



*Navkar Builders Limited*



# *Navkar Builders Limited*

## Board of Directors

Mr. Dakshesh Shah	Managing Director
Mr. Ullas Shah	Joint Managing Director
Mr. Samir Patel	Joint Managing Director
Mr. Shailesh Shah	Director
Mr. Ramesh Patel	Director
Mr. Sunil Bohara	Director
Mr. Prakashbhai Shah	Director

### **Auditors**

M/S. J.B. Shah & Co.,  
Chartered Accountants  
Ahmedabad

### **Registered Office**

407, Sarita Complex, Behind Hotel Classic Gold, C. G. Road, Ahmedabad- 380009.



## *Navkar Builders Limited*

### NOTICE FOR EIGHTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Company will be held at 407, Sarita Complex, B/h. Hotel Classic Gold, C.G.Road, Ahmedabad Gujarat, India – 380006 on Saturday the 27<sup>th</sup> November, 2010 at 10.30 a.m. to transact the following business:-

#### ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as 30<sup>th</sup> June, 2010 and profit & loss account of the company for the year ended on 30<sup>th</sup> June, 2010 and the Report of the Directors' and Auditors.
2. To re-appoint Director in place of Mr. Shailesh Shah who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Ramesh Patel who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditor & fix their remuneration.

Place: Ahmedabad  
Date: 08/10/2010

For & on behalf of the Board of Director

Director

Director



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### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from Friday, the 19<sup>th</sup> November, 2010 to Saturday, 27<sup>th</sup> November, 2010 (both days inclusive).
3. The shareholders are requested to bring their copy of Annual Report at the time of Meeting.
4. As a matter of convenience the shareholders are requested to inform their queries if any, the company in advance so as to enable the company to properly reply the same at the time of meeting.

Place: Ahmedabad  
Date: 08/10/2010

For & on behalf of the Board of Director

Director

Director



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### Report on Corporate Governance (Pursuant to Clause 49 of the Listing Agreement)

The Board of Directors of the Company gives due support to the principles behind the good Corporate Governance. Given below is a report on Corporate Governance:

#### 1. COMPANY'S PHILOSOPHY

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics. These two main drivers, together with the company's ongoing contributions to the local communities it operates in through meaningful and relevant Corporate Social Responsibility initiatives add to enhance the stakeholders value.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plant and facilities, transparency in decision making process and fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices are being followed since the inception and have contributed to the company's sustained growth.

#### 2. BOARD OF DIRECTORS

##### 2.1 Composition of Board of Directors as on date of Report:

The Board of Directors of the Company comprised Seven Directors of whom two were non-executive Directors. The non-executive Directors also comprised two independent directors. The Chairman is an executive director.

<b>Name of Director</b>	<b>Category</b>
Mr. Dakshesh Shah	Managing Director /Chairman
Mr. Ullas Shah	Joint Managing Director /Executive
Mr. Samir Patel	Joint Managing Director /Executive
Mr. Prakash Shah	Independent Director /Non- Executive
Mr. Sunil Bohara	Independent Director /Non- Executive
Mr. Shailesh Patel	Director /Executive
Mr. Ramesh Patel	Director /Executive

##### 2.2 Responsibilities of the Board

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

##### 2.3 Board Meetings and Attendance Record of Directors:

The meetings of the Board of Directors are held at periodical intervals and are generally at the Board Room of the Company. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is



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incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

Number of Board of Director Meetings held and dates on which held:

Eleven Board meetings were held during the year as against the minimum requirements of meetings. The dates on which the meetings were held are 30/07/2009, 25/08/2010, 07/10/2009, 09/10/2009, 30/10/2009, 03/12/2009, 30/01/2010, 05/03/2010, 23/04/2010, 30/04/2010 and 23/06/2010.

**Extra Ordinary General Meeting:**

No Extra Ordinary General Meeting was held during the year under review.

Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of Director	Category of Directorship	No. of other Directorship	No. of Board Meeting attended
Mr. Dakshesh Shah	Executive Director	N.A	11
Mr. Ullas Shah	Executive Director	N.A	11
Mr. Samir Patel	Executive Director	N.A	11
Mr. Shailesh Shah	Executive Director	N.A	11
Mr. Ramesh Patel	Executive Director	N.A	11
Mr. Prakashbhai Shah	Independent/ Non Executive Director	N.A	11
Mr. Sunil Bohara	Independent/ Non Executive Director	N.A	11

d. Pecuniary relationship or transactions of non-executive Directors:

The non-executive Directors have not entered into any such transactions.

The information as required under Annexure-I A to the Clause 49 of the Listing Agreement is made available to the Board of Directors.



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### 2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting

As per the provisions of the Companies Act, 1956, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Shailesh Shah and Mr. Ramesh Patel retire by rotation at the ensuing Annual General Meeting and offer themselves for re-appointment.

#### (a) Profile of Mr. Sunil Bohara Director being appointed u/s 269 of the Companies Act, 1956

Name	Mr. Shailesh Shah
Date of Birth	27/05/1962
Director of the Company	Director
No. of shares held in the company	NIL
No. of warrants held in the company	N.A
Directorship in other company	NIL

#### (b) Profile of Mr. Prakashbhai Shah Director being appointed u/s 269 of the Companies Act, 1956

Name	Mr. Ramesh Patel
Date of Birth	04/01/1962
Director of the Company	Director
No. of shares held in the company	NIL
No. of warrants held in the company	N.A
Directorship in other company	NIL

### 2.5 Details of Directors who are as Chairman and Directors in other Public Companies

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 (C) (ii) across all the Companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been made by the Directors who are on the Board of the Company as on 30<sup>th</sup> June, 2009 and the same is reproduced herein below :

Sr. No.	Name of Director	No of Directorship in other Public Companies	No. of Committees positions held as Chairman on other public Companies	No. of Committees positions held as member in other public Company
1.	Mr. Dakshesh Shah	1	--	--
2.	Mr. Samir Patel	--	--	--
3.	Mr. Ullas Shah	--	--	--
4.	Mr. Shailesh Shah	--	--	--



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5.	Mr. Ramesh Patel	--	--	--
6.	Mr. Sunil Bohara	--	--	--
7.	Mr. Prakash Shah	--	--	--

### 3. COMMITTEE OF BOARD

The Company had four Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Sub-Committee (Quarterly Results Review Committee)
4. Share Transfer & Shareholders/Investor Grievance Committee

Moving with various committees formed and reported in the previous Annual Report and in line with the requirements of SEBI and Stock Exchanges, the Board has formally constituted the following committees of Directors.

#### 3.1 Audit Committee:

The Audit committee constituted by the Board of directors as per the provisions of Clause 49 of the listing Agreements as well as in Section 292A of the Companies Act, 1956 as below.

##### a. Composition:

As on 30.06.2010, the Audit Committee comprised of three Directors namely:

Mr. Sunil Bohara	Chairman	- Independent and Non-Executive Director
Mr. Prakash Shah	Member	- Independent and Non-Executive Director
Mr. Shailesh Patel	Member	- Executive Director

The Audit Committee of the Board of Directors of the Company, Inter-aila, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

#### Brief description of terms of reference:

A. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

B. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other Consultancy services provided by the statutory auditor.

C. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:

- Review the financial reporting process and disclosure of its financial information
- Review with the management, Annual financial statements before submission to the Board
- Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems



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- Review the company's accounting and risk management policies
- Review the company's accounting and management reporting systems and updates the same from time to time recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
- Review quarterly financial statement.
- Review internal investigations made statutory/ Internal Auditors.
- Scope of Statutory/ Internal Audit
- Review fixed deposits/repayment systems etc.
- Any other applicable functions as described in Corporate Governance.
- Review related party transactions.

Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for record. The Board of Directors, regularly appraised on the recommendations for the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit.

Dates of the Audit Committee Meetings are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting.

### **3.2 Remuneration Committee:**

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

Mr. Sunil Bohara	Chairman	- Independent and Non-Executive Director
Mr. Prakash Shah	Member	- Independent and Non-Executive Director
Mr. Shailesh Patel	Member	- Executive Director

Remuneration Committee constituted for the purpose of considering remuneration of executive and non-executive directors. The company had not paid any remuneration to any non-executive directors.

Non- Executive Director

Remuneration by way of sitting fees for attending Board/Board Committee Meetings are paid only to Non-Executive Directors.

### **Remuneration Policy**

Payment of remuneration to the Managing/Whole Time Director is governed by the respective Agreements executed between them and the company. These agreements were approved by the Board and the Shareholders. Their Remuneration structure comprises salary, perquisites and allowances.

Two meeting of Remuneration Committee were held on 03/08/2009 and 12/01/2010 during the Financial Year 2009-10.

### **3.3 Sub-Committee (Quarterly Results Review Committee):**





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The Sub-Committee (Quarterly Results Review Committee) comprises as under:

Mr. Sunil Bohara	Chairman	- Independent and Non-Executive Director
Mr. Prakash Shah	Member	- Independent and Non-Executive Director
Mr. Shailesh Patel	Member	- Executive Director

The Committee is responsible for approving quarterly un-audited financial statements and monitoring the performance of the Company. 4 (Four) meeting was held on the following dates:

30/07/2009	30/10/2009	30/01/2010	29/04/2010
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### 3.4 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders'/Investor Grievance committee comprises as under:

Mr. Ullas Shah, Director of the company was heading the committee as well as he was designated as the Compliance officer of the Company.

The committee is responsible for approving and monitoring transfers, transmission, splitting and consolidation of shares issued by the Company. In addition to that, the committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet etc., No sitting fees is paid to the committee members. The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on 30<sup>th</sup> June, 2010 is given below :

Complaints Status: 01.07.2009 to 30.06.2010

●	Number of complaints received so far	:	Nil
●	Number of complaints solved	:	Nil
●	Number of pending complaints	:	Nil

### 4. GENERAL BODY MEETING:

a. Location and time where last three AGMs were held:

Year of AGM	Date of the AGM	Time	Place of AGM Held
2007	27/09/2007	10.30 a.m	1, Trimurti Hospital Building, Nr S T Bus Stand, Junagadh - 362 001.
2008	27/08/2008	10.30 a.m	407, Sarita Complex, B/h. Hotel Classic Gold, C.G.Road, Ahmedabad Gujarat, India - 380006
2009	27/11/2009	10.30 a.m	407, Sarita Complex, B/h. Hotel Classic Gold, C.G.Road, Ahmedabad Gujarat, India - 380006



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### 2009

Following special business had been transacted in the said Annual General Meeting.

- Increase the Authorized Share Capital of The Company from 12,00,00,000/- to 20,00,00,000/-
- Change the Remuneration Terms of Mr. Dakshesh Shah, Managing Director, Mr. Ullas Shah, Joint Managing Director and Mr. Samir Patel, Joint Managing Director of the Company

### 2008

Following special business had been transacted in the said Annual General Meeting.

- Appointment of Mr. Shailesh Shah as a Director of the Company.
- Appointment of Mr. Ramesh Patel as a Director of the Company.

### 5. DISCLOSURES:

a. Materially significant related party transactions:

The same are appropriately disclosed at Note No.9 of the Significant Accounting Policies and notes on accounts- schedules O of the Annual Accounts of the Annual Accounts of the Company.

b. During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

### 6. CEO/CFO CERTIFICATION:

(Under Clause 49(V) of Listing Agreement)

I Certify that --

a. I have reviewed the financial statements and the cash flow statement for the year 2008-09 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These 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 2009-10 which are fraudulent, illegal or violative of the Company's code of conduct;

c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of 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 -



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- Significant changes in internal control over the financial reporting during the year 2009-10;
- Significant changes in accounting policies during the year 2009-10 and that the same have been disclosed in the notes to the financial statements; and
- 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 the financial reporting.

### 7. MEANS OF COMMUNICATIONS:

The half Yearly and quarterly results of the Company were published in English and vernacular daily newspaper named The Business Standard and are also regularly forwarded to the Bombay Stock Exchange Limited where the Company's share are listed. The Company has not considered it necessary to circulate half yearly results at the residence of shareholders as there is no significant up and down in the activities of the company having material impact on the shareholders interest.

Further the Company has not made any presentation to any financial institutional Investors/analysts or banks during the year.

The Management discussion and analysis forms part of the Annual Report.

### 8. GENERAL SHAREHOLDER INFORMATION:

- a. Annual General Meeting: Date, Time and venue: 27<sup>th</sup> November, 2010 at 10.30 a.m. at the Registered Office of the Company.
- b. Financial Year: 1<sup>st</sup> July 2009 to 30<sup>th</sup> June, 2010.
- c. Financial Calendar:
  - i. 1<sup>st</sup> quarterly results – last week of September, 2009.
  - ii. 2<sup>nd</sup> quarterly results – last week of December, 2009.
  - iii. 3<sup>rd</sup> quarterly results – last week of March, 2010.
  - iv. 4<sup>th</sup> quarterly results – last week of June, 2010.
- d. Date of Book Closure: Friday, the 19<sup>th</sup> November, 2010 to Saturday, 27<sup>th</sup> November, 2010
- e. Dividend Payment Date: N.A.
- f. Listing of Equity Shares on Stock Exchanges: The Bombay Stock Exchange Limited Annual listing fees for the financial Year upto 30-06-2010 has been paid.
- g. Stock Code: **BSE 531494**
- h. Demat ISIN number: **INE268H01010**



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- I. Market price data: The Company has its high price for the month ended June, 2010 is Rs. 16.60 per share and low price for the month ended June, 2010 is Rs. 12.40 per share has been reported to take place as follows:

Month	High Price	Low Price
July 2009	32.40	18.80
August 2009	22.50	15.40
September 2009	25.75	17.35
October 2009	20.75	15.55
November 2009	20.50	15.50
December 2009	19.75	14.90
January 2010	19.35	15.25
February 2010	18.65	14.40
March 2010	16.80	13.65
April 2010	16.75	13.90
May 2010	16.10	12.75
June 2010	16.60	12.40

- j. Performance of the Company's shares in comparison with broad-based indices as BSE's Sensex: The Company has nothing to report on the matter.
- k. Registered and Transfer Agent: Pinnacle Share Registry Private Limited, has been changed to M/s. Sharepro Services (India) Pvt. Ltd., having office residence at 416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ashram Road, Ellisbridge, Ahmedabad - 380006 w.e.f. 01/04/2010 as the common agency both in respect of physical and demat shares.
- l. Share Transfer System: All the transfers are received and processed by share Transfer agents and are approved by share transfer committee. Share Transfer requests received in physical form are registered within 30 days and demat requests are confirmed within 21 days.
- m. Distribution of Shareholding as on Dated 30.06.2010.

Share Holding of Nominal Value		Share Holders		Share Amount	
Rs.	Rs.	No.	% to total	In Rs.	% to total
Up to	5,000	1136	64.73	3221510	3.19
5,001 to	10,000	480	27.35	3663780	3.63
10,001 to	20,000	70	3.99	1021910	1.01
20,001 to	30,000	19	1.08	476850	0.47
30,001 to	40,000	9	0.51	310000	0.31
40,001 to	50,000	7	0.40	328820	0.33
50,001 to	1,00,000	5	0.28	311430	0.31
1,00,001 &	above	29	1.65	91691700	90.76
<b>Total</b>		1755	100.00	101026000	100.00



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n. Shareholding pattern as on 30.06.2010

Category	No of Shares held	% of Shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/directors group Companies	6970700	69.00
b. Other bodies corporate	51709	0.51
c. Indian public	3080191	30.49
<b>TOTAL</b>	<b>10102600</b>	<b>100.00</b>

Dematerialization of shares: As on 30.06.2010. Demated shares accounted for 94.61% (95,58,800 Equity Shares) of total equity.

