

**7th  
Annual Report  
1998 - 99**

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*Navkar Builders Ltd.*



## *Navkar Builders Ltd.*

### **Board Of Directors**

<b>Bhanwarlal Jain</b>	<b>Chairman</b>
<b>Sanjay B. Kothary</b>	<b>Managing Director</b>
<b>Bhav nabn Chikhalia</b>	<b>Director</b>
<b>Jaydeep Kothary</b>	<b>Director</b>
<b>Bharatbhai Kothary</b>	<b>Director</b>
<b>N. K. Shah</b>	<b>Director</b>
<b>Dinesh Jain</b>	<b>Director</b>
<b>Dr. Pravin Sojitra</b>	<b>Director</b>

### **Auditors**

**Shri Jasmin B. Shah**  
Chartered Accountant  
Ahmedabad.

### **Registered Office**

1, Trimurti Hospital Building,  
Near S. T. Bus Stand,  
Junagadh 362 001

### **Corporate Office**

4th Floor, Nalanda Enclave,  
Opp. Hotel Chicago  
Pritamnagar, Ellisbridge,  
Ahmedabad 380 006.



*Navkar Builders Ltd.*

## NOTICE

NOTICE is hereby given that the SEVENTH ANNUAL GENERAL MEETING of the Shareholders of NAVKAR BUILDERS LIMITED will be held at the Registered Office of the Company at 1, Trimurti Hospital Building, Nr. S. T. Bus Stand, Junagadh - 362001 on Thursday the 30th September, 1999 at 10.30 a.m. to transact the following Ordinary and Special business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance sheet as at 31st March, 1999 the profit & loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Bhanwarlal Jain who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Bhavna Chikhaliya who retires by rotation and being eligible offers herself for reappointment.
4. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution.

" RESOLVED THAT in pursuance to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Section - II of Part - II of Schedule XIII prescribed under the the Companies Act, 1956, Mr. Jaydeep Kothary be and is hereby appointed as *wholetime Director* for a period of five years w.e.f. 1st October, 1999 on the following terms and conditions as to remuneration i.e. Salary, perquisites and allowances.

#### 1. SALARY :

Not exceeding Rs. 18,000/- per month as may be decided by the Board from time to time.

#### 2. PERQUISITES AND AMENITIES :

This shall include House rent allowance, medical allowance / medical reimbursement, Leave travel concession, club fees, dress purchase and maintenance allowance, gardener and such other services, perquisites and benefits as may be fixed by the Board of Directors of the Company in consultation with the appointee.

The aggregate value of the various perquisites and amenities as may be sanctioned to and enjoyed by the Appