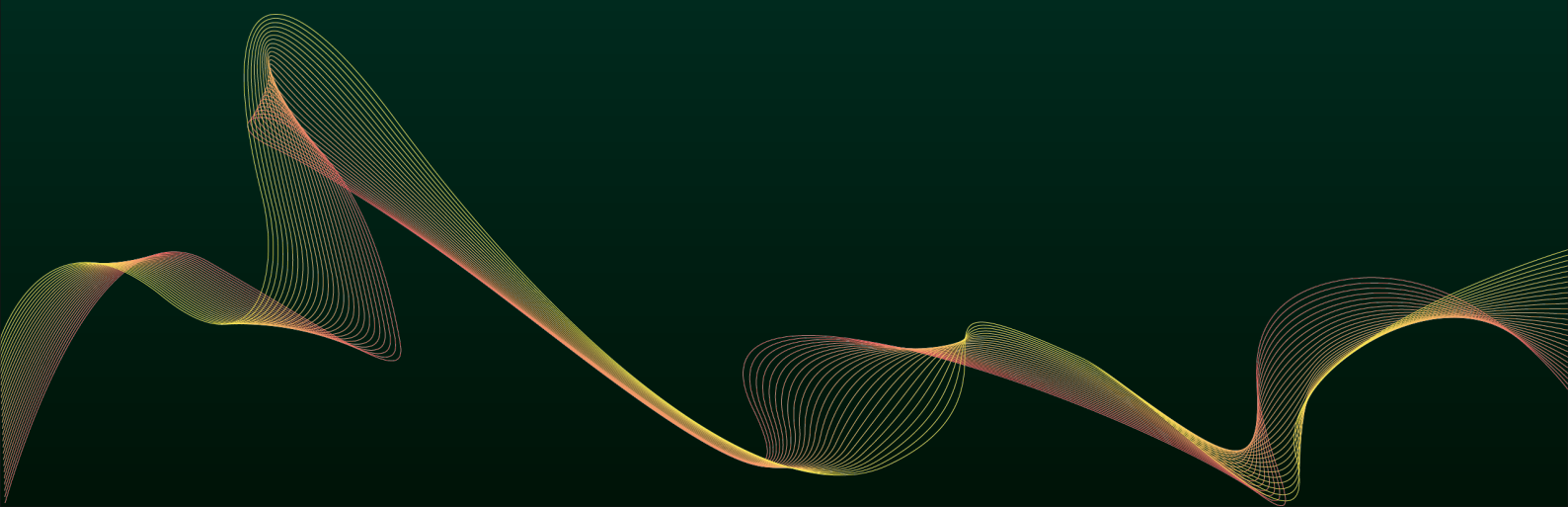




27th
ANNUAL
REPORT
2014-2015

Prerna Infrabuild Ltd.



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CORPORATION INFORMATION

Board of Directors

Chairman & Managing Director	Vijay C. Shah (DIN NO. 00038062)
Managing Director	Sanket V. Shah (DIN NO. 00038121)
Wholetime Director	Nalini V. Shah (DIN NO. 00119538)
Director	Mahendra K. Gosaliya (DIN NO. 02279850)
Director	Dinesh Kamdar (DIN NO. 02734137)
Director	Kiranbhai Shah (DIN NO. 02725833)

Audit Committee

Chairman	Kiranbhai Shah (DIN NO. 02725833)
Member	Dinesh Kamdar (DIN NO. 02734137)
Member	Mahendra K. Gosaliya (DIN NO. 02279850)

Auditor

Alpesh Shah & Co.,
Chartered Accountant
(FRN NO. 128461W)
202, Parth Avenue,
Nr. Naranpura Cross Road,
Naranpura,
Ahmedabad-380 013

Practising Company Secretary

Pinakin Shah & Co.
(PCS NO. 2562)
C-103, Panchdhara Plaza,
Satellite Road,
Ahmedabad-380 015.

Registered Office

“Perna”, Survey No. 820/1,
In Lane of Panchvati Auto,
Opp. Anand Dham Derasar,
S. G. Highway, Makarba
Ahmedabad-380 058.

Register & Share Transferred Agent

Big Share Service Pvt. Ltd.
E-2/3, Ansh Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E),
Mumbai-400 072

Website

www.pernagroup.com

Banker

Bank of Maharashtra
Perna Tirth Road Branch,
Satellite,
Ahmedabad-380 015

NOTICE

Notice is hereby given that the 27th (Twenty Seven) Annual General Meeting of the Company will be held at 'PRERNA', Survey No 820/1, in lane of Panchvati Auto, Opp. AnandDham Derasar, S. G. Road, Makarba, Ahmedabad-380058 on Monday, 28th September, 2015 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2015, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt Nalini Vijay Shah (DIN- 00119538) who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Statutory Auditors of the Company To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution
"RESOLVED THAT pursuant to Section 139(6) of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, M/s. Alpesh Shah & Co., Chartered Accountants, Ahmedabad [Firm Registration No:128461W] be and are hereby reappointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of the 31st Annual General Meeting of the Company, for the financial year ending 2018-19 (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as shall be fixed by the Board of Directors."

Place: Ahmedabad

Date: 29/07/2015

By order of the Board of Directors

Shri Sanket Shah
Managing Director
DIN: 00038121

Registered Office:

'PRERNA', Survey No 820/1

In lane of Panchvati Auto

Opp. AnandDham Derasar

S. G. Road, Makarba

Ahmedabad-380058

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 21st September, 2015 to Monday, 28th September, 2015.(both days inclusive).
3. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in Demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
5. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
6. Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.
7. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and clause 35B of the Equity Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Cut-off date i.e. a date not earlier than seven days before the date of general meeting are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the Cut-off date should treat this notice for the information purpose only.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

- I. In case of members receiving e-mail from CDSL (for Members whose e-mail addresses are registered with Company/Depositories):
 - i. Log on to the e-voting website www.evotingindia.com
 - ii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
 - iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below: Other Instructions:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu

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

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - xvi. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case of members receiving the physical copy:
- a) Please follow all steps from sl. no. (i) to sl. no. (xvii) Above to cast vote.
 - b) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- III. Other Instructions:
- a) The e-voting period commences at 9.00 a.m. on Friday, 25th September, 2015 and will end at 5.00 p.m. on Sunday, 27th September, 2015. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 21st September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - b) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 31st March, 2015.
 - c) Mr. Pinakin Shah, Practicing Company Secretary (FCS 2562), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- d) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The chairman or person authorised by him in writing shall declared the results of the voting forthwith.
- e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pernagroup.com and on the website of CDSL www.evotingindia.co.in immediately after the result is declared by the chairman
- f) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- g) Members holding shares in Demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their Demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
- h) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Big Share Services Private Limited/Investor Service Department of the Company immediately.
- i) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Bigshare Services Private Limited/ Investor Service Department of the Company.
- j) Members desiring any information relating to the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.
- k) Details of the Directors seeking appointment in the Twenty Sixth Annual General Meeting [Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange]

Particulars	Smt Nalini Vijay Shah
Relationships with other Directors	Spouse/ Mother
Date of Appointment	13/04/1988
Expertise	Finance
Qualification	B.com
No. of Equity Shares held in the Company	NIL
List of other companies in which directorship are held	None
Chairmanship/ Membership of committees (includes only Audit Committee and stakeholder relationship Committee)	None

Note: The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

Place: Ahmedabad

Date: 29/07/2015

By order of the Board of Directors

Shri Sanket Shah

Managing Director

DIN: 00038121

Registered Office:

'PRERNA', Survey No 820/1

In lane of Panchvati Auto

Opp. AnandDhamDerasar

S. G. Road, Makarba

Ahmedabad-380058

Director's Report

To,

The Members of

PRERNA INFRABUILD LIMITED

Your Directors have pleasure in presenting the 27th Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended, 31st March, 2015.

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	2014-2015	2013-14
Gross Income	17.81	64.56
Profit Before Interest and Depreciation	(38.30)	(365.38)
Finance Charges	0.18	0.012
Gross Profit	(38.49)	(365.39)
Provision for Depreciation	1.65	13.97
PROFIT BEFORE EXCEPTIONAL ITEM	(36.84)	(351.42)
EXCEPTIONAL ITEM	93.91	432.40
Net Profit Before Tax	53.77	81.01
Provision for Tax	10.25	16
DEFFERED(CREDIT)	0.46	0.44191
Net Profit After Tax	43.98	65.45

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Net Revenue from operations for the year ended March 31, 2015 was Rs. 17.82 lacs showing a decrease of 72.42% over the previous year.

Profit before tax for the year was at Rs. 43.98 lacs showing decrease of 32.80% over the previous year.

CHANGE IN NATURE OF BUSINESS, IF ANY

Your Company continues to operate in same business segment as that of previous year and there is no change in the nature of the business

DIVIDEND

In order to conserve the resources of the Company, the Board of directors has not recommended any dividend for current year.

AMOUNTS TRANSFERRED TO RESERVES

The Board of Directors proposed to carry nil amounts to General Reserve Account and an amount of Rs 43.98 lacs has been retained in profit & loss Account.

CHANGES IN SHARE CAPITAL, IF ANY

There are no changes in share capital of the company during the year

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company has invested in partnership firm M/s. Perna Infrabuild. The Company holds 50% share in it.