Outstanding GDR / ADR / Warrants: Not Applicable

p. Address for communication:

1. M/s. Sharepro Services (India) Pvt. Ltd. 416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ashram Road, Ellisbridge, Ahmedabad – 380006.	2. Navkar Builders Limited, 407, Sarita Complex, Behind Hotel Classic Gold, C. G. Road, Ahmedabad- 380009.
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q. Location of plants: Plot No.: 444/A, Adalaj-Koba Road, Village : Ambapur, Adalaj, Dist.: Gandhinagar. Block No.: 923-924, Village : Dumad, Nr. Dumad Four Road, Taluka & Dist. : Vadodara. Survey No.: 440/2, Samalpati, Taluko : Patan, District : Patan. Block No.: 186-B, 188, village : Laxmipura, Taluka : Daskroi(Narol), Dist. Ahmedabad

### Declaration of compliance with the code of conduct

All the Directors and senior management personal have, respectively, affirmed compliance with the code of conduct as approved and adopted by the Board of Directors.

For, NAVKAR BUILDERS LIMITED

Dakshesh Shah  
Managing Director

Place: Ahmedabad  
Date: 08<sup>th</sup> October, 2010



MANAGEMENT DISCUSSION AND ANALYSIS

**INDUSTRY STRUCTURE AND DEVELOPMENT**

Navkar Builders Ltd, a company in realty development since last 16 years and now among the fastest growing companies in the Ready Mix Concrete industry. The Company had expanding operations across nation and within 2 years coming with 40 plants in Ready Mix Concrete across India. The Company has a long standing reputation as a consistent sectoral leader amongst the public sector construction companies in the construction business with specialization in Ready Mix Concrete Business. The Company has been earning profits every year right from the second year of its inception of Ready Mix Concrete business. After commencing business as a construction company it diversified progressively since incorporation to roads, buildings, commercial complexes, as well as to metro works. The Company has executed many land mark construction projects in the last more than 15 years in the Country.

**OPPORTUNITIES, THREAT, OUTLOOK, RISKS AND CONCERNS**

**OPPORTUNITIES:** The boom in the economy & the construction industry in the last few years have also led to the growth of the domestic competitors. The construction industry in India is surely on a high growth path, though at times showing a cyclical trend. Improvement of operational efficiency through better resource allocation & utilization and technological up-gradation & innovation would be crucial for strengthening the profitability while sustaining relative advantage with respect to the existing and potential competitors. With the increase in cost of construction, the management calculate enhancement of its Turnover of Ready Mix Concrete.

**RISKS:** Execution of projects abroad perforce necessitates parking of funds in foreign banks for operational purposes. Such parking is amenable to foreign exchange rate fluctuations. In order to hedge this risk, foreign exchange movements are constantly monitored and conversion of funds from one currency to another is done on the basis of cross currency movements with excess funds being repatriated to India in accordance with the applicable laws. The Company's employees and projects have been and are exposed to risks and threats to life, liberty, and property while operating in risky geographical areas.

The Company however takes pride in executing prestigious works in the nation building task. The Company has taken measures with the help of the Government to provide adequate security, facilities, and also insurance coverage in such places. The Company has a formal Enterprise Risk Management framework in place which will be reviewed periodically.

**THREAT:** Competition from the existing and emerging local and International players continues to pose challenges to the Ready Mix Concrete in domestic markets. The Ready Mix Concrete has to reckon with aggressive bidding strategies from the new entrants. Increased competition also translates into serious pressures on cost. Increased competition also translates into serious pressures on cost. These added to soaring commodity prices and volatility of exchange rates pose a serious challenge to cost management.

**CURRENT & FUTURE OUTLOOK:** The Company tries to mitigate the competition by continuously improving upon product, technology and process benchmarks of International majors, introducing new product variants, focused customer approach & differentiating on quality and price. In order to address the emerging opportunities, several strategic initiatives



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have been undertaken aimed at increasing capacities, developing world class products & services and process orientation.

### Construction Sector: Current Scenario & Emerging Trends



After recording a spectacular growth of over 12%, more than the country's GDP in the past half decade, the Indian construction sector all of a sudden lost steam in last fiscal largely due to global financial turmoil. Not just this, the turmoil tremors created multiplier impact across sectors including steel, cement, power, petroleum, aluminium, IT and ports, besides badly Bruising the Indian economy.

But few sectors such as telecom, urban infrastructure, railways, oil and gas, which are also generating large share of construction activities have not been affected badly. These segments have registered a noticeable growth in project orders from centre, states, and local firms. However, orders from overseas firms have drastically dwindled.



### Current Global Scenario

Currently, the global economy is in severe slowdown mode amidst deepening credit crunch and upsetting developmental targets of economies across the world. In the prevailing scenario, infrastructure remains a top priority for addressing developmental gaps as it is considered omnipotent with potentials of lifting economies out of the financial turmoil. The governments around the world are pumping money to generate demands for goods and services by creating jobs through higher



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spending into physical and social infrastructure. Likewise, the Indian government on its part is not lagging behind on this score and has taken concrete steps to revive the sector to regain its past glory.

Now the construction activities have started picking up. Recently, the Government has issued contracts worth Rs 1,861 crore relating to projects in mining, railway, infrastructure, commercial buildings, and some of the construction companies are also coasting along with a steady flow of contracts. About 90% of these contracts are from the Government agencies and this is going to be the mainstay of business in construction sector for some time to come till such orders start flowing from the private sector. It is indeed to the credit of some of the construction companies that despite odds, these companies have shown exemplary perseverance in tackling recession to carry out construction work, others would also ride well through the present dull phases the situation improves. It is expected that sooner rather than later, the sleepy construction project sites would pulsate with construction work once again and one would see trucks loads of men, materials and machinery moving to and fro with men and women working on a war footing to translate country's development vision into a concrete reality. Shedding its initial pessimism, the construction equipment sector is also getting into optimistic mode and is busy in giving final touches to their expansion plans to add new manufacturing facilities sensing a demand pull in the next 6-8 months. All in all, the construction industry was no doubt down but not out.

The next 2-3 years are going to be the moment of reckoning for the construction industry to demonstrate its managerial, financial and technical prowess to establish new benchmarks in construction management, construction quality, imparting value addition to its products and services in critical construction equipment product line. To resist such like present global meltdown, the industry has to look within to develop its competitiveness across segments through enhancing their capabilities in R&D to leverage innovation through indigenous capability and expertise. They need to exploit and build on their own inherent labour and material cost advantage and resource savings to manage crisis. The present time is the best time to revisit some of these and other strategies and explore new growth avenues not only to mere recover from such situations, but also to prepare itself for new global shocks. With or without stimulus packages, the best means for the well being and growth come from within. What matters most is to put one's best foot forward in recession, recover fast and emerge stronger than ever.

### **SEGMENT WISE PERFORMANCE**

The Company is operating only in one sector i.e. Ready Mix Concrete and therefore the segment reporting and performance standard is not applicable to the Company.

#### **Project Description**

The project envisages setting up of a unit manufacture Ready Mix Concrete for Construction.

Ready – Mix Concrete (RMC) is a concrete, pre-mixed in designed proportions under strict quality control, and delivered to construction sites for ready use in construction elements and structures. When it is supplied at site, it is of desirable quality, freshly mixed, and meets the standard specifications. Transportation of RMC of the site is done in a transit mixer – a special purpose lorry, which has a revolving mixer to keep the mass within from solidifying.





