. Purohit
Chief Financial Officer

Nishit Kumar Sandhani
Comapany Secretary

Place : Ahemdabad
Date : 27th May 2021

Place : Ahemdabad
Date : 27th May 2021

PUROHIT CONSTRUCTION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

A. EQUITY SHARE CAPITAL:

Particulars	Amount
As at March 31, 2020	44,056
Changes in equity share capital	-
As at March 31, 2021	44,056

B. OTHER EQUITY:

Particulars	Reserves and surplus				Total other equity
	Securities premium reserve	Retained earnings	Revaluation reserve	General reserve	
As at March 31, 2019	1,000	12,350	576		13,926
Profit for the year		515			515
Other comprehensive income		-			-
Total comprehensive income for the year	1,000	12,865	576	-	14,441
Depreciation on revalued assets		315	(315)		-
As at March 31, 2020	1,000	13,180	261	-	14,441
Profit for the year		(18,756)			(18,756)
Other comprehensive income					0
Total comprehensive income for the year	1,000	(5,576)	261	-	(4,315)
Depreciation on revalued assets	-	261	(261)		
As at March 31, 2021	1,000	(5,315)	-	-	(4,315)

In terms of our report of even date

For Parekh Parekh & Associates
Chartered Accountants
Firm Registration No. : 132988W

Sunny Parekh
Partner
Membership No.: 131188
UDIN: 21131188AAAADG3792

Place : Ahmedabad
Date : 27th May 2021

For and on Behalf of Board of Directors

Narendra M. Purohit
Chairman & MD
DIN : 00755195

Saumil N. Purohit
Chief Financial Officer

Place : Ahmedabad
Date : 27th May 2021

Mahendra H. Sanghani
Director
DIN: 00755264

Nishit Kumar Sandhani
Comapany Secretary

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

Notes to the Financial Statements for the year ended 31st March, 2021

Background

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

These financial statements were authorized to be issued by the board of directors on May 27, 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:

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

(a) Basis of preparation

(i) Compliance with Ind AS

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

(ii) Historical cost convention

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

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

(b) Segment reporting

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

(c) Revenue recognition

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

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

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

Exceptional Items

Exceptional item represents security and inter corporate deposit with P C Snehal Construction Private Limited written off due to contract cancellation.

(d) Income tax

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

(i) Current income tax

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

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

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

(ii) Deferred tax

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

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

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

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

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

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

(e) Impairment of non-financial assets

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

(f) Cash and cash equivalents

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

(g) Trade receivables

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

PUROHIT CONSTRUCTION LIMITED

(h) Inventories

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

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

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

(i) Financial instruments

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

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

Financial Assets:

Classification

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

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

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

Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial assets are measured at:

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

Debt instruments

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

Amortised Cost:

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

Fair Value Through Other Comprehensive Income (FVOCI):

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

Fair Value Through Profit or Loss (FVTPL):

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

Equity instruments

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

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

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

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

Impairment of Financial Assets

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

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

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

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

Derecognition of Financial Assets

A financial asset is derecognized only when:

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

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

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

Income Recognition

Interest income

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

PUROHIT CONSTRUCTION LIMITED

Dividend income

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

Financial Liabilities:

Initial recognition and measurement

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

Subsequent Measurement

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

Derecognition

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

Offsetting Financial Instruments

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

(j) Property, plant and equipment

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

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

Depreciation methods, rates and residual value

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

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

Asset Total Useful Life

Office Building	30 Years
Plant & Machinery	12 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Vehicles	8 Years
Computer & IT equipments	3 Years

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

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

(k) Trade and other payables

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

(l) Borrowings

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

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

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

(m) Borrowing cost

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

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

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

(n) Provisions and contingent liabilities

Provisions

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

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

Contingent liabilities

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

(o) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the

PUROHIT CONSTRUCTION LIMITED

reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The company operates the following post-employment schemes.

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

Defined contribution plans

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

(p) Contributed equity

Equity shares are classified as equity.