MATERIAL CHANGES AND COMMITMENTS

Material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report are nil.

BOARD AND AUDIT COMMITTEE

During the Financial Year 2014-15, the Company held four meetings of the Board of Directors as per Section 173 of Companies Act, 2013 and four meetings of the Audit Committee.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

The details of the constitution and meetings of the Board and the Audit Committees held during the year are provided in the Corporate Governance Report which forms part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

As per the section 178 (1) of the Companies Act, 2013 the Company has constituted Nomination And Remuneration Committee, details of which are given in Corporate Governance report which forms part of annual report.

RATIO OF REMUNERATION TO EACH DIRECTOR

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is Annexed as Annexure-1.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had 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 had prepared the annual accounts on a going concern basis; and
- e) The directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS and KMP

In accordance with the Clause 170 Articles of Association of the Company and pursuant to the provisions of Section 152 of the Companies Act, 2013, **Shri Nalini Vijay Shah (DIN- 00119538)** would retire by rotation at the ensuing AGM

and being eligible, offers herself for reappointment. There has been no Change in the constitution of Board during the year.

INDEPENDENT DIRECTORS AND DECLARATION

Mr. Mahendra Gosaliya, Mr. Dinesh Kamdar and Mr. Kiran Shah have been appointed as the independent director of the Company as per Section 149(10) of the Companies Act, 2013 on 26/09/2014 for a term of 5 (Five) consecutive years on the Board of the Company. However Mr. Dinesh Kamdar ceases to be director with effect from 28th May, 2015

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

FAMILIARIZATION PROGRAMME

Since all independent directors are associated with the company for more than 5 (Five) years, the company has not conducted familiarization programme for them.

AUDITORS AND REPORT THEREON

The Auditors, M/s Alpesh Shah & Co, Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of four years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 31st AGM.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2015 is annexed for your kind perusal.

SECRETARIAL AUDIT REPORT

The Company has appointed M/s. Pinakin Shah & Co., Practicing Company Secretary, Ahmedabad as Secretarial Auditor to conduct audit under section 204 of the Companies Act, 2013.

There are qualifications or adverse remarks in the Secretarial Audit Report which require clarification/ explanation.

Remarks	Explanation
Non-compliance of section 203 of the Companies Act, 2013.	No Company secretary likes to join midsize Company.
Noncompliance of regulation 54 of the listing agreement-	The website was under maintenance at the time of secretarial audit.

The Secretarial Audit Report for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal.

REMUNERATION POLICY

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

DEPOSITS

The company has not accepted any deposits during the year. Information relating to deposits, covered under Chapter V of the Act is nil. There are no deposits which are not in compliance with the requirements of Chapter V of the Act

LOANS, GUARANTEES AND INVESTMENTS

There were no loans & guarantees given but investment was made for the financial year ended 31st March 2015 is as under:

S. No.	Name of Party	Particulars of Loans, Guarantee & Investments	Nature	Purpose for which it shall be used	Amount
1	Prerna Infrabuild	Investment	Capital	50% Share in Partnership	135500000/-

RELATED PARTY TRANSACTIONS

The Company has entered into various Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and approval of the Board of Directors was obtained wherever required. Transactions entered with the related parties are attached in form **AOC-2** as Annexure-2.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy and Technology absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

(B) Foreign exchange earnings and Outgo

There were no foreign exchange earnings and outgo during the year under review.

RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

INTERNAL CONTROL SYSTEM

The Company has in place, adequate systems of Internal Control to ensure compliance with policies and procedures. It is being constantly assessed and strengthened with new / revised standard operating procedures and tighter Information Technology controls. Internal audits of the Company are regularly carried out to review the Internal Control Systems. Internal Audit Department has verified the key Internal Financial Control by reviewing key controls impacting financial reporting and overall risk management procedures of the Company and found the same satisfactory. It was placed before the Audit Committee of the Company.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal financial control is in place commensurate with the size of the Company

CORPORATE SOCIAL RESPONSIBILITY

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

CORPORATE GOVERNANCE

Report on Corporate Governance along with the Certificate of the Auditors, M/s. Pinakin Shah & Co., confirming compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges forms part of the Board Report.

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Clause 49 of the Listing Agreement, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal financial control is in place commensurate with the size of the Company.

SHARES IN SUSPENSE ACCOUNT

- i. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- ii. Number of shareholders who approached issuer for transfer of shares from suspense account during the year: Not Applicable

- iii. Number of shareholders to whom shares were transferred from suspense account during the year: Not Applicable
- iv. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- v. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

SHARES IN UNCLAIMED SUSPENSE ACCOUNT

- i. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year Nil
- ii. Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year: Not Applicable
- iii. Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year: Not Applicable
- iv. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year: Nil

MATERIAL VARIATIONS

The reporting on material variations between the projections and the actual utilization/profitability is not applicable.

CODE OF CONDUCT

The Code of Conduct for all Board members and Senior Management of the Company have been laid down and are being complied with in words and spirit. The compliance on declaration of code of Conduct signed by Chairman and Managing Director of the Company is included as a part of this Annual Report.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed as Annexure-3 herewith for your kind perusal and information.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report should form part of this Annual Report.

ANY SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders were passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

ACKNOWLEDGEMENT

The Board places on record their appreciation of the support of all stakeholders.

Date: 29/07/2015

Place: Ahmedabad

For & on behalf of the Board of Director

Shri Vijay C Shah

DIN: 00038062

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is engaged in a single segment, namely, real estate development.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

India's real estate market is currently the fourth-largest sector in the country in terms of foreign direct investment (FDI) inflows. FDI in the sector is estimated to grow to US\$ 25 billion in 10 years.

The Government of India has allocated US\$ 1.3 billion for Rural Housing Fund. The entry of major private players in the education sector has created vast opportunities for the real estate sector. Emergence of nuclear families and growing urbanization has given rise to several townships that are developed to take care of the elderly.

In addition to being the second major contributor to the GDP, the Real Estate sector is also amongst the fastest growing sectors.

Ahmedabad real estate market is healthier; an affordability of housing against many other expensive metro cities is a key reason to support this claim as well.

2. OPPORTUNITIES & OUTLOOK

Keeping in mind the factors like rising income level of people, people of all age group interested in Real Estate as an investment, predicted growth in the manufacturing and the service sectors, affordable housing taking pace etc, we believe that the year of 2015 will bring back the lost confidence and have a positive impact on the business environment of Real Estate.

3. RISKS, CONCERNS & THREATS

The key challenges that the Indian real estate industry is facing today are:

- lack of clear land titles,
- absence of title insurance,
- absence of industry status,
- lack of adequate sources of finance,
- shortage of labour,
- rising manpower and material costs,
- approvals and procedural difficulties

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal audit department together with a firm of Chartered Accountants reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. The Audit Committee approves and reviews audit plans for the year based on internal risk assessment. Audits are conducted on an ongoing basis and significant deviations are brought to the notice of the Audit Committee of the Board following which corrective action is recommended for implementation. All these measures facilitate timely detection of any irregularities and early remedial steps with no monetary loss.

5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Net revenue from operations for the year ended March, 2015 was Rs. 17.81 lacs representing decline of 72.41% over the previous year. Profit before Tax for the year was 53.77 lacs representing an increase of 33.61% over the previous year.

6. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

There is no material development in human resources and industrial relations are cordial. The Company has employed 18 (Eighteen) people.

7. CAUTIONARY NOTE

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

Place: Ahmedabad

Date: 29/07/2015

For and on behalf of Board

Shri Vijay C Shah

Chairman & Managing Director

DIN: 0038062

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST March, 2015

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

To,

The Members,

PRERNA INFRABUILD LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRERNA INFRABUILD LIMITED** (CIN: L65990GJ1988PLC010570) (Herein after called the company) having registered office at 'PRERNA' Surveyno 820/1, In Lane Of Panchvati Auto, Opp AnandDhamDerasar, S.G.Road, Ahmedabad-380058. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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 Company for the financial year ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. 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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- VI. Income Tax Act, 1961, Service Tax, Professional Tax & other state regulations for which we have relied on certificate/reports/declarations/consents/confirmation issued by the expert of relevant field such as advocates, consultants, chartered accountants and executive directors of the company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange(s),
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- i. Under Listing Agreement
The Company does not maintain a functional website containing basic information of the Company which is in violation of Regulation 54 of the listing agreement.
- ii. Under Companies Act, 2013.
The Company has not appointed Company Secretary in compliance of section 203 of the Companies Act, 2013.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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 laws, rules, regulations and guidelines.

We further report that during the audit period the company has not taken any major decision in pursuant to section 180 of the Companies Act, 2013.

Date: 29/07/2015

Place: Ahmedabad

Pinakin Shah & Co.