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As per the Indian Standard IS: 4926 – 1976 (re-affirmed 1999) RMC is defined as “Concrete delivered at site or into the purchaser’s vehicle in a plastic condition and required no further treatment before being placed in the position in which it is to set and harden”.

The basic properties of RMC, depending upon the mix proportion, include:

Workability of concrete  
Strength of concrete  
Durability of concrete

Applications

RMC is suitable for large construction projects like dams, canals, large housing/ commercial projects, industrial structures as well as small and medium projects. It can be used by even small one item consumers.

Advantages of RMC vis-à-vis on site concrete

Consistent quality of concrete is obtained.  
Increased speed of construction.  
Reduces storage of cement and other materials at site.  
Reduced labor requirement at site.  
Possibility of documentation of mix design.  
Reduction in wastage of raw materials (cement, etc.) site.  
Environment friendly product.

### **QUALITY CONTROL**

The main focus for our manufacture and supply is Quality. Our labs are equipped with sophisticated equipments to render the best possible quality in our products. The quality is monitored at every stage, right from receipt of raw material to dispatch and placing of concrete, which ensures that consistent quality reaches the customer. Several tests are conducted to maintain the quality of the concrete such as water consistency, strength and chemical analysis, workability etc.

### **FINANCIAL PERFORMANCE**

The Company has commenced Ready Mix Concrete Project and at the verge of achieving better financial performance. The Company has successfully implemented various operational excellence programs designed with the help of external consultants so as to optimize on cost and delivery commitments. The Company’s cash flow position as at the year end continues to remain strong. Increased liquidity has strengthened the Company’s confidence for launching new growth initiatives for the existing and emerging businesses of construction

### **MISSION:**

To be recognized nationally and internationally as a specialized construction organization comparable with the best in the field covering the entire spectrum of construction activities and services in the infrastructure sector.

### **OBJECTIVES:**



## *Navkar Builders Limited*

The objectives of the Company in line with Company's Mission, Key Values, and Code of Corporate Governance are:-

- i) To effectively position the Company so as to meet the infrastructure needs of the changing economic scene in India and abroad.
- ii) To earn global recognition by providing high quality products and services in time and in conformity with the best practices.
- iii) To enhance the size and value of the business activities of the Company so as to achieve a turnover of Rs.2400 crores by the year 2010-11.
- iv) To achieve optimal returns on the capital employed.

### **INTERNAL CONTROL SYSTEM:**

The Company's employees and projects have been and are exposed to risks and threats to life, liberty, and property while operating in risky geographical areas. The Company however takes pride in executing prestigious works in the nation building task. The Company has taken measures with the help of the Government to provide adequate security, facilities, and also insurance coverage in such places. The Company has a formal Enterprise Risk Management framework in place which will be reviewed periodically.

The Company's employees and projects have been and are exposed to risks and threats to life, liberty, and property while operating in risky geographical areas.

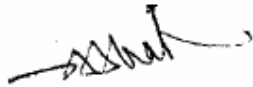
The Company however takes pride in executing prestigious works in the nation building task. The Company has taken measures with the help of the Government to provide adequate security, facilities, and also insurance coverage in such places. The Company has a formal Enterprise Risk Management framework in place which will be reviewed periodically.

## Auditors' Report

To  
The Members of Navkar Builders Limited, Ahmedabad.

1. We have audited the attached balance sheet of Navkar Builders Limited (The Company) as at June 30, 2010 and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the directors, as on June 30, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on June 30, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) in the case of the balance sheet, of the state of affairs of the Company as at June 30, 2010;
    - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

**J B Shah & Co.**  
**Chartered Accountants**  
**Firm No:121333W**



Jasmin B. Shah  
Proprietor  
Membership No: 46238  
Ahmedabad  
Date: 08/10/2010



**Annexure referred to in paragraph 3 of our report of even date**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All fixed assets were physically verified by management in the previous year in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.  
  
(c) The Company has not disposed off any fixed assets during the year.
2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.  
  
(b) The procedures of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (a) The Company has granted unsecured loan to company/firms covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.6.45 Lacs and the year end balance of such loans was Rs 5.95.  
  
(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.  
  
(c) In respect of loans granted, repayment of principal and interest, where stipulated have been regular. In cases where the loans granted are repayable on demand, the repayment is within the date demanded.  
  
(d) Based on the information and explanations provided by the management and our comments in clause 3(c) above, there is no overdue amount more than rupees one lakh of loans, granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.  
  
(e) As informed to us, the Company has not taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of clauses 4(iii) (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

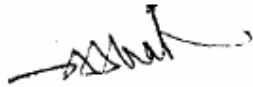


5. According to the information and explanations provided by management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
8. As far as we are aware, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
9. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
  
(c) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures, and as per the information and explanations given by the management and relevant confirmations from applicable banks, we are of the opinion that the Company has not defaulted in repayment of dues a bank. The Company did not have any debentures outstanding during the year.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company does not deal or trade in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.



16. In our opinion and according to the information and explanations given to us, the Company has not accepted any term loan during the year.
17. According to the information and explanations given to us, the Company has not raised any short term or long term funds during the year.
18. The Company has not made preferential allotment of equity shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. As per our opinion, the prices at which shares have been issued are not prejudicial to the interest of the Company.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**J B Shah & Co.**  
**Chartered Accountants**  
**Firm No:121333W**



Jasmin B. Shah  
Proprietor  
Membership No: 46238  
Ahmedabad  
Date: 08/10/2010



**NAVKAR BUILDERS LIMITED**  
**BALANCE SHEET AS AT JUNE 30, 2010**  
All amounts in rupees unless otherwise stated

	Particulars	SCHEDULE	As at June 30,2010	As at June 30,2009
<b>I.</b>	<b><u>SOURCES OF FUNDS</u></b>			
	<b>1. Shareholders' Funds</b>			
	Share Capital	A	110,081,000	105,637,500
	Reserves and Surplus	B	8,844,307	7,716,061
			<b>118,925,307</b>	<b>113,353,561</b>
	<b>2. Loan Funds</b>			
	Secured Loans	C	64,739,571	57,319,769
	Unsecured Loans	D	1,909,148	1,658,686
	<b>3. Deferred Tax Liability,net</b>		2,490,495	208,414
	<b>TOTAL</b>		<b>188,064,521</b>	<b>172,540,430</b>
<b>II.</b>	<b><u>APPLICATION OF FUNDS</u></b>			
	<b>1. Fixed Assets</b>			
	Gross Block	E	104,811,769	81,778,145
	<b>Less</b> :- Depreciation		7,396,240	3,650,582
	Net Block		<b>97,415,529</b>	<b>78,127,563</b>
	Capital Work In Progress		4,700,000	4,700,000
			<b>102,115,529</b>	<b>82,827,563</b>
	<b>2. Investments</b>	F	500	500
	<b>3. Current Assets, Loans and Advances</b>	G		
	Inventories		3,580,604	3,489,039
	Sundry Debtors		34,597,233	28,159,304
	Cash and Bank Balances		2,635,426	3,292,958
	Loans and Advances		75,012,985	68,729,173
			<b>115,826,249</b>	<b>103,670,473</b>
	<b>Less : Current Liabilities and Provisions</b>	H		
	Current Liabilities		29,877,756	14,366,357
	Provisions		-	70,910
			<b>29,877,756</b>	<b>14,437,267</b>
	<b>Net Current Assets</b>		<b>85,948,492</b>	<b>89,233,206</b>
	<b>4. Miscellenous Expenditure</b>	I	-	479,160
	<b>TOTAL</b>		<b>188,064,521</b>	<b>172,540,429</b>
	Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above and the notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of the Board of Directors  
**Navkar Builders Limited**