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

(q) Dividends

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

(r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

(s) Rounding of amounts

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

(t) Previous year Figures has been regrouped or re arranged wherever required.

Critical estimates and judgements

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

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

a) Estimation of current tax expense and deferred tax

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

Recognition of deferred tax assets/ liabilities

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

b) Estimation of Provisions & Contingent Liabilities.

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

c) Estimated Useful Life of Property, Plant and Equipment

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

For Parekh Parekh & Associates

Chartered Accountants
Firm Registration No. : 132988W

Sunny Parekh

Partner
Membership No.: 131188
UDIN: 21131188AAAADG3792

Place : Ahemdabad
Date : 27th May 2021

Narendra M. Purohit

Chairman & MD
DIN : 00755195

Saumil N. Purohit

Chief Financial Officer

Place : Ahemdabad
Date : 27th May 2021

Mahendra H. Sanghani

Director
DIN: 00755264

Nishit Kumar Sandhani

Comapany Secretary

PUROHIT CONSTRUCTION LIMITED**Notes to the Financial Statements for the year ended 31st March, 2021**

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 2 - PROPERTY, PLANT AND EQUIPMENT:

Particulars	Office Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total
Year ended March 31,2020						
Gross carrying amount						
Opening gross carrying amount	4,406	803	844	46	11,467	17,567
Additions	-	-	44	349	-	393
Written off	-	-	-	-	-	-
Closing gross carrying amount	4,406	803	888	395	11,467	17,959
Accumulated depreciation and impairment						
Opeining accumulated depreciation	(2,711)	(577)	(692)	(26)	(10,058)	(14,063)
Depreciation charge during the year	(483)	(93)	(71)	(22)	(522)	(1,191)
Closing accumulated depreciation	(3,193)	(670)	(763)	(48)	(10,580)	(15,254)
Net carrying amount	1,213	134	125	347	887	2,706
Year ended March 31,2021						
Gross carrying amount						
Opening gross carrying amount	4,406	803	888	395	11,467	17,959
Additions	-	-	-	60	-	60
Written off	-	-	-	-	-	-
Closing gross carrying amount	4,406	803	888	455	11,467	18,020
Accumulated depreciation and impairment						
Opeining accumulated depreciation	(3,193)	(670)	(763)	(48)	(10,580)	(15,254)
Depreciation charge during the year	(483)	(36)	(44)	(82)	(157)	(802)
Closing accumulated depreciation	(3,676)	(706)	(807)	(130)	(10,737)	(16,056)
Net carrying amount	730	97	81	325	730	1,964

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	As at March 31,2021	As at March 31,2020
NOTE - 3 - NON-CURRENT INVESTMENTS:		
Investment in equity instruments		
Unquoted		
Shri Bhagyalaxmi Co-op. Bank Ltd	1	1
Shiv Sankalp Owner's Association	1	1
Investment in mutual funds		
Unquoted		
ICICI-Prudential Flexible Income Plan	9	9
Total	11	11
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	11	11
Aggregate amount of impairment in the value of investments	-	-
NOTE - 4 - NON CURRENT TRADE RECEIVABLES:		
Trade receivables	46263	49,113
Total	46,263	49,113
NOTE - 5 - NON-CURRENT LOANS:		
Security deposits	1682	2,523
Total	1,682	2,523
NOTE - 5A - NON CURRENT FINANCIAL ASSET:		
Fixed Deposit with State Bank of India (Maturity after 12 months)	179	159
Total	179	159
NOTE - 6 - OTHER NON-CURRENT ASSETS:		
Advance against development rights	1,285	1,285
Advance to staff	167	170
Total	1,452	1,455
NOTE - 7 - INVENTORIES:		
Raw material	231	231
Total	231	231

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

- a. Inventory of building materials is valued at cost on FIFO basis.
- b. 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 architect in that respect.