FCS No: 2562

C P NO: 2932

FRN:S2010GJ134100

Annexure: 1**Ratio of Director Remuneration To Employee Median Remuneration**

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr no	REQUIREMENTS	DISCLOSURE
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	As Per Schedule : 1
2	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Nil
3	The percentage increase in the median remuneration of employees in the financial year	36.06%
4	The number of permanent employees on the rolls of the Company	28
5	The explanation on the relationship between average increase in remuneration and Company performance	The average increase in remuneration of the company is 18.98% against the decline in the performance of the company. The increase is due to payment of gratuity and leave encashment to certain staff members. In fact, remuneration paid during the year has decline if the payment of gratuity and leave encashment is deducted from the remuneration.
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration to Key Managerial Personnel was decrease by 10% compare to 33.63% decline in performance of the company.
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	The Market capitalization of the Company is increased by 29.3% over the previous year and price earnings ratio as at the closing date of the current FY is increased by 97.01% over previous year The Company came with public offer about 17years back hence comparison of market

		Quotation is not given.
8	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	Not applicable as the payment of remuneration of employee as well as remuneration to Key Managerial Personnel was lower compared to previous year.
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	The remuneration of each Key Managerial Personnel was decreased by 10% compared to 33.63% decline in performance of the company.
10	The key parameters for any variable component of remuneration availed by the directors	N.A.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

Schedule: 1

Calculation of ratio of the remuneration of each director to the median remuneration of the employees for the financial year.

Sr No.	Particulars	Vijay C Shah	Nalini V Shah	Sanket V Shah
1	Remuneration of the each Director	900000	900000	900000
2	Median remuneration of the employees	66444	66444	66444
3	Ratio	9.00 : 0.66	9.00 : 0.66	9.00 : 0.66

Annexure-2**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 sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions at Arm's length basis.

SN	Name of Related Party	Nature of Relationship	Nature of contracts/ arrangements s/ transaction	Duration of Contracts/ Arrangement s/ Transactions	Salient terms of the Contracts or arrangements s or transaction including the value, if any	Date of approval by Board	Amount (Rs)
1	Sanket V Shah	Managing Director	Deposit from KMP	Not Specified	Interest @ 9%p.a.	05/11/2014	10,75,000

Annexure – 3

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L65990GJ1988PLC010570
2.	Registration Date	13/04/1988
3.	Name of the Company	PRERNA INFRABUILD LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares Company having share capital
5.	Address of the Registered office & contact details	PRERNA SURVEYNO 820/1, IN LANE OF PANCHVATI AUTO, OPP ANAND DHAM DERASAR, S.G.ROAD, AHMEDABAD - 380058 Gujarat Email : pinakincs@yahoo.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Big share Services Pvt. Ltd. Address: E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka. Andheri(E), Mumbai - 400 072. Phone: 022-40430200 E-mail: sandeep@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Lockers	9971190	59.24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Not Applicable

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
A). Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5943440	0	5943440	74.83	3378500	0	3378500	42.61	-32.22
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	5943440	0	5943440	74.83	3378500	0	3378500	42.61	-32.22
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5943440	0	5943440	74.83	3378500	0	3378500	42.61	-32.22
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	115046	7000	122046	1.54	265463	7000	272463	3.44	1.90
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	522172	400100	922272	11.61	787532	391000	1178532	14.86	3.25
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh "	863781	75300	939081	11.82	3006694	75300	3081994	38.87	27.05
c) Others (specify)	15671	0	15671	0.20	17721	0	17721	0.22	0.02
Sub-total (B)(2):-	1516670	482400	1999070	25.17	4077410	473300	4550710	57.39	32.22

Total Public Shareholding (B)=(B)(1)+(B)(2)	1516670	482400	1999070	25.17	4077410	473300	4550710	57.39	32.22
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	7460110	482400	7942510	100.00	7455910	473300	7929210	100.00	0.00

B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	VIJAY C. SHAH	1831000	23.05		1140000	14.35		
2	NIYATI SANKET SHAH	600000	7.55		200000	2.52		
3	SHAH VIJAY CHANDULAL(HUF)	703000	8.55		340000	4.28		
4	SANKET V. SHAH	1174440	14.79		998500	12.57		
5	SWETAL CHINTAN PARIKH	1056000	13.3		700000	8.81		
6	NALINI VIJAY SHAH	579000	7.29		0	0		

C) Change in Promoters' Shareholding

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	VIJAY C. SHAH	PROMOTER	1831000	23.05	1140000	14.35
2	NIYATI SANKET SHAH	PROMOTER	600000	7.55	200000	2.52
3	SHAH VIJAY CHANDULAL(HUF)	PROMOTER	703000	8.85	340000	4.28
4	SANKET V. SHAH	PROMOTER	1174440	14.79	998500	12.57
5	SWETAL CHINTAN PARIKH	PROMOTER	1056000	13.30	700000	8.81
6	NALINI VIJAY SHAH	PROMOTER	579000	7.29	0	0

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	VISHAL MUKESHKUMAR SHAH	PUBLIC	0	0.00	223084	2.8087
2	DHIREN MAHENDRAKUMAR SHAH	PUBLIC	0	0.00	200000	2.5181
3	YAMINI ANKIT SHAH	PUBLIC	0	0.00	100000	1.259
4	ANITA A SHAH	PUBLIC	0	0.00	100000	1.259
5	ANKUR MAHENDRABHAI SHAH	PUBLIC	0	0.00	100000	1.259
6	SACHIN RAMESH MHATRE	PUBLIC	97872	1.2323	97872	1.2323
7	MUKESH NARPATLAL SHAH	PUBLIC			95324	1.2002
8	MITTAL MUKESHKUMAR SHAH	PUBLIC			94811	1.1937
9	RISHIT PRADIPKUMAR SHAH	PUBLIC	159000	2.0019	89469	1.1265
10	DARSHAN M PATEL	PUBLIC			71094	0.8951
11	GRISHMA ALKESHBHAI	PUBLIC	124940	1.5731	0	0.00
12	SHAH PRIYAL P	PUBLIC	74900	0.9430	0	0.00
13	KASHMIRA PANKAJ SHAH	PUBLIC	58926	0.7419	0	0.00
14	ALKESH SUBODCHANDRA	PUBLIC	40000	0.5036	0	0.00
15	AMANBHAI AMULAKBHAI VALVANI	PUBLIC	33045	0.4161	0	0.00
16	BHAVNA RAKESH VYAS	PUBLIC	26696	0.3361	0	0.00
17	KAUSHAL BHARATBHAI PATEL	PUBLIC	20376	0.2565	0	0.00
18	NARAYAN SINGH	PUBLIC	20047	0.2524	0	0.00

E) Shareholding of Directors and Key Managerial Personnel:

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	MAHENDRA KANTIBHAI GOSALIA	Director	100	0.01	100	0.01
2	KIRAN HIRALAL SHAH	Director	3000	0.01	3000	0.01
3	NALINI VIJAY SHAH	Whole-time director	579000	7.29	0	0
4	SANKET VIJAY SHAH	Managing director	1174440	14.79	998500	12.57
5	VIJAY CHANDULAL SHAH	Managing director	1831000	23.05	1140000	14.35

V) INDEBTEDNESS -

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

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager/ Directors**

SR. NO	NAME OF DIRECTOR	AMOUNT (RS.)
1	Shri Vijay C Shah	9,00,000
2	Shri Sanket V Shah	9,00,000
3	Smt Nalini V Shah	9,00,000

B. Remuneration to Relative of Director

Sr. No.	Name of the Party	Amount (Rs.)
1	Swetal V shah	9,00,000
2	Niyati Sanket Shah	9,00,000

C. Remuneration to key managerial personnel other than MD/ Manager/ WTD: Nil**VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

CORPORATE GOVERNANCE

(As required by clause 49 of the Listing Agreement with the Stock Exchange)

This section on Corporate Governance forms part of the Annual Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Bombay Stock Exchange where the shares of the Company have been listed.

1. COMPANY'S PHILOSOPHY & CODE OF CONDUCT

The philosophy on corporate governance is an important tool for shareholder protection and maximization of their long term values. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility etc. serve as the means of implementing the philosophy of Corporate Governance in letter and spirit.

CODE OF CONDUCT AND ETHICS

The Board of Directors has amended the Code of Conduct and Ethics to align with the provisions of the Companies Act, 2013. The confirmation from the Managing Director regarding compliance with the code by all the Directors and Senior Management forms part of the Report. The Code of Conduct and Ethics is displayed on the website of the Company (www.pernagroup.com).

MD & CEO / CFO CERTIFICATION

The MD & CEO and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

2. BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to any information related to the Company.

As on March 31, 2015, we had three executive directors and three non-executive directors of which all are independent directors who are free from any business or other relationship that could materially influence their judgment.

Details of Directors as on March 31, 2015 and their attendance at the Board meetings and Annual General Meeting during the financial year ended March 31, 2015 are given below:

Directors	Category	Attendance Particulars		Other Directorships	Other Committee Membership	
		No. of Board Meeting	Last AGM		Member	Chairman
Shri Vijay C Shah	CM& MD	4	Yes	1	Nil	Nil
ShriNalini V Shah	WTD	4	Yes	Nil	Nil	Nil
ShriSanket V Shah	MD	4	Yes	1	Nil	Nil
ShriKiran Shah	NEI	4	Yes	Nil	Nil	Nil
Shri Dinesh Kamdar*	NEI	4	Yes	Nil	Nil	Nil
Shri Mahendra Gosaliya	NEI	4	Yes	Nil	Nil	Nil

CM-Chairman, MD- Managing Director, WTD- Whole Time Director,

NEI- Non- Executive and Independent Director

* vacated on 28/05/2015.