For J. B. Shah & CO.  
Chartered Accountants  
Firm No:121333W

Jasmin B. Shah  
Proprietor  
M.No. 46238



Dakshesh Shah  
Chairman & Managing Director

Ullas Shah  
Director

Samir Patel  
Director

Place :- Ahmedabad  
Date :- 08/10/2010

Place :- Ahmedabad  
Date :- 08/10/2010

**NAVKAR BUILDERS LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2010**  
All amounts in rupees unless otherwise stated

Particulars	SCHEDULE	July 1, 2009 to June 30,2010	April 1, 2008 to June 30,2009
<b><u>INCOME</u></b>			
Sales/Income from Operations	J	162,281,471	134,236,352
Other Income		193,289	3,469,386
<b>TOTAL</b>		<b>162,474,760</b>	<b>137,705,738</b>
<b><u>EXPENDITURE</u></b>			
Cost of Goods Sold	K	118,533,384	109,281,913
Administrative and Selling Expenses	L	15,706,660	12,628,693
Employees' Remuneration and Benefits	M	10,764,384	3,917,301
Financial Charges	N	9,710,691	6,408,825
Depreciation	E	3,745,659	3,141,517
Preliminary Expenses Written Off		479,160	159,720
<b>TOTAL</b>		<b>158,939,937</b>	<b>135,537,968</b>
<b>PROFIT BEFORE TAX</b>		<b>3,534,823</b>	<b>2,167,770</b>
Earlier Year Tax		239,066	-
Current Tax		546,130	334,920
Deferred Tax		2,282,081	(438,426)
Fringe Benefit Tax		(114,570)	70,910
MAT Reserves		(546,130)	(334,920)
<b>NET PROFIT</b>		<b>1,128,246</b>	<b>2,535,286</b>
Balance Brought Forward		7,441,061	4,905,775
<b>Surplus Carried to Balance Sheet</b>		<b>8,569,307</b>	<b>7,441,061</b>
Earnings/(Loss) per share (in Rs.)			
Basic (Nominal value of share Rs.10 )		0.11	0.41
Diluted (Nominal Value of shares Rs.10)		0.10	0.41
Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above and the notes to accounts form an integral part of the Profit & Loss Account  
For and on behalf of the Board of Directors  
**Navkar Builders Limited**

For J. B. Shah & CO.  
Chartered Accountants  
Firm No:121333W

Jasmin B. Shah  
Proprietor



Dakshesh Shah  
Chairman & Managing Director

Ullas Shah  
Director

Samir Patel  
Director

M.No. 46238

Place :- Ahmedabad  
Date :- 08/10/2010

Place :- Ahmedabad  
Date :- 08/10/2010



**NAVKAR BUILDERS LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT JUNE 30, 2010**

Particulars	As at June 30, 2010	As at June 30, 2009
<b><u>SCHEDULE- A : SHARE CAPITAL</u></b>		
<b>Authorised</b> 20,000,000 (12,000,000) Equity Shares of Rs. 10 each	200,000,000	120,000,000
	<b>200,000,000</b>	<b>120,000,000</b>
<b>Issued, Subscribed</b>		
<b>Equity</b> 10,102,600 (10,102,600) Equity Shares of Rs. 10 each fully paid up	101,026,000	101,026,000
Add: Amount of Forefited shares	4,611,500	4,611,500
	105,637,500	105,637,500
1,777,400 (0) Convertible Warrants of Rs. 10 each Rs. 2.5 paid up	4,443,500	-
	<b>110,081,000</b>	<b>105,637,500</b>
<b><u>SCHEDULE- B : RESERVES AND SURPLUS</u></b>		
General Reserve	275,000	275,000
Profit and Loss Account	8,569,307	7,441,061
	<b>8,844,307</b>	<b>7,716,061</b>
<b><u>SCHEDULE- C : SECURED LOANS</u></b>		
<b>Term Loans</b> From bank (Various term loans secured by way of charge over assets of the Company)	42,905,028	47,723,687
<b>Working capital facilities from banks</b> From bank [Working capital facilities secured by book debts and stock of the company]	21,834,543	9,596,082
	<b>64,739,571</b>	<b>57,319,769</b>
<b><u>SCHEDULE- D : UNSECURED LOANS</u></b>		
From Directors	-	1,000,000
From Others	1,909,148	658,686
	<b>1,909,148</b>	<b>1,658,686</b>



**NAVKAR BUILDERS LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT JUNE 30, 2010**

<b><u>SCHEDULE - F : INVESTMENTS</u></b>			
<b><u>LONG TERM INVESTMENTS (At Cost)</u></b>			
<b><u>UNQUOTED</u></b>			
<b>TRADE INVESTMENTS</b>			
50 (50) Shares of Rs. 10 Each of MMC Bank		500	500
<b>Total - Investments</b>		<b>500</b>	<b>500</b>
<b><u>SCHEDULE-G : CURRENT ASSETS, LOANS AND ADVANCES</u></b>			
<b><u>CURRENT ASSETS</u></b>			
<b>(a) Inventories</b>			
<i>(As taken, valued and certified by Management)</i>			
Raw materials		3,580,604	3,489,039
		<b>3,580,604</b>	<b>3,489,039</b>
<b>(b) Sundry Debtors</b>			
<i>(Unsecured, Considered Good)</i>			
Outstanding for a period exceeding six months		16,498,953	-
Others		18,098,280	28,159,304
		<b>34,597,233</b>	<b>28,159,304</b>
<b>(c) CASH AND BANK BALANCES</b>			
Cash on hand		880,860	3,861,048
Balances with Scheduled Banks			
in Current Accounts		220,193	(2,852,464)
in Term Deposit Accounts		1,534,374	2,284,374
		<b>2,635,426</b>	<b>3,292,958</b>
<b>(d) LOANS AND ADVANCES</b>			
<i>(Unsecured, considered good)</i>			
Deposits		2,465,726	844,259
Advances recoverable in cash or in kind or for value to be received		70,997,583	66,536,000
Mat Credit Entitlement		1,417,260	659,920
Advance Taxes (Net of Provisions)		132,416	688,994
		<b>75,012,985</b>	<b>68,729,173</b>



**NAVKAR BUILDERS LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT JUNE 30, 2010**

Particulars	As at June 30,2010	As at June 30,2009
<b><u>SCHEDULE- H : CURRENT LIABILITIES AND PROVISIONS</u></b>		
<b>Current Liabilities</b>		
Sundry Creditors	29,169,637	13,961,260
Other Current Liabilities	708,119	405,097
	<b>29,877,756</b>	<b>14,366,357</b>
<b>Provisions</b>		
For Fringe Benefit Tax	-	70,910
	-	<b>70,910</b>
	<b>29,877,756</b>	<b>14,437,267</b>
<b><u>SCHEDULE- I : MISCELLANEOUS EXPENDITURE</u></b>		
To the Extent not written off or adjusted		
Opening Balance	479,160	638,880
Addition during the year	-	-
	479,160	638,880
Less Written off during the year	479,160	159,720
Closing Balance	-	<b>479,160</b>



**NAVKAR BUILDERS LIMITED**  
**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FROM July 1, 2009 TO June 30, 2010**