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	As at March 31,2021	As at March 31,2020
NOTE - 8 - TRADE RECEIVABLES:		
Trade receivables	-	367
Total	-	367
NOTE - 9 - CASH AND CASH EQUIVALENTS:		
Balances with banks		
In current accounts	465	622
Kotak Bank Sweep FDR	-	23,480
Cash	787	723
Total	1,252	24,825
NOTE - 10 - CURRENT LOANS:		
Inter corporate deposits	7,460	17,890
Total	7,460	17,890
NOTE - 11(A) - CURRENT TAX ASSET (NET):		
Tds Receivable	1476	2,081
Total	1,476	2,081
NOTE - 11 (B) - OTHER CURRENT ASSETS:		
Advance to vendor	-	-
Advance to staff	40	38
Other assets	1812	687
Total	1,852	725
NOTE - 12(A) - EQUITY SHARE CAPITAL:		
Authorised share capital		
10,000,000(March 31,2020: 10,000,000) Equity shares of Rs.10/- each	100,000	100,000
	100,000	100,000
Issued, Subscribed and fully paid-up shares		
4,405,600(March 31,2020:4,405,600) Equity shares of Rs.10/- each	44,056	44,056
	44,056	44,056
Movements in equity share capital:		
Particulars	Number of shares	Number of shares
As at March 31, 2020	4,405,600	4,405,600
Issued during the year	-	-
As at March 31, 2021	4,405,600	4,405,600

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	As at March 31,2021	As at March 31,2020
NOTE - 12(A) - EQUITY SHARE CAPITAL: (CONTD.....)		
Details of shareholders holding more than 5% shares in the Company		
Narendra M. Purohit		
Number of shares held	848,700	848,700
% of Holding	19.26	19.26
Saumil N. Purohit		
Number of shares held	445,910	445,910
% of Holding	10.12	10.12
Pranav Hareshbhai Patel		
Number of shares held	574,309	574,309
% of Holding	13.03	13.03
Rights, preferences and restrictions attached to shares:		
Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.		
Particular	As at March 31,2021	As at March 31,2020
NOTE - 12(B) - RESERVES AND SURPLUS:		
Retained earnings	(5,315)	13,180
Securities Premium Account	1,000	1,000
Revaluation Reserve	-	261
Total	(4,315)	14,441
For detailed movement in the balances of reserves refer statement of changes in equity.		
Nature and purpose of reserves:		
Securities Premium represents amount received in excess of face value of equity shares issued by the company. The same shall be utilised in accordance with provisions of the companies Act, 2013. Revaluation Reserve represents amount of gain on certain class of assets in 2010.		
Particular	As at March 31,2021	As at March 31,2020
NOTE - 13 - TRADE PAYABLE-NON CURRENT:		
Trade Payable (More than 12 months)	21879	26,422
Total	21,879	26,422

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	As at March 31,2021	As at March 31,2020
NOTE - 14 - BORROWINGS - CURRENT:		
Loan from director	1263	2,998
Total	1,263	2,998
NOTE - 15 - TRADE PAYABLES:		
Trade payables	367	11,518
Total	367	11,518
TThe dues to Micro, Small and Medium undertakings out of Trade Payables : Nil (March 31, 2021: Nil, March 31, 2020: Nil)		
NOTE - 16 - OTHER FINANCIAL LIABILITIES - CURRENT:		
Employee benefits payable	727	1,594
Others	-	-
Total	727	1,594
NOTE - 17 - CURRENT TAX LIABILITY (NET):		
Provision for tax	-	330
Total	-	330
NOTE - 18 - OTHER CURRENT LIABILITIES:		
Statutory dues	511	1,365
Total	511	1,365
NOTE - 19 - REVENUE FROM OPERATIONS:		
Sale of goods	-	5,352
Sale of services		
Value of contractual work completed	-	22,028
Value of Construction related Services	-	-
Others	-	7,984
Total	-	35,364
NOTE - 20 - OTHER INCOME:		
Interest income	1445	1,276
Mis Income	10	-
Net gain on financial assets mandatorily measured at Fair value through profit and loss	-	1
Total	1,456	1,277