BOARD MEETINGS

The gap between two Board meetings did not exceed four months. The schedule of Board/Committee meetings are communicated in advance to the directors/committee members to enable them to plan their schedules and to ensure their meaningful participation in the meetings. The Board met four times in financial year 2014-15 details of which are given as follow.

S No.	Date of Meeting	Board Strength	No. of Directors Present
1	26/05/2014	6	6
2	28/07/2014	6	6
3	05/11/2014	6	6
4	30/01/2015	6	6

In addition independent directors met exclusively in the last quarter of the financial year i.e. on 30/01/2015.

3. AUDIT COMMITTEE

The role of the Audit Committee is in accordance with the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 which shall include the following:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 6) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- 7) Approval or any subsequent modification of transactions of the company with related parties.
- 8) Evaluation of internal financial controls and risk management systems.
- 9) Reviewing the adequacy of internal audit function.
- 10) Discussion with internal auditors any significant findings and follow up there on
- 11) To oversee the vigil mechanism and review the functioning of the whistle blower policy
- 12) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Compliance Officer acts as Secretary to the Committee.

The Chairman and Managing Director, Chief Financial Officer, Internal Auditor, and Statutory Auditors are the invitees to the Audit Committee meetings. During the period under review, the Audit Committee met four times viz 26/05/2014, 28/07/2014, 05/11/2014 and 30/01/2015 and was attended by all members. The gap between two consecutive meetings did not exceed four months.

Constitution of the Audit Committee and attendance details during the financial year ended March 31, 2015 are given below:

Name	Designation	No of meetings attended
Shri Kiran Shah	Chairman	4
Shri Mahendra Gosaliya	Member	4
Shri Dinesh Kamdar*	Member	4

*Vacated on 28/05/2015.

4. NOMINATION AND REMUNERATION COMMITTEE

In terms of the Clause 49 of the Listing Agreement and the provisions of Companies Act, 2013, it is mandatory for all listed companies to constitute a Nomination & Remuneration Committee (N&RC) to take care of the nomination of Directors, KMP, etc. and remuneration related matters of the Directors, KMPs and Employees, etc.

The Terms of Reference of the Nomination & Remuneration Committee include followings.

- 1) To identify persons who may be appointed in senior management and carry out evaluation of every Director's performance.

- 2) The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 3) Regularly review the Human Resource function of the Company
- 4) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- 5) Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

The Composition of the Nomination & Remuneration Committee and details of participation of the Members at the Meetings of the Committee are as under:

Name	Position	Category
Shri Kiran Shah	Chairman	Non- Executive Independent Director
Shri Mahendra Gosaliya	Member	Non- Executive Independent Director
Shri Dinesh Kamdar*	Member	Non- Executive Independent Director

*Vacated on 28/05/2015.

Remuneration to Directors

- (a) The Chairman and Managing Director and Whole Time Director get salary including perquisites. Remuneration paid for the year ended 31st March, 2015 was as under:

Name of the director	Remuneration	Period of appointment
Mr. Vijay C Shah	9,00,000	Five years with effect from 01/01/2011
Mr. Sanket V Shah	9,00,000	Five years with effect from 01/01/2011
Mrs. Nalini V Shah	9,00,000	Five years with effect from 01/01/2011
Total	27,00,000	

- (b) The criteria for making payments to the Chairman and Managing Director and Whole Time Director were:
- Salary, as recommended by the nomination and Remuneration Committee and approved by the Board and the shareholders of the Company. Perquisites, retirement benefits and performance pay are also paid/ provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions.
 - Remuneration is determined keeping in view the industry benchmarks.

Remuneration of the Chairman and Managing Director is within the limits approved by the Board and the shareholders at the Annual General Meeting of the Company

(c) The Non-Executive Directors were paid sitting fees for attending the meetings of the Board and Committees.

The sitting fees paid to the Non- Executive Directors is given below:

Name of the Director	Sitting fees paid	No. of Equity Shares held
Shri Mahendra Gosaliya	Nil	100
Shri Kiran Shah	Nil	3000
Shri Dinesh Kamdar*	Nil	100

*Vacated on 28/05/2015.

5. STAKEHOLDER RELATIONSHIP COMMITTEE

The terms of reference of the Committee include reviewing and redressing complaints from shareholders such as non-receipt of annual report, transfer of shares, issue of duplicate share certificates, etc.; to oversee and review all matters connected with transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of securities; to oversee the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services; and to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

Committee met four times during FY 2014-15 i.e. 26/05/2014, 28/07/2014, 05/11/2014 and 30/01/2015. The Composition of the Stakeholders Relationship Committee and details of Members participation at the Meetings of the Committee are as under:

Name	Position	No of meetings attended
Shri Dinesh Kamdar	Chairman	4
Shri Sanket Shah	Member	4

In addition, Details of Shareholders' Complaints received during the year are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2014	0
Investor complaints received during the year ended on March 31, 2015	0
Investor complaints resolved during the year ended March 31, 2015	0
Investor complaints pending as on March 31, 2015	0

Share transfer committee

The Stakeholder relationship committee has delegated power of approving transfer of securities to Shri Vijay Shah and Shri Sanket Shah. The Committee, inter alia, reviews and approves the transfer/ transmission/ D-mat of equity shares as submitted by Big share Services Private Limited, the Registrar & Transfer Agent of the Company.

It met three times during the year to approve transfer/ transmission/ demat of equity shares. It transferred 3900 equity shares submitted through physical transfer deed.

6. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee include identification, monitoring and measurement of the risk profile of the Company. All the members of the Audit Committee are the members of Risk Management Committee.

7. SPECIAL RESOLUTIONS PASSED AT THE LAST 3 AGM

Year	Venue Of Annual General Meeting	Day, Date & Time	Number of Special Resolutions passed
2011-12	'PRERNA', Survey No 820/1, In lane of Panchvati Auto, Opp. AnandDham Derasar S. G. Road, Makarba, Ahmedabad-380058.	Thursday, 27/09/2012 at 10 a.m.	NIL
2012-13	'PRERNA', Survey No 820/1, In lane of Panchvati Auto, Opp. AnandDham Derasar S. G. Road, Makarba, Ahmedabad-380058.	Thursday, 26/09/2012 at 10.00 a.m.	NIL
2013-14	'PRERNA', Survey No 820/1, In lane of Panchvati Auto, Opp. AnandDham Derasar S. G. Road, Makarba, Ahmedabad-380058	Friday, 26/09/2014 at 10.00 a.m.	3

No business was required to be transacted through postal ballot at the above meetings.

8. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no materially significant related party transactions made by the Company with its promoters, directors, key managerial personnel or their relatives, which may have potential conflict with the interests of the Company at large. All related party transactions are placed on quarterly basis before the Audit Committee and also before the Board for approval. Register under section 188 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

The Board of Directors at its Meeting held on 26th May, 2014 has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and Listing Agreement. The same is displayed on the website of the Company (www.prernagroup.com).

9. STRICTURES AND PENALTIES

The Company has complied with requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and they have not imposed any penalties on, or passed any strictures against the Company.

10. MEANS OF COMMUNICATION

Quarterly and Annual Financial Results of the Company were submitted to the Stock Exchanges immediately after the Board approves them. Thereafter, the same were published in The Economic Times (English and Gujarati). Disclosures pursuant to various clauses of the Listing Agreement were promptly communicated to the Stock Exchanges. No formal presentation was made to the institutional investors or to the analysts during the year under review.

Management Discussion and Analysis forms Part of the Annual Report, which is sent to the Shareholders of the Company.

11. GENERAL SHAREHOLDER INFORMATION

a. Exclusive e-mail id for investor grievances

Pursuant to Clause 47 (f) of the Listing Agreement, the following e-mail id has been exclusively designated for communicating Investor Grievances: investor@prenagroup.com

Person in-charge of the Department: Ms. Swetal Shah

b. Annual General Meeting

The 27th Annual General Meeting will be held on Monday, 28th September, 2015, at 11:30 a.m. at 'PRERNA', Survey No 820/1, in lane of Panchvati Auto, Opp. Anand Dham Derasar, S. G. Road, Makarba, Ahmedabad-380058

c. Financial Calendar

First quarter results: July 2015

Second quarter results: October 2015

Third quarter results: January 2016

Annual results: April/May 2016

Annual General Meeting: August/September 2016

d. Book Closure

The Register of Members and the Share Transfer Register will be closed from Monday, 21st September, 2015 to Monday, 28th September, 2015. (Both days inclusive).

e. Dividend Payment Date

Not applicable

f. Shares Listed At

The equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai- 400001.

Annual Listing fees for the year 2015-16 have been paid to the stock exchange. The Company has also paid the Annual Custodial fees to both the depositories.

g. Stock Codes

The stock code of the Company is 531802.

h. International Securities Identification Number (ISIN)

ISIN is a unique identification number allotted to dematerialized scrip. The ISIN has to be quoted in each transaction relating to dematerialized shares of the Company. The ISIN of the equity shares of the Company is INE426H01014.

i. Corporate Identity Number (CIN)

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L65990GJ1988PLC010570.