Particulars	July 1,2009 to June 30, 2010	April 1,2008 to June 30, 2009
<b><u>SCHEDULE - J : OTHER INCOME</u></b>		
Interest Received		
From Bank	41,794	771
From others	40,165	3,334,134
Miscellaneous Income	111,330	134,481
	<b>193,289</b>	<b>3,469,386</b>
<b><u>SCHEDULE - K : COST OF GOODS SOLD</u></b>		
<b>Consumption of Raw Materials :</b>		
Opening Stock	3,489,039	1,477,644
Add :- Purchases	79,349,579	89,894,523
	82,838,618	91,372,167
Less : - Closing Stock	3,580,604	3,489,039
	<b>(A) 79,258,014</b>	<b>87,883,128</b>
<b>Sub Contracting Charges</b>	<b>(B) 5,224,349</b>	<b>7,608,627</b>
<b>Other Direct Expenses</b>	<b>(C) 34,051,021</b>	<b>13,790,159</b>
	<b>(D) = (A)+ (B)+ (C)</b>	<b>109,281,913</b>
	<b>118,533,384</b>	<b>109,281,913</b>
<b><u>SCHEDULE - L : ADMINISTRATIVE AND SELLING EXPENSES</u></b>		
Rent	3,688,740	3,656,391
Rates and Taxes	1,498,448	1,378,838
Repairs and maintenance Expenses	2,579,696	1,642,736
Electricity Expenses	95,631	97,310
Advertisement and Sales Promotion	816,944	347,184
Travelling, Conveyance and Vehicle Expenses	2,866,844	1,752,349
Communication Expenses	488,213	436,703
Auditors' Remuneration and expenses	110,300	75,000
Legal and Professional Expenses	345,810	676,955
Printing & Stationery	124,524	164,142
Insurance	790,426	898,978
Other Selling and Administrative Expenses	2,301,084	1,502,108
	<b>15,706,660</b>	<b>12,628,693</b>
<b><u>SCHEDULE - M : EMPLOYEES' REMUNERATION AND BENEFITS</u></b>		
Salaries, Wages, Allowances and Bonus	10,518,168	3,704,015
Staff Welfare Expenses	246,216	213,286
	<b>10,764,384</b>	<b>3,917,301</b>
<b><u>SCHEDULE - N : FINANCIAL CHARGES</u></b>		
Interest		
-Term Loans	6,330,382	1,896,716
-Others	3,011,744	3,905,308
Bank Charges	368,565	606,801
	<b>9,710,691</b>	<b>6,408,825</b>



NAVKAR BUILDERS LIMITED

SCHEDULE FORMING PART OF ACCOUNT AS AT 30TH JUNE 2010

SCHEDULE - E FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.07.09	Addition for the Year	Deduction for the Year	As at 30.06.10	As at 01.07.09	Addition for the Year	As at 30.06.10	As at 30.06.10	As at 30.06.09
Land	9,408,245	-	-	9,408,245	-	-	-	9,408,245	9,408,245
Building	7,600,361	1,382,535	-	8,982,896	164,834	289,196	454,030	8,528,866	7,435,527
Plant & Machinery	61,199,048	21,371,891	-	82,570,939	3,301,249	3,184,407	6,485,656	76,085,283	57,897,799
Computer	225,305	72,640	-	297,945	34,449	40,360	74,809	223,136	190,856
Furniture & Fixtures	3,013,721	206,558	-	3,220,279	107,437	200,206	307,644	2,912,635	2,906,284
Vehicles	331,465	-	-	331,465	42,613	31,489	74,102	257,363	288,852
<b>TOTAL</b>	<b>81,778,145</b>	<b>23,033,624</b>	<b>-</b>	<b>104,811,769</b>	<b>3,650,582</b>	<b>3,745,659</b>	<b>7,396,240</b>	<b>97,415,529</b>	<b>78,127,563</b>
Capital Work in Progress								4,700,000	
<b>PREVIOUS YEAR</b>	<b>40,520,830</b>	<b>41,257,314</b>	<b>-</b>	<b>81,778,144</b>	<b>509,065</b>	<b>3,141,517</b>	<b>3,650,582</b>	<b>78,127,562</b>	<b>40,011,765</b>



**NAVKAR BUILDERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2010**

Particulars	July 1, 2009 to June 2010		April 1, 2008 to June 2009	
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax		3,534,823		2,167,770
<b>Adjustments for</b>				
Depreciation	3,745,659		3,141,517	
Preliminary Expenditures Written off	479,160		159,720	
Interest expenses	9,342,126		-	
Interest Income	(81,959)	13,484,986	(3,334,905)	(33,668)
Operating Profit before Working Capital Changes		17,019,809		2,134,101
<b>Adjustments for</b>				
Decrease / (Increase) in Inventories	(91,565)		(2,011,395)	
Decrease / (Increase) in Sundry Debtors	(6,437,929)		(25,134,007)	
Decrease / (Increase) in Loans and Advances	(6,083,050)		(30,209,783)	
(Decrease) / Increase in Current Liabilities	15,440,489	2,827,945	11,739,464	(45,615,721)
Cash Generated from Operations		19,847,753		(43,481,620)
Direct Taxes Paid (net of refunds)		(325,258)		(660,934)
<b>Net Cash Flow from Operating Activities (A)</b>		<b>19,522,495</b>		<b>(44,142,554)</b>
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Purchase)/Sale of Fixed Assets	(23,033,624)		(36,163,790)	
Interest Received	81,959	(22,951,665)	3,334,905	(32,828,885)
<b>Net Cash Flow from Investing Activities (B)</b>		<b>(22,951,665)</b>		<b>(32,828,885)</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Share Capital	4,443,500		36,000,000	
Proceeds From Borrowings	7,419,802		37,057,593	
Interest Paid	(9,342,126)		-	
Increase/(Decrease) in Unsecured Loan	250,462	2,771,638	1,251,070	74,308,663
<b>Net Cash Flow from Financing Activities (C)</b>		<b>2,771,638</b>		<b>74,308,663</b>
<b>D.NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(657,531)</b>		<b>(2,662,776)</b>
<b>(D) = (A+B+C)</b>				
Opening Balance of Cash and Cash Equivalents		3,292,958		5,955,734
Closing Balance of Cash and Cash Equivalents		2,635,427		3,292,958

**Notes**

- 1 The figures in brackets represent outflows.
- 2 Previous periods' figures have been regrouped / reclassified , wherever necessary.

As per our report of even date

For J. B. Shah & CO.  
Chartered Accountants  
Firm No: 121333W

Jasmin B. Shah  
Proprietor  
M.No. 46238



**Place :- Ahmedabad**  
**Date :- 08/10/2010**

**AUDITORS CERTIFICATE**

We have verified the above Cash Flow Statement of Navkar Builders Limited derived from the financial statements for the year ended June 30, 2010 and June 30, 2009 and we found the same to be drawn in accordance with the requirements of Clause 32 of the listing agreement with the Stock Exchange.

**Place : Ahmedabad**  
**Date : 08/10/2010**

## NAVKAR BUILDERS LIMITED

### SCHEDULE O: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1. Significant Accounting Policies

##### a) Basis of accounting

The financial statements have been prepared under the historical cost convention, on accrual basis of accounting to comply in all material respects, with the mandatory accounting standards as notified by the companies (Accounting Standards) Rules ,2006 as amended('the rules') and the relevant provisions of the Companies Act,1956('the Act') The accounting policies have been consistently applied by the Company; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles('Indian GAAP').

##### b) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated.

##### c) Revenue Recognition

Revenue from the sale of goods is recognised when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the order.

Interest Income is recognised on time proportion basis.

##### d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Capital Work in progress comprises of advances paid to acquire fixed assets and cost of fixed assets that are not yet ready for their intended use as at the Balance Sheet date.

The carrying amounts of the assets belonging to each cash-generating unit ('CGU') are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying amounts exceed the recoverable amount of the assets' CGU, assets are written down to their recoverable amount.

##### e) Depreciation

Depreciation on fixed assets is provided on Straight Line method at the rates prescribed by Schedule XIV of the Companies Act, 1956.

##### f) Inventories

Inventories of raw materials are valued at the lower of the cost and estimated net realisable value. Cost is determined on weighted average basis.

##### g) Investments

Long Term Investments are carried at cost.

##### h) Retirement and other employee benefits

Retirement and other employee related benefits are provided for as and when paid.