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	Year ended March 31,2021	Year ended March 31,2020
NOTE - 21 - COST OF MATERIAL CONSUMED/SOLD:		
Raw materials		
Opening stock of raw material	231	1,325
Add: Purchase during the year	-	8,150
Less: Closing Stock of raw material	231	231
Total	-	9,244
NOTE - 22 - EMPLOYEE BENEFIT EXPENSES:		
Salaries and wages	3174	3,103
Directors' Remuneration & Perquisites	3000	2,880
Contribution to provident and other funds	55	72
Staff welfare expenses	-	30
Other payment for employees	48	89
Total	6,277	6,174
NOTE - 23 - NET FINANCE COSTS:		
Other Interest	32	10
Bank charges	1	2
Total	33	12
NOTE - 24 - DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on property, plant and equipment	802	1,192
Total	802	1,192
NOTE 25 - OTHER EXPENSES:		
Subcontract and labour charges	3320	11,299
Repairs & Maintenance	105	184
Advertisement & Sales Promotion Expenses	102	132
Office expenses	366	616
Legal and professional charges (refer note below)	957	3,202
Technical -Professional Fees/Charges	-	1,755
Rates and tax	60	84
Conveyance Expenses	90	289
Electricity Expenses	92	150
Rent	396	1,146
Postage, Telegram & Telephone Expenses	26	56
Insurance	236	348
Financial Assets Written off	367	188
Total	6,118	19,449

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

Particular	Year ended March 31,2021	Year ended March 31,2020
NOTE - 25(A)- PAYMENT TO AUDITORS:		
Audit fees	30	30
Others	-	28
Total	30	58
NOTE - 26 - TAXATION:		
Note - 26(a) - Income tax expense:		
Current tax		
Current tax on profits for the year	-	330
Adjustments for current tax of prior periods	31	(163)
Total current tax expense	31	167
Deferred tax		
(Decrease)/increase in deferred tax liabilities	(25)	(112)
Total deferred tax expense/(benefit)	(25)	(112)
Total tax expense	6	55
Note - 26(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates		
Profit for the year	(18,749)	570
Statutory tax rate applicable to Purohit Construction Limited	26%	26%
Tax expense at applicable tax rate	-	148
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Interest on delayed payments	-	3
Income tax relating to previous years	31	(163)
Other disallowances	-	171
Excess Provision of current year	-	7
Income tax expense	31	167
Deferred tax		
(Decrease)/increase in deferred tax liabilities	(25)	(112)
Total deferred tax expense/(benefit)	(25)	(112)
Total tax expense	6	55
Note - 26(c) - Deferred tax assets:		
The balance comprises temporary differences attributable to:		
Depreciation on property, plant and equipment	665	640
Total deferred tax assets	665	640
Set-off of deferred tax liabilities pursuant to set-off provisions	-	-
Net deferred tax assets	665	640

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 26 - TAXATION: (CONTD.....)					
Movement in deferred tax assets:					
Particulars	As at April 1, 2019	(Charged)/ Credited to profit and loss	Charged/ (Credited) to OCI	Charged/ (Credited) to equity	As at March 31, 2020
Depreciation on property, plant and equipment	528	112	-	-	640
Total deferred tax assets	528	112	-	-	640
Particulars	As at April 1, 2020	(Charged)/ Credited to profit and loss	Charged/ (Credited) to OCI	Charged/ (Credited) to equity	As at March 31, 2021
Depreciation on property, plant and equipment	640	25	-	-	665
Total deferred tax assets	640	25	-	-	665

Particular	Year ended March 31,2021	Year ended March 31,2020
NOTE - 27 - CONTINGENT LIABILITIES:		
Contingent Liabilities	-	-
There is no contingent Liability as at 31st March 2021. (Previous year -NIL)		
NOTE - 28 - COMMITMENTS:		
Estimated amount of contracts to be executed on capital account	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments		

NOTE - 29 - EMPLOYEE BENEFIT OBLIGATIONS:

(i) Defined contribution Plans

The company has certain defined contribution plans. Contributions are made to provident fund in India for employees at prescribed % of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 54959.