- j. **High/Low of monthly Market Price of the Company's Equity Shares** Traded on the Mumbai Stock Exchanges during the financial year 2014-15 is furnished below:

	Bombay Stock Exchanges (BSE)	
	(In Rs. Per share)	
	Month's High	Month's Low
	Price	Price
April, 2014	16.50	15.00
May, 2014	22.55	17.30
June, 2014	33.60	22.25
July, 2014	64.00	32.50
August, 2014	65.95	43.45
September, 2014	50.75	40.80
October, 2014	42.00	25.25
November, 2014	29.50	19.35
December, 2014	30.00	22.05
January, 2015	28.75	18.60
February, 2015	24.95	15.60
March, 2015	23.00	15.95

k. **Evolution of Capital**

Particulars of Equity shares issued by the Company

Year of issue	Allotment of shares	Total issued capital at the end of financial year
1995	1380000	1380000
1996	1330000	2710000
1996	3362600	6072600
2011	1869910	7942510

l. **Share Transfer System**

Company's shares in dematerialized form are transferrable through depositories. Shares in physical form are transferred by the Registrar & Transfer Agent and placed before Share Transfer Committee for its approval. The Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate/ consolidated/ sub-divided share certificates and requests for dematerialization/ rematerialisation of Company's shares.

In terms of Clause 47(c) of the Listing Agreement, every six months, a qualified Practicing Company Secretary undertakes audit of the share transfer related activities carried out by the Department and issues a compliance certificate, which is submitted to the Stock Exchange.

m. Distribution Of Shareholding (As On March 31, 2015)

On the basis of Share held

No of equity Shares held	No of Shares Holder (Physical)	% of Total	Share amount	% of Total
1-5000	1532	79.5844	3966270	4.9937
5001 - 10000	107	5.5584	921260	1.1599
10001- 20000	70	3.6364	1100650	1.3858
20001- 30000	36	1.8701	924320	1.1638
30001- 40000	20	1.0390	694460	0.8744
40001- 50000	13	0.6753	614080	0.7732
50001 -100000	49	2.5455	3987370	5.0203
100001-9999999999	98	5.0909	67216690	84.6290
Total	1925		79425100	100.00

On the basis of Category

Category	No of Shares Held	% to Total Shares Held
Individual	4278247	53.86
Corporate Bodies	272463	3.43
Promoters	3378500	42.54
Non- resident Indians	13300	0.17
TOTAL	7942510	100.00

n. Dematerialization Of Shares And Liquidity

Shares of the Company are traded compulsorily in dematerialized form and are available for trading with both the depositories with whom the Company has established direct connectivity. The demat requests received by

the Company are continually monitored to expedite the process of dematerialization. The demat requests are confirmed to the depositories within five working days of receipt.

During the year, the Company has electronically confirmed demat requests for 9100 equity shares. As on March 31, 2015, 94.04% of the total shares issued by the Company were held in dematerialized form.

- Liquidity: The Company's Shares are liquid on BSE.

o. Code Of Conduct For Prevention Of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2014 and Companies Act, 2013 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

p. Reconciliation Of Share Capital Audit Report

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by a Practising Company Secretary for reconciliation of share capital of the Company.

The audit report inter alia covers and certifies that the total shares held in CDSL, CDSL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated, demat requests are confirmed within stipulated time etc. The Reconciliation of Share Capital Audit Report is submitted with BSE and is also placed before the meetings of the Board of Directors and the Stakeholder Relationship Committee

q. Outstanding GDRs/ADRs/Warrants or any convertible instrument as on 31st March-15

There were no outstanding GDRs/ADRs/Warrants or any convertible instrument as at end March-2015.

r. Plant Location

The nature of business is such that the Company has no plant.

s. Address for Correspondence

All enquiries, clarification and correspondence should be addressed to the compliance officer at the following Addresses:

- a. 'PRERNA', Survey No 820/1, In lane of Panchvati Auto, Opp. Anand Dham Derasar S. G. Road, Makarba, Ahmedabad-380058.
E-mail: www.pernagroup.com
- b. Big share Services Pvt. Ltd.
E- 2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka Andheri (E), Mumbai 400072
E-mail: marketing@bigshareonline.com

AUDITORS CERTIFICATE ON COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT

I have examined compliance by Perna Infrabuild Limited (the Company) with the requirements under Clause 49 of the Listing Agreement entered into by the Company with the Bombay Stock Exchange for the year ended on March 31, 2015.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under Clause 49. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the corporate governance report of the Company.

I state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the stakeholder relationship Committee.

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

Pinakin Shah & Co.,

Place: Ahmedabad

Practicing Company Secretary

Date: 29/07/2015

FCS 2562, C.P No 2932

DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT UNDER CLAUSE 49 1 D (II) OF THE LISTING AGREEMENT

All the Board members and senior management personnel of the Company have confirmed adherence to the Code of Conduct of Perna Infrabuild Limited for the financial year ended March 31, 2015.

Place: Ahmedabad

Date: 29/07/2015

For and on behalf of the Board of Directors

Shri Vijay C. Shah
Chairman & Managing Director
DIN: 00038062

Registered Office:
'PRERNA', Survey No 820/1
In lane of Panchvati Auto
Opp. AnandDhamDerasar
S. G. Road, Makarba
Ahmedabad-380058

CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT

We, ShriVijay C. Shah, Chairman and Managing Director (CEO) and ShriSanket Shah, Managing Director (CFO) do hereby certify to the Board that:

- a) We have reviewed the Balance Sheet as at March 31, 2015, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and that to the best of our knowledge and belief:
 - i) The said statements do not contain any false, misleading or materially untrue statements or figures or omit any material fact, which may make the statements or figures contained therein misleading;
 - ii) The said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year, if any;
 - ii) significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Perna Infrabuild Limited

For Perna Infrabuild Limited

Vijay Shah (CEO)
DIN: 00038062
Ahmedabad, 29/07/2015

Sanket Shah (CFO)
DIN: 00038121
Ahmedabad, 29/07/2015

AUDITORS REPORT

To,
The Members of
PRERNA INFRABUILD LTD
(Formerly known as Prerna Finsafe Ltd)

Report on Financial statements

We have audited the accompanying financial statements of **PRERNA INFRABUILD LTD (“the company”)** which comprise the Balance Sheet as at 31st March 2015, the Profit & Loss statement, Cash flow statement for the year ended and a summary of significant policies and other explanatory information.

Management Responsibility for the financial Statements

The Companies Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“The Act”) with respect to the preparation and presentation of these financial statement that give true and fair view of financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. These 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 judgements 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 statement that give true and fair view and are free of material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment the Risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial controls relevant to company’s preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on whether the company has in place an adequate internal financial controls system

over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by company's Directors, as well as evaluating the overall presentation of financial statements.

We believe that audit evidence we obtain is sufficient and appropriate to provide basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements and Our Opinion:

- 1) As required by the Companies (Auditors Report) Order 2015 ("the order") issued by Central Government of India in terms of sub section (11) of Section 143 of the Companies Act, 2013 (18 of 2013), we give in the Annexure, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent possible.
- 2) Further to the comments in the Annexure referred to above:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of the books.
 - (c) *The company has changed the rates of Depreciation as prescribed in schedule II to the Companies Act, 2013 to comply with the provisions of Companies Act, 2013 with retrospective effect during the year. Rs.157828/- has been charged to profit and loss account of this year. To the extent of above depreciation the profit for the year is deflated.*
 - (d) *Retirement benefits to the employees are recognised on cash basis.* Subject to the above, in our opinion the Balance Sheet, Profit & Loss account and Cash Flow statement dealt with by this report comply with the accounting standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) Subject to above, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of accounts.
 - (f) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad

Date: 29/07/2015

For Alpesh Shah & Co.

Chartered Accountants

ICAI firm Reg No 128461W

Proprietor

(Alpesh C Shah)

M.N. 105463

Annexure to Auditors' Report

Referred to in our report to members of Prerna Infrabuild Limited on the financial statements for the year 31st March, 2015

1. In respect of its fixed assets:
 - a. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. A. During the year company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. The Company has accepted loan from one director cum shareholder of Rs. 10.75 lacs and repaid back. Subject to above company has not accepted any deposits from the public and complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder, wherever applicable. There is no order passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
6. We are informed that the Central Government has not prescribed maintenance of Cost Records under Sub Section (1) of Section 148 of the Companies Act for the business in which the company is engaged.

7. In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including provident Fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been generally regularly deposited with the appropriate authorities.
 - b. According to the information and explanations given to us, no undisputed amounts is payable which is outstanding as at 31st March 2015 for a period of more than six months from the date of becoming payable.
 - c. According to records of the company, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and the rules made there under.
8. The Company has no accumulated loss on the last day of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately previous financial year.
9. Company has not defaulted in repayment of dues to the financial institutions or bank or debenture holders.
10. As per information and explanation given to us the Company has not given guarantees for loans taken by others from banks or financial institutions.
11. In our opinion Term loans are applied for the purpose for which the loans were obtained.
12. In our opinion and according to the information and explanations given to us during the year, no fraud on or by the Company has been noticed or reported by the management to us that causes the financial statements to be materially misstated.

Place: Ahmedabad

Date: 29/07/2015

For Alpesh Shah & Co.