##### i) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to profit & Loss Account.



#### **j) Income Tax**

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

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax (MAT) credit is recognised as an asset when and to the extent there is a convincing evidence that the company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognised as asset in accordance with recommendations contained in the Guidance Note issued by Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the profit and loss account and shown as MAT credit entitlement. The company review the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay Income Tax higher than MAT during the specified period.

#### **k) Earnings Per Share**

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

The number of equity shares and potentially dilutive equity shares are adjusted for share warrants as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, head the shares been issued at face value.

#### **l) Segment Reporting**

The business of the Company is only single segment of supplying infrastructure Projects (ready mix for structure of construction) and hence it's operating only in one business segment. Again the Company operates only under one geographical segment. So the disclosures in pursuant to Accounting Standard (AS-17) issued by the ICAI are not applicable to the Company.

#### **m) Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed by way of notes to the accounts.

Contingent assets are not recognized.

2. The Company has issued 17,77,400 convertible warrants on preferential basis at a price of Rs. 10 each and partly paid by Rs. 2.5 each as per SEBI (DIP) guidelines. The warrant holder has to pay Rs. 7.5/- per warrant at the time of allotment of warrant. The warrant will be converted at the option of the allottees into equity shares of Rs. 10/- each at par at any time within 18 months from the date of





allotment, in case of option is not exercise within a period of 18 months from the date of allotment, Rs. 2.5 paid on the date of allotment shall be forfeited.

3. In opinion of the directors, contingent liability not provided is Rs. Nil. (Previous Year Rs. Nil)
4. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances): Rs. Nil (Nil).
5. Disclosure U/s. 22 of Micro, Small and Medium Enterprises Development Act, 2006:
  - a) Principal Amount remaining unpaid to suppliers as on June 30, 2010: NIL
  - b) Amount of Interest due and remaining unpaid as on June 30, 2010: NIL
  - c) Amount of Interest paid U/s.16: NIL
  - d) Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act: NIL
  - e) Amount of Interest accrued and remaining unpaid as on June 30,2010: NIL

6. Break up of the accumulated Deferred Tax Liability is given below:-

Particulars	Deferred Tax Liability/(Asset) as at June 30,2009	During the Year 2009-10	Deferred Tax Liability(Asset) as at June 30, 2010
<b>Deferred Tax Liability:</b>			
Depreciation on Fixed Assets	37,58,831	38,09,216	75,68,047
<b>Deferred Tax Assets:</b>			
Unabsorbed Depreciation	(35,50,417)	(24,495)	(35,74,912)
<b>Total Deferred Tax Liability/(Asset)</b>	<b>2,08,414</b>	<b>37,84,721</b>	<b>39,93,135</b>

8. Directors Remuneration Paid during the year is Rs. 22, 68,000 (Rs. Nil)

9. Related Party Transactions:

As per Accounting Standard - 18 (AS 18) – ‘Related Party Disclosures’, as notified by the Rules, the disclosures of transactions with the related parties as defined in the accounting standard are given below:

**A. Related parties with whom transactions have taken place during the year**

- a) Entities where key management personnel (KMP)/relatives of key management personnel (RKMP) have significant influence –

Parshva Alluminium Co. Pvt Ltd., Parshva Texchem (India) Pvt Ltd., Gurjar Granth Ratna Karyalaya, Gurjar Finance, Yashnanad Engineers & Contractors

- b) Associate Company

Navkar Fiscal Services private Limited

- c) Key management personnel

Dakshesh Shah, Samir Patel, Ullas Shah

- d) Relatives of key management personnel

Chandubhai B. Patel, Hemishbhai C. Patel, Manubhai G. Shah



**B. Transactions between the Company and related parties and the status of outstanding balances as at June 30, 2010:**

Rs. In Lacs

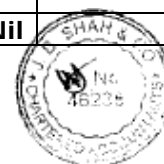
Particulars	Entities where KMP /RKMP has significant influence	Associate Company	KMP	RKMP
<b>Transactions</b>				
Subscription to/purchase of Equity Shares	(Nil)	<b>464.35</b>	(Nil)	(Nil)
	(Nil)	<b>(204.35)</b>	(Nil)	(Nil)
Loans / deposit given (includes repayment)	<b>Nil</b>	<b>8.20</b>	<b>Nil</b>	<b>Nil</b>
	(250.54)	(Nil)	(Nil)	(Nil)
Loans / deposit taken (includes repayment)	<b>Nil</b>	<b>Nil</b>	<b>(Nil)</b>	<b>Nil</b>
	(472.65)	Nil	Nil	(74.23)
Interest received /receivable	<b>(Nil)</b>	<b>(Nil)</b>	<b>(Nil)</b>	<b>(Nil)</b>
	(18.95)	(Nil)	(Nil)	(6.31)
Interest paid/payable	<b>(Nil)</b>	<b>(Nil)</b>	<b>(Nil)</b>	<b>(Nil)</b>
	(Nil)	(Nil)	(Nil)	(0.18)
Sales	<b>74.59</b>	<b>99.13</b>	<b>(Nil)</b>	<b>Nil</b>
	(24.90)	(Nil)	(Nil)	(Nil)
Tender Expense	<b>0.18</b>	<b>(Nil)</b>	<b>(Nil)</b>	<b>(Nil)</b>
	(Nil)	(Nil)	(Nil)	(Nil)
Payment to Key Managerial Personnel	<b>(Nil)</b>	<b>(Nil)</b>	<b>12.96</b>	<b>(Nil)</b>
	(Nil)	(Nil)	(Nil)	(Nil)
Loans / deposits outstanding	<b>Nil</b>	<b>5.95</b>	<b>(Nil)</b>	<b>(Nil)</b>
	Nil	(2.25) <sup>1</sup>	Nil	Nil

1. Includes credit balance

**C. Disclosure of significant transactions with related parties**

Rs. In Lacs

Type of the Transaction	Type of relationship	Name of the entity/person	Year ended June 30,	
			2010	2009
Loans given (includes repayment)	Entities where KMP/ RKMP has significant influence	Parshva Alluminium Co. Ltd.	<b>Nil</b>	240.64
	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	<b>Nil</b>	10.10
Interest received / receivable	Entities where KMP/ RKMP has significant influence	Parshva Alluminium Co. Ltd.	<b>Nil</b>	6.67
	Entities where KMP/ RKMP has significant influence	Parshva Texchem (India) Pvt. Ltd.	<b>Nil</b>	5.69
	Entities where KMP/ RKMP has significant influence	Gurjar Finance	<b>Nil</b>	5.26
	Relative of key	Chandubhai B. Patel	<b>Nil</b>	3.65

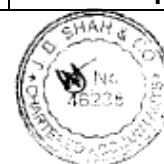


Type of the Transaction	Type of relationship	Name of the entity/person	Year ended June 30,	
			2010	2009
	managerial personnel			
	Relative of key managerial personnel	Hemishbhai C. Patel	Nil	2.65
Loan Taken (includes repayment)	Entities where KMP/ RKMP has significant influence	Parshva Alluminium Co. Ltd.	Nil	316.36
	Entities where KMP/ RKMP has significant influence	Parshva Texchem (India) Pvt. Ltd.	Nil	66.62
	Entities where KMP/ RKMP has significant influence	Gurjar Finance	Nil	64.42
Interest paid / payable	Relative of key managerial personnel	Manubhai G. Shah	Nil	0.18
Sales	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	74.59	Nil
	Associate Company	Navkar Fiscal Services Private Limited	39.74	99.13
Tender Expense	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	0.18	Nil
Payment to Key Managerial Personnel	Key Managerial Personnel	Dakshesh Shah	7.56	Nil
	Key Managerial Personnel	Samir Patel	7.56	Nil
	Key Managerial Personnel	Ullas Shah	7.56	Nil
Subscription to/purchase of Equity Shares	Associate Company	Navkar Fiscal Services Private Limited	464.35	204.35

**10. Disclosure as required by clause 32 of listing agreement with stock exchanges**

Rs. In Lacs

Type of relationship	Name	Amount outstanding as at June 30, 2010	Maximum Amount outstanding during the year
Companies in which directors are interested	Parshva Alluminium Co. Ltd.	Nil	Nil
	Parshva Texchem Pvt. Ltd.	Nil	Nil
	Gurjar Granth Ratna Karyalaya	Nil	Nil
	Gurjar Finance	Nil	Nil
	Yashnanad Engineers & Contractors	Nil	16.38



Note:

- a) All the above balances of loans are including accrued interest and are payable on demand.
- b) No loans have been granted by the Company to any person for the purpose of investing in the shares of Navkar Builders Limited.