PUROHIT CONSTRUCTION LIMITED**Notes to the Financial Statements for the year ended 31st March, 2021**

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 30 - FAIR VALUE MEASUREMENTS:**(i) Financial instruments by category:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVPL cost	Amortised	FVPL cost	Amortised
Financial assets				
Investments				
Equity instruments	2	-	2	-
Mutual funds	9	-	9	-
Loans		9,142		20,413
Trade receivables		46,263		49,480
Cash and cash equivalents		1,252		24,825
Other Financial Asset		179		159
Total financial assets	11	56,837	11	94,878
Financial liabilities:				
Borrowings	-	1,263	-	2,998
Trade payables	-	22,247	-	37,941
Other financial liabilities	-	727	-	1,594
Total financial liabilities	-	24,236	-	42,533

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security deposits	1,682		2,523	
Total Financial Assets	1,682	-	2,523	-

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

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

NOTE - 31 - FINANCIAL RISK MANAGEMENT:

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

(i) Credit risk

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

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 31 - FINANCIAL RISK MANAGEMENT: (CONTD.....)

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

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

(ii) Liquidity risk

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

Maturities of financial liabilities:

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

Particulars	Less than 1 year	1 - 3 Years	Total
March 31, 2021			
Borrowings	1,263	-	1,263
Trade payables	367	21,879	22,247
Other financial liabilities	727	-	727
	2,357	21,879	24,236
As at March 31, 2020			
Borrowings	2,998	-	2,998
Trade payables	11,518	26,422	37,941
Other financial liabilities	1,594	-	1,594
	16,110	26,422	42,533

NOTE - 32 - CAPITAL MANAGEMENT

(a) Risk Management

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

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

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

PUROHIT CONSTRUCTION LIMITED**Notes to the Financial Statements for the year ended 31st March, 2021**

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 33 - SEGMENT INFORMATION:

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

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the period, is as reflected in the Financial Statements as of and for the financial year ended March 31, 2021 as attached here as part of Note 33.

	Construction		other Goods/ Material Related to construction (Traded)		Other not allocated	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE:						
External Sales	-	30,012	-	5,352	1455	1,277
Inter segment sales						
TOTAL REVENUE	-	30,012	-	5,352	1,455	1,277
RESULTS						
Segment Results	(12,067)	8,414	-	1	(7,303)	(7,918)
Unallocated Corporate Exp	-	-	-	-	(802)	(1,192)
Interest Expenses	-	-	-	-	(33)	(12)
Interest Incomes	-	-	-	-	1,456	1,277
Profit before tax from Ordinary Activities	(12,067)	8,414	-	1	(6,682)	(7,845)
Income Taxes	-	-	-	-	(6)	(55)
Profit from Ordinary Activities after tax	(12,067)	8,414	-	1	(6,689)	(7,900)
NET PROFIT	(12,067)	8,414	-	1	(6,689)	(7,900)
SEGMENT ASSETS						
Segment Assets	45467	80,799	2515	2,515	16506	19,411
Unallocated Corporate Assets						
TOTAL ASSETS	45,467	80,799	2,515	2,515	16,506	19,411
SEGMENT LIABILITIES						
Segment Liabilities	22146	37,624	-	-	2601	6,603
Unallocated Corporate Liabilities	-	-	-	-	-	-
Equity and Other Equity	-	-	-	-	39741	58,497
TOTAL LIABILITIES	22,146	37,624	-	-	42,342	65,100

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 33 - SEGMENT INFORMATION: (CONTD.....)

Information relating to major customers:

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

Particular	Year ended March 31, 2021	Year ended March 31, 2020
P C Snehal Construction pvt. ltd.	-	27,380
Sal Tech Corporation	-	7,479

NOTE - 34 - RELATED PARTY TRANSACTIONS:

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 (CFO)
Nishitkumar C. Sandhani (C.S.)	