Chartered Accountants

ICAI firm Reg No 128461W

Proprietor

(Alpesh C Shah)

M.N. 105463

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2015

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	53,77,018	81,01,355
<u>Adjustments for:</u>		
Depreciation and amortisation	2,79,183	13,97,853
(Profit) / loss on sale / write off of assets	-95,05,207	-4,32,40,683
Finance costs	18,105	1,285
Interest income	-64,63,370	-52,68,192
Net (gain) / loss on sale of investments	16,09,129	-10,76,005
Rental income from investment properties	-37,06,640	-35,98,801
Operating profit / (loss) before working capital changes	-1,23,91,782	-4,36,83,188
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	-	3,28,39,495
Trade receivables	-	2,14,431
Short-term loans and advances	-18,23,70,024	4,46,639
Long-term loans and advances	24,77,756	7,13,79,852
Other current assets	6,93,770	-1,19,126
Other non-current assets	-998	1,91,905
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Other current liabilities except unpaid dividend	-7,68,461	-1,96,65,070
Other long-term liabilities	-16,47,000	-38,57,080
Short-term provisions	35,300	-1,60,652
Cash generated from operations	-19,39,71,440	3,75,87,206
Net income tax debited	10,25,000	16,00,000
Net cash flow from / (used in) operating activities (A)	-19,49,96,440	3,59,87,206
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances		-1,00,50,484
Proceeds from sale of fixed assets	6,10,07,839	4,83,23,520
Bank balances not considered as Cash and cash equivalents		
- Placed	-1,50,50,000	-9,55,00,000
- Matured	9,55,00,000	2,50,00,280
Sale of Current invest.not considered as Cash and cash equivalents	33,90,871	5,90,76,005
Purchase of current investments	-	-4,65,00,000
Interest received	63,86,370	52,68,192
Dividend received	77,000	-
Rental income from investment properties	37,06,640	35,98,801
Net cash flow from / (used in) investing activities (B)	15,50,18,720	-1,07,83,686
C. Cash flow from financing activities		
Repayment of other short-term borrowings	-	-
Finance cost	-18,105	-1,285
Net cash flow from / (used in) financing activities (C)	-18,105	-1,285
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	-3,99,95,825	2,52,02,235
Cash and cash equivalents at the beginning of the year	4,01,54,130	1,49,51,895
Cash and cash equivalents at the end of the year	1,58,305	4,01,54,130
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	1,54,46,061	13,58,91,887
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements : Unpaid Dividend: Rs.237756/- (Prev Yr 238036) & FDs having original maturity period more than 3 months but not exceeding 1 yr	1,52,87,756	9,57,37,756
Rs.95500000/- (Prev Yr 25000000)		

Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 19	1,58,305	4,01,54,131
Cash and cash equivalents at the end of the year *	1,58,305	4,01,54,131
* Comprises:		
(a) Cash on hand	6,790	-
(c) Balances with banks		
(i) In current accounts	1,51,515	4,01,54,131
(iii) In deposit accounts with original maturity of less than 3 months	-	-
	1,58,305	4,01,54,131

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

See accompanying notes forming part of the financial statements

In terms of our report attached.

For ALPESH SHAH & CO

Chartered Accountants

ICAI Firm Reg No: 128461W

Proprietor

M.N. 105463

Place : Ahmedabad

Date : 29/07/2015

For and on behalf of the Board of Directors

Chairman & M.D.

(Vijay C Shah)

Managing Director

(Sanket V Shah)

Whole-Time Director

(Nalini V Shah)

Place: Ahmedabad

Date: 29/07/2015

BALANCE SHEET AS AT 31ST MARCH,2015

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
			Rupees	Rupees
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	7,94,25,100	7,94,25,100
	(b) Reserves and surplus	3	12,30,63,613	11,86,81,469
			20,24,88,713	19,81,06,569
2	Non-current liabilities			
	(a) Deferred tax liabilities (net)	4	1,83,920	2,14,046
	(b) Other long-term liabilities	5	-	16,47,000
			1,83,920	18,61,046
3	Current liabilities			
	(a) Short-term borrowings	6	-	-
	(b) Other current liabilities	7	2,42,174	10,10,635
	(c) Short-term provisions	8	35,300	-
			2,77,474	10,10,635
	TOTAL		20,29,50,107	20,09,78,250
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	4,60,984	4,85,86,380
	(b) Non-current investments	10	3,48,500	40,04,916
	(c) Long-term loans and advances	11	40,23,231	65,00,987
	(d) Other non-current assets	12	40,000	39,002
			48,72,715	5,91,31,286
2	Current assets			
	(a) Current investments	13	-	50,00,000
	(b) Inventories	14	-	-
	(c) Trade receivables	15	-	-
	(d) Cash and cash equivalents	16	1,54,46,061	13,58,91,887
	(e) Short-term loans and advances	17	18,24,57,669	87,645
	(f) Other current assets	18	1,73,662	8,67,432
			19,80,77,392	14,18,46,964
	TOTAL		20,29,50,107	20,09,78,250
	Significant Accounting Policies	1		

See accompanying notes forming part of the financial statements
In terms of our report attached.

For ALPESH SHAH & CO
Chartered Accountants
ICAI Firm Reg No: 128461W

Proprietor
M.N. 105463
Place : Ahmedabad
Date : 29/07/15

For and on behalf of the Board of Directors
Chairman & M.D.
(Vijay C Shah)
Managing Director
(Sanket V Shah)
Whole-Time Director
(Nalini V Shah)
Place : Ahmedabad
Date:29/07/15

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015

	Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
			Rupees	Rupees
1	Revenue from operations	19	17,81,787	64,56,483
2	Other income	20	1,01,70,010	99,67,998
3	Total revenue (1+2)		1,19,51,797	1,64,24,481
4	Expenses			
	(a) Cost of materials consumed	21	17,600	22,93,680
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-	3,28,39,495
	(c) Employee benefits expense	23	86,88,887	73,02,853
	(d) Finance costs	24	18,105	1,285
	(e) Depreciation and amortisation expense		2,79,183	13,97,853
	(f) Other expenses	25	70,76,211	77,28,643
	Total expenses		1,60,79,986	5,15,63,809
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(41,28,189)	(3,51,39,328)
6	Exceptional items	26	95,05,207	4,32,40,683
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		53,77,018	81,01,355
8	Tax expense:			
	(a) Current tax		10,25,000	16,00,000
	(b) Tax relating to prior years		-	-
	(c) Deferred tax credit		-30,126	-44,191
9	Profit / (Loss) for the year (07 ± 8)		43,82,144	65,45,546
10	Earnings per share (of Rs.10/- each):			
	(a) Basic		0.55	0.82
	(b) Diluted		0.55	0.82
	Significant Accounting Policies	1		

See accompanying notes forming part of the financial statements

In terms of our report attached.

For ALPESH SHAH & CO
Chartered Accountants
ICAI Firm Reg No: 128461W

Proprietor
M.N. 105463
Place: Ahmedabad
Date : 29/07/15

For and on behalf of the Board of Directors
Chairman & M.D.
(Vijay C Shah)
Managing Director
(Sanket V Shah)
Whole-Time Director
(Nalini V Shah)
Place : Ahmedabad
Date : 29/07/15

Notes forming part of the financial statements

Note	Particulars
1	Significant accounting policies:
a	Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
b	Use of estimates The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
c	Inventories Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
d	Cash and cash equivalents (for purposes of Cash Flow Statement) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
e	Cash flow statement Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
f	Depreciation and amortisation Depreciation has been provided on the written down method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in assets costing less than Rs.5,000 each are fully depreciated in the year of capitalisation
g	Revenue recognition
i	<u>Accounting of construction contracts</u> The company follows the percentage completion method based on the stage of completion at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of actual work done. Project revenue is recognised at the percentage of work completed to total sales consideration as per agreements to sale/ allotments executed. Project costs which are recognised in the statement of profit and loss by reference to the stage of completion of the project activity are matched with the revenue recognised resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed.
ii	<u>Income from services</u> Rent from Safe vault is recognised on accrual basis
h	Other income Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.
i	Tangible fixed assets Fixed assets, except land are carried at cost less accumulated depreciation and impairment losses, if any. The company capitalized all cost relating to acquisition and installation of fixed assets. Borrowing costs are capitalised as part of qualifying fixed assets. Other borrowing costs are expensed.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed as "Capital Advances" under short term advances and cost of fixed assets not ready to use before such dates are disclosed under "Capital work in progress".

j Impairment of Assets

At each Balance Sheet date, the management makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value, which is higher of net selling price and value in use. Any impairment loss is charged to statement of profit and loss in the year in which it is identified as impaired.

k Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current Investments are stated at lower of cost and fair value. Long term investments are stated at cost of acquisition. Provision for diminution is made when such diminution is considered other than temporary in nature. Valuation is determined on the basis of each category of investments.

l Retirement Benefits to Employees:

The law relating to retirement benefits of employees are not followed by the company and the retirement benefits are accounted for on cash basis.

m Taxation

a. Current tax is determined on the profit for the year in accordance with the provisions of the Income tax Act, 1961.

b. Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence are recognized and carried forward only to the extent that they can be realized.

n Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognised, but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

o Expenses relating to amalgamation:

The expense relating to amalgamation is carried as an asset and is amortised over a period of 5 years from the date of the amalgamation.