**11. Earnings/ (Loss) per Share ('EPS')**

PARTICULARS	July 1, 2009 to June 30, 2010	April 1, 2008 to June 30, 2009
<b>Basic Earnings/(Loss) per share</b>		
Net Profit attributable to equity shareholders (a)	(3,74,395)	25,35,286
Weighted average number of equity shares (b)	1,01,02,600	62,16,635
Basic Earning/(loss) per share of face value of Rs. 10/- each (a/b)	(0.04)	0.41
<b>Diluted Earnings/(Loss) per share</b>		
Weighted average number of equity shares (b)	1,01,02,600	62,16,635
Add: Potential weighted average equity shares that could arise on conversion on share warrants (c)	1629283	
Weighted average number of equity shares for diluted EPS (d) = (b+c)	1,17,31,883	62,16,635
Diluted Earning/(loss) per share of face value of Rs. 10/- each (a/d)	(0.03)	0.41

12. Additional information pursuant to the provisions of paragraphs 3, 4B, 4C, 4D of part II of the Schedule VI of the Companies Act, 1956.

a) **Production**

Particulars	Production (In Cubic Mtr.)	
	2010	2009
Ready Mix Concrete	77,238	64,859

b) **Details of turnover**

Particulars	2009-10		2008-09	
	Qty(In Cubic Mtr)	Amount	Qty(In Cubic Mtr)	Amount
<b>Turnover</b>				
Ready Mix Concrete (In Cubic Mtr)	77,238	16,38,42,700	64,859	14,84,84,045



c) (i) Raw materials Consumed:

Item	Year Ended June 30,			
	2010		2009	
	Qty (In Cubic Mtr)	Amount	Qty (In Cubic Mtr)	Amount
Cement	284	10,13,731	284	10,13,731
Admixture	19,097	4,74,339	19,097	4,74,339
Fly Ash	44,366	21,560	44,366	21,560
Metal	1,120	3,84,446	1,120	3,84,446
Greet	1,868	6,65,401	1,868	6,65,401
Kapachi	1,137	4,61,942	1,137	4,61,942
Quarry West	0	0	150	17,821
Semi Greet	0	0	207	53,324
Semi Metal	0	0	343	98211
Sand	3,556	3,16,085	3,556	3,16,085
<b>Total</b>	<b>71,429</b>	<b>33,37,504</b>	<b>72,129</b>	<b>35,06,860</b>

Note:

It is not practicable to furnish quantitative information in view of large number of items, which differ in size and nature, each being less than 10% in value of the total raw materials consumed.

(ii) Raw material: - Opening and Closing Stock

Item	Opening Stock		Closing Stock	
	Qty (In Cubic Mtr)	Amount	Qty (In Cubic Mtr)	Amount
Admixture	19,097	4,74,339	15,448	3,81,337
Cement	284	10,13,731	670	22,14,719
Fly Ash	44,366	21,560	3,21,781	1,78,009
Greet	1,868	6,65,401	1,587	3,48,408
Kapachi	1,137	4,61,942	1,412	3,57,492
Metal	1,120	3,84,446	40	8,344
Sand	3,556	3,16,085	1,000	92,296
<b>Total</b>	<b>71,428</b>	<b>33, 37,504</b>	<b>3, 41,937</b>	<b>35, 80,604</b>

d) During the year, there were no imports of raw materials, stores and spares or capital goods and there was no remittance in foreign currency on account of dividends. Also, there was no earning in foreign currency.

13. Figures have been rounded off to the nearest rupee and previous year's Figures have been regrouped, rearranged and reclassified wherever necessary to confirm with current year's figures.

14. Additional information pursuant to the provisions of paragraphs 3, 4B, 4C, 4D of part II of the Schedule VI of the Companies Act, 1956.

a) Auditors' Remuneration and Expenses

Particulars	2009-10	2008-09
As Statutory and Tax Auditors	82,725	60,000
As Tax matters	27,575	15,000



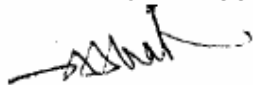
<b>Total</b>	<b>1,10,300</b>	<b>75,000</b>
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- b) As the Company is into the Execution of infrastructure Projects, it is not practicable to give other details pursuant to paragraphs 3, 4B, 4C, 4D of part II of the Schedule VI of the Companies Act, 1956.
- c) During the year, there were no imports of raw materials, stores and spares or capital goods and there was no remittance in foreign currency on account of dividends. Also, there was no earning in foreign currency.

Signatures to schedules 'A' to 'O'

As per our report of even date

For, J B Shah & Co  
Chartered Accountants  
Firm No: 121333W



Jasmin B. Shah  
Proprietor  
M.No. 46238



For and on behalf of the Board of Directors of  
Navkar Builders limited



Dakshesh Shah  
Chairman & Managing Director



Ullas Shah  
Director



Samir Patel  
Director

Place: Ahmedabad  
Date: 08/10/2010

Place: Ahmedabad  
Date: 08/10/2010





## Compliance Certificate

To,  
The Members,  
Navkar Builders Ltd,  
407, Sarita Complex, B/h. Hotel Classic Gold,  
C.G.Road, Ahmedabad  
Gujarat, India

We have examined the compliance of Corporate Governance by Navkar Builders Ltd for the year ended on 30<sup>th</sup> June, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

For J. B. Shah & Co.  
Chartered Accountants

Place: Ahmedabad  
Date: 08<sup>th</sup> October, 2010

SD/-  
Jasmin B. Shah  
(Proprietor)  
M. No. 46238



## Navkar Builders Limited

### PROXY FORM

Registered Folio No:

No of Shares held:

I/We \_\_\_\_\_ of \_\_\_\_\_ being Member / Members of Navkar Builders Limited, hereby appoint Shri / Smt. \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri / Smt. \_\_\_\_\_ of \_\_\_\_\_ as my/ our proxy to vote for me/ us and on my/ us behalf at the 18<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 27<sup>th</sup> Day of November, 2010 at 10.30 a.m.

Signed by the said \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Signature: \_\_\_\_\_

**Affix Rs. 1  
Revenue  
Stamp**

Applicable to the members holding shares in electronic form.

#### NOTE:

The proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

### ATTENDANCE SLIP

Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall. It helps us to make proper arrangements. Failures to bring this Attendance Slip create unnecessary inconvenience to you. Please write below

Reg.Folio No:

I hereby record my presence at the 17<sup>th</sup> Annual General Meeting of the Company held at Ahmedabad (Place of AGM) on Saturday, the 27<sup>th</sup> Day of November, 2010 at 10.30 a.m.

Full Name of the Members/Proxy \_\_\_\_\_  
(In Block Letters, to be filled in if the proxy attends instead of the Member)

\_\_\_\_\_  
Members/ Proxy Signature

Application to the members holding shares in electronic form.

#### NOTES:

1. Members/ Proxy holders are requested to bring their copy of the Notice with them at the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly completed, stamped signed at the space provided, at the entrance of the Meeting Hall.
3. Shareholders / Proxy holders should bring their copy of the Annual Report for the meeting.