Independend Director

Jagrutiben Shah	Mahindra Sanghani
Nishitkumar Gohil	

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	Sapan Parikh
Nirag Choksi	Anaisha S Purohit
Arman S Purohit	Hiten Shah
Narendra Purohit	Hansa Sanghvi
Pravin Sanghvi	Vidushi Shah
Sankeet Sanghvi	Parul Shah
Jignesh Sanghvi	Harkishandas Sanghani
Vandnaben M Sanghani	Bhavin M sanghani
Kantaben H Sanghani	Shashikant Sanghani
Ashokbhai Sanghani	Bhikhabhai M Gohil
Urveshi H Shah	Mital J Parmar
Nainaben B Gohil	Bhanumati Joshi
Iviran B Chauhan	Ramila Pandya
Jayaben Panadya	Kashamira K Sheravia
Sundira Joshi	Pranav K Sheravia
Ishvarlal M Sheravia	
Rudhi P Sheravia	

PUROHIT CONSTRUCTION LIMITED**Notes to the Financial Statements for the year ended 31st March, 2021**

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 34 - RELATED PARTY TRANSACTIONS: (CONTD.....)**Key management personnel compensation:**

Particular	Year ended March 31, 2021	Year ended March 31, 2020
Short-term employee benefits	3,744	3,480
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee share-based payment	-	-
Total compensation	3,744	3,480

Transactions during the year	Year ended March 31,2021			Year ended March 31,2020		
	Enterprise over which Key Management Personnel exercise	Key Management Personnel & Relatives	Total	Enterprise over which Key Management Personnel exercise	Key Management Personnel & Relatives	Total
Incomes						
Contract Work Executed						
i) N.M. Purohit	-	-	-	-	-	-
ii) Aabhaar Procon LLP	-	-	-	-	-	-
iii) Shri Sidhdivinayak Devsthan		-	-	-	-	-
Expenses						
Sub Contract Charges paid						
i) NSHB Projects	-	-	-	-	-	-
Rent Expenses						
i) N.M. Purohit HUF	-	371	371	-	371	371

PUROHIT CONSTRUCTION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2021

(All amounts in Rupees thousands, unless otherwise stated)

NOTE - 34 - RELATED PARTY TRANSACTIONS: (CONTD.....)

Key management personnel compensation:

Balances at the end of the year	As at March 31, 2021		As at March 31, 2020	
	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives	Enterprise over which Key Management Personnel exercise Significant Influence	Key Management Personnel & Relatives
Borrowings				
i) Aabhaar Procon LLP	-	-	-	-
ii) NSHB Projects	-	-	-	-
iii) N.M. Purohit	-	1,263	-	2,998
Deposits				
i) N.M. Purohit HUF		500		500
Advance to vendors				
i) Aabhaar Procon LLP	-	-	-	-
ii) Shree Siddhivinayak Devasthan	-	-	-	-
iii) NSHB Projects	-	-	-	-
Trade Receivables				
i) Aabhaar Procon LLP	28,543	-	30,543	-
ii) Aabhaar Infrastructure Pvt Ltd	1,218	-	1,218	-
iii) Shri Sidhdivinayak Devsthan	14,216		15,066	
Trade Payables				
i) N.M. Purohit HUF	-	29	-	28
ii) NSHB Projects	-	-	-	-
Other financial liabilities - Others				
i) Aabhaar Procon LLP	-	-	-	-
Advances received against contract	-	-	-	-

The notes are an integral part of these financial statements

In terms of our report of even date

For and on Behalf of Board of Directors

For Parekh Parekh & Associates
Chartered Accountants
Firm Registration No. : 132988W

Narendra M. Purohit
Chairman & MD
DIN : 00755195

Mahendra H. Sanghani
Director
DIN: 00755264

Sunny Parekh
Partner
Membership No.: 131188
UDIN: 21131188AAAADG3792

Saumil N. Purohit
Chief Financial Officer

Nishit Kumar Sandhani
Comapany Secretary

Place : Ahemdabad
Date : 27th May 2021

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Sopan Lifestyle



PUROHIT CONSTRUCTION LIMITED

CIN No. L45200GJ1991PLC015878

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Sopan Palladium



Devarsh Sopan



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