Notes forming part of the financial statements

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rupees	Number of shares	Rupees
Note: Share Capital				
(a) Authorised				
8000000 (P.Y. 8000000) Equity shares of Rs.10/- each with voting rights	80,00,000	8,00,00,000	80,00,000	8,00,00,000
(b) Issued, Subscribed and fully paid up				
7942510 (P.Y.7942510) Equity shares of Rs.10/- each with voting rights	79,42,510	7,94,25,100	79,42,510	7,94,25,100
Refer Notes (i) to (viii) below		7,94,25,100		7,94,25,100

(a) Reconciliation of number of shares

Shares outstanding as at 1st April,2014/1st April 2013	7942510	7942510
Shares outstanding as at 31st March,15/31st March14	7942510	7942510

(b) List of shareholding more than 5% of the total number of shares issued by the company:

Name of the shareholders

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Vijay C Shah	1140000	14.35	1831000	23.05
Sanket Vijay Shah	998500	12.57	1174440	14.79
Swetal Chintan Parikh	700000	8.81	1056000	13.30
Vijay Chandulal Shah-HUF	340000	4.28	703000	8.85
Niyati Sanket Shah	200000	2.52	600000	7.55
Nalini Vijay Shah	-	-	579000	7.29

The company has issued only one class of shares having a par value of Rs.10/- each. Each shareholder of equity share is entitled to one vote per share.

Notes forming part of the financial statements		
Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Note 3 Reserves and surplus		
(a) Securities Premium Account:		
	5,81,25,000	5,81,25,000
(b) Revaluation Reserve:		
	53,778	53,778
(c) General Reserve:		
Opening balance	2,32,46,029	2,32,46,029
Closing balance	2,32,46,029	2,32,46,029
(d) Surplus / (Deficit) in Statement of Profit and Loss:		
Opening balance	3,72,56,662	3,07,11,116
Add: Profit / (Loss) for the year	43,82,144	65,45,546
Closing balance	4,16,38,806	3,72,56,662
Total	12,30,63,613	11,86,81,469
Note 4 Deferred Tax Liabilities (Net):		
(a) Deferred Tax Liabilities		
-Depreciation on fixed assets	1,83,920	2,14,046
(Net of assets raised during the year Rs.30126/-)		
Total	1,83,920	2,14,046
Note 5 Other long-term liabilities :		
(a) Trade Payables	-	-
(b) Others:		
(i) Trade / security deposits received	-	16,02,000
(ii) Income received in advance (Locker Rent Advance)	-	45,000
Total	-	16,47,000
Note 6 Short-term borrowings:		
	-	-
Note 7 Other current liabilities		
(a) Unpaid Dividends *	2,37,756	2,37,756
(b) Other payables:		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	3,794	-
(ii) Advances from customers	-	-
(iii) Others (specify nature)	-	-
Liability for Expenses	624	7,72,879
	-	-
Total	2,42,174	10,10,635
* These amount represent warrants issued to the shareholders which remained unrepresented as on 31st March 2014		
Note 08 Short-term provisions		
(a) Provision for employee benefits:		
(i) Provision for bonus	-	-
(ii) Provision for leave encashment	-	-
(b) Other Provision		
(i) Provision for Reg. of FA	35,300	-
Total	35,300	-

Notes forming part of the financial statements												
Note 9. Fixed assets											Amount in Rupees	
Description of Assets	Gross block					Depreciation					Net Block	
	As at 1st April, 2014	Additions	Disposals	Other adjustments	As at 31st March, 2015	As at 1st April, 2014	Adjustments on account of change in dep rate	For the year	Deletion during the year	As at 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Land (*)	43210816		43210816	0	0	0			0	0	0	43210816
Buildings	575424			0	575424	90178		24262		114440	460984	485246
Plant and Equipment	1570845		1570845	0	0	553558	4373	5220	558778	0	0	1017287
Furniture and Fixtures	1613908		1613908	0	0	883877	153455	91873	975750	0	0	730031
Vehicles	8677678		8677678	0	0	5585695		0	5585695	0	0	3091983
Computer.	189400		189400	0	0	138383		0	138383	0	0	51017
Total	55838071	0	55262647	0	575424	7251691	157828	121355	7258606	114440	460984	48586380
Previous year	50482036	7798766	2442731	0	55838071	6748959	0	1397853	895121	7251691	48586380	

Notes forming part of the financial statements		
Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Note 10 Non-current investments:		
(a) Property at Prerna Shikhar	-	12,22,603
(b) Property at Doctor House	-	24,33,813
(c) Property at Prerna Viraj-2	-	-
(d) Tarrace Rights at A-1103 Prerna Shikhar	50,000	50,000
(e) Property at Cellar-Prerna Arbour	2,98,500	2,98,500
Total	3,48,500	40,04,916
Note 11 Long-term loans and advances:		
(a) Advance income tax (net of provisions 1025000/- (As at 31 March, 2014 Rs.1600000) - Unsecured, considered good	28,12,231	22,89,987
(b) Advance for purchase of land	12,11,000	42,11,000
Total	40,23,231	65,00,987
Note 12 Other non-current assets:		
(a) Unamortised expenses:		
Expenses relating to amalgamation	-	14,002
(b) Deposit with :		
VAT department	25,000	25,000
UGVCL - P AKRUTI - DEPOSIT	15,000	-
Total	40,000	39,002

Note 13 Current Investment:		
Units 5000/- IIFCL Tax Free Bond	-	50,00,000
	-	50,00,000
Market Value as as 31/03/2014		
Note 14 Inventories:		
(At lower of cost and net realisable value)		
Construction work in progress	-	-
Total	-	-

Notes forming part of the financial statements

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Note 15 Trade Receivables:		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Unsecured, considered good	-	-
(b) Other Trade receivables		
Unsecured, considered good	-	-
Total	-	-
Note 16 (a) Cash and cash equivalents:		
(a) Cash on hand		-
	6,790	
(b) Balances with banks		
(i) In current accounts	1,51,515	4,01,54,131
	-	-
Note 16 (b) Other Bank Balance:		
(i) Term deposits having remaining maturity of more than 3 months but not more than 1 year (Refer Note (i) below)	1,50,50,000	9,55,00,000
(ii) In earmarked accounts		
- Unpaid dividend accounts	2,37,756	2,37,756
Total	1,54,46,061	13,58,91,887
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	1,58,305	4,01,54,131
Notes:		
(i) Balances with banks include deposits amounting to Rs.Nil Crores (As at 31 March, 2014 Rs.2.50 Crores) which has been kept as security against which the overdraft facility.		
Note 17 Short-term loans and advances:		
(a) Loans and advances to employees		
Unsecured, considered good	-	-
(b) Prepaid expenses - Unsecured, considered good	7,669	87,645
(c) Balances with government authorities		
Unsecured, considered good		
Service Tax Paid receivable	-	-
(d) Other Advances - Unsecured, considered good		
Laxmi Jewellery Exports Pvt. Ltd. for purchase of land	4,69,50,000	-
Perna Infrabuild (Firm in which company holds 50% share)	13,55,00,000	
Total	18,24,57,669	87,645

Note 18 Other current assets		
(a) Amalgamation Exp to be amortised within a year:	-	1,91,905
(b) Accruals:		
(i) Interest accrued on Bank Deposits	34,679	5,36,544
(c) Others:		
(i) Rent receivable	1,38,983	1,38,983
Total	1,73,662	8,67,432

Notes forming part of the financial statements		
Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Note 19 Revenue from operations:		
(a) Sale of Plots (Refer Note (i) below):	-	49,05,882
(b) Profit from F & O transaction (Refer Note (ii) below)	5,85,961	-
(C) Profit from Speculative Transaction	1,40,282	-
(b) Sale of services (Refer Note (ii) below)	10,55,544	15,50,601
Total	17,81,787	64,56,483
Note:		
(i) Sale of plots comprises:		
Manufactured goods	-	49,05,882
Plots at Prerna Aura Site.	5,85,961	-
(ii) Profit from F&O business	1,40,282	-
(iii) Profit from intraday trading of shares	7,26,243	49,05,882
Total - Sale of manufactured goods		
(ii) Sale of services comprises:		
Income from Lockers	10,55,544	15,50,601
Total - Sale of services	10,55,544	15,50,601
Note 20 Other income		
(a) Interest income (Refer Note (i) below):	63,84,838	52,68,192
(b) Dividend income:	77,000	-
(c) Net gain on sale of:		
Current investments:		
Short Term Investment in Share & M.Fund without STT	-	10,76,005
(d) Other income		
Bank Charges Refund	1,532	
Total	64,63,370	63,44,197
Note (i) Interest income comprises:		
Interest from banks on:		
-Fixed Deposits	62,91,344	52,43,740
- Bond Interest Income	-	24,452
Fixed Deposits from Companies	93,494	-
Total - Interest income	63,84,838	52,68,192

(d) Other non-operating income comprises:		
Rental income from investment properties	37,06,640	35,98,801
Miscellaneous income	-	25,000
Total - Other non-operating income	37,06,640	36,23,801
Total - Other income (a+b+c+d)	1,01,70,010	99,67,998

Notes forming part of the financial statements

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Note 21. Cost of materials consumed:		
Opening Stock:	-	-
Add: Purchases	17,600	22,93,680
Less: Closing stock	-	-
Cost of material consumed	17,600	22,93,680
Material consumed comprises:		
Prerna Aura Land	-	-
Prerna Aura Material	-	88,048
Prerna Aura Works	-	9,48,374
Prerna Aura Landscaping	-	30,105
Prerna Aura Others	17,600	12,27,153
Total	17,600	22,93,680
Note 22.Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Inventories at the end of the year:		
Work-in-progress	-	-
	-	-
Inventories at the beginning of the year:		
Work-in-progress	-	3,28,39,495
	-	3,28,39,495
Net (increase) / decrease	-	3,28,39,495
Note 23 Employee benefits expense		
Salaries and wages	36,53,297	42,81,353
Bonus	2,11,680	-
Directors Remuneration	27,00,000	30,00,000
Gratuity and leave encashment to Directors	21,19,230	-
Other perks to directors	4,680	-
Staff welfare expenses	-	21,500
Total	86,88,887	73,02,853
Note 24 Finance costs		
(a) Interest expense on FD Overdraft.		
(i) Overdraft	12,935	1,121
(ii) Others		
- Interest on delayed payment of income tax	-	164
- Intetrest on Service Tax	-	-
- Interest On TDS	5,170	-
Total	18,105	1,285

Notes forming part of the financial statements		
Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Rupees	Rupees
Note 25 Other expenses		
Power and fuel	8,04,393	9,31,663
Repairs and maintenance - Others	1,08,197	2,20,150
Maintenance Charge	36,890	4,75,778
Insurance	1,23,599	1,88,282
Rates and taxes	5,26,840	16,14,964
Telephone	1,54,532	1,87,297
Foreign Travelling	4,45,563	4,10,230
Other Travelling	2,33,193	8,264
Office Expenses	3,22,108	4,04,782
Printing and stationery	25,174	1,05,555
Advertisement Exps.	1,35,131	3,29,551
Security Expenses	1,50,026	-
Business promotion	10,22,087	86,600
Legal and professional	3,40,221	8,76,880
Amalgamation Exps.W/o.	2,05,907	1,91,905
Membership Fees	10,988	14,438
Miscellaneous expenses	74,083	1,30,673
- statutory audit	1,68,540	1,68,540
- taxation matters	-	-
Accounting Fees	10,500	-
Donation Exps.	10,000	-
Listing Fees	1,46,740	62,000
Damage Charegs	-	13,21,093
Brokerage, STT and ST on F & O	2,13,477	
Demat Charges	6,147	
Labour Exps.	28,600	
Postage & Courier Exps	37,016	
STT Exps	1,27,132	
STCL On Sale Of Shares	16,09,129	
Total	70,76,211	77,28,643
Note 26. Exceptional items		
Profit/(Loss) on sale of fixed assets	95,05,207	4,32,40,683
Total	95,05,207	4,32,40,683

Notes forming part of the financial statements			
Additional information to the financial statements			
Note 27	Note (*) : Some of the land being agriculture in nature was purchased in the name of directors.Recently the company has received communication to the effect that the said agriculture land would not be converted into non agriculture in forseable future period.There being no commercial value to the company it has been revert back to the said directors at an acquisition price and is reflected in other adjustment in above.		
Note 28 Additional information pursuant to the provisions of Schedule VI to the companies Act 1956			
	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
(i)	Contingent liabilities		
(a)	Order of the Superintendent of Stamps, Gandhinagar is received by the company regarding stamp duty payable on amalgamation and transfer of ownership , which the company has not agreed to and want to chalange. Total amount as per order Rs.1331015/-. Company has provided Rs.400000/-.	9,31,015.00	9,31,015.00
(b)	Company has received the bill of Rs.1168852/- from Uttar Gujarat Vij Company Ltd towards use of electricty at site of Perna Aura, Andej, Ta: Sanad, Dist: Ahmedabad. Company has went into appeal after paying Rs.350655/-.	8,18,197.00	8,18,197.00
Note 29 Additional information pursuant to the provisions of Schedule VI to the companies Act 1956			
	Particulars		
a	Value of imports calculated on CIF basis:	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
	Raw materials, Components,Spare parts	NIL	NIL
b	Expenditure in foreign currency:	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
	Since expenditure involves foreign currency but the original payment by the Company itself is in Rupees, no disclosure is made.	NIL	NIL
c	Details of consumption of imported and indigenous items *	For the year ended 31st March,2015	
		Rupees	%
	Raw materials	-	-
	Imported	-	-
	Indigineous	-	-
d	Earning in foreign currencies (on accrual basis)	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
		NIL	NIL
Note 30 Disclosures under Accounting Standards 7 (Revised)			
	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
	Details of contract revenue and costs		
a	Contract Revenue		20192065
b	Contract cost incurred		18445500
c	Recognised profit and losses		1746565
d	Advance received	-	-
e	Retention money	-	-
f	Gross amount due from Customers for contract work	-	-
g	Gross amount due to Customers for contract work	-	-

Notes forming part of the financial statements contd

Note 31: Segment Reporting:

Company has been carrying out construction activity and providing services of safe deposit vault. Since the business segment of safe deposit vault does not meet the basis criteria of treating the same as reportable segment, the management has decided to prepare the consolidated financial statement.

Note 32(a): Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Key Management Personal-Chairman	Vijay C Shah
Key Management Personal-Managing Director	Sanket Vijay Shah
Key Management Personal-Whole Time Director	Nalini V. Shah
Daughter of Chairman-Finance Head	Swetal V Shah
Spouse of Managing Director	Niyati Sanket Shah

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015

	KMP	Relatives of KMP	Total
Managerial Remuneration:			
Vijay C Shah	900000		900000
Sanket V Shah	900000		900000
Nalini V Shah	900000		900000
Swetal V Shah(Salary)		900000	900000
Niyati Sanket Shah (Salary)		900000	900000
Acceptance of loan:			
Sanket V Shah	1075000		1075000
Repayment of Loan			
Sanket V Shah	1075000		1075000
<u>Balances outstanding at the end of the year</u>			
Loans and advances			
Sanket V Shah	NIL	NIL	NIL

Notes forming part of the financial statements contd

Note 33

Earnings Per Share

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic & diluted earning per share

PARTICULARS	31-Mar-2015	31-Mar-2014
	Rupees	Rupees
Face Value Per Share	10	10
Net Profit after Tax	4382144	6545546
Weighted average Number of Shares	7925410	7925410
Basic and Diluted Earnings per Share	0.55	0.83

Note 34

Micro, Small and Medium Enterprises Development Act, 2006

In accordance with the Notification No. GSR 719 (E) dt 16.11.2007, issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro and Small Enterprises as defined under the Micro, Small and Medium Development Act 2006. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is still not available, no disclosures have been made in the accounts.

In terms of our report attached.

For ALPESH SHAH & CO

Chartered Accountants

ICAI Firm Reg No: 128461W

Proprietor

M.N. 105463

Place : Ahmedabad

Date: 29/07/2015

For and on behalf of the Board of Directors

Chairman & M.D.

(Vijay C Shah)

Managing Director

(Sanket V Shah)

Whole-Time Director

(Nalini V Shah)

Place : Ahmedabad

Date : 29/07/2015

PRERNA INFRABUILD LTD



CIN: L65990GJ1988PLC010570

REGISTERED OFFICE: "Prerna", Survey No. 820/1, In Lane of Panchavati Auto, Opp. Anand Dham Derasar, S.G.Road, Makarba, Ahmedabad 380058

PROXY FORM

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

Name of the member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No./Client ID	:	
DP ID	:	

I/We, being the member (s) of shares of the above named Company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: or failing him.

2. Name:

Address:

E-mail Id:

Signature: or failing him.

3. Name:

Address:

E-mail Id:

Signature: or failing him.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **27th Annual General Meeting** of the Company, to be held on the **28th** day of **September, 2015** at **11:30 am** at "Prerna", Survey No. 820/1, In Lane of Panchvati Auto, Opp. Anand Dham Derasar, S.G. Road, Makarba, Ahmedabad – 380 058 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution(s)	Assent	Dissent
ORDINARY BUSINESS			
1	Adoption of Audited Statement		
3	To appoint a Director in place of Smt. Nalini Vijay Shah (DIN 00119538) who retires by rotation and being eligible, offers herself for reappointment.		
3	Appointment of Auditors and fixing their remuneration		

Signed this day of 2015

Signature of shareholder

Signature of Proxy holder(s).....

Affix a
Rs. 1.00
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

PRERNA INFRABUILD LTD



CIN: L65990GJ1988PLC010570

REGISTERED OFFICE: "Prerna", Survey No. 820/1, In Lane of Panchavati Auto, Opp. Anand Dham Derasar, S.G.Road, Makarba, Ahmedabad 380058

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional slip on request

ATTENDANCE SLIP

Dp Id*	
Cliend Id*	

Master Folio No.	
------------------	--

Name and Address of the Shareholder

No. of Shares held

I hereby record my presence at the **27th Annual General Meeting** of the Company held on Monday the **28th** day of **September, 2015** at **11:30 am** at "Prerna", Survey No. 820/1, In Lane of Panchvati Auto, Opp. Anand Dham Derasar, S.G. Road, Makarba, Ahmedabad – 380 058.

*Application for Investors holding shares in electronic form.

*Strike out whichever is not applicable.

BOOK-POST

To,



If not delivered please return to

Perna Infrabuild Ltd.
CIN: L65990GJ1988PLC010570
“Perna”, Survey No.820/1,
In Lane of Panchvati Auto,
Opp. Anand Dham Derasar,
S.G Highway, Makarba
Ahmedabad-380058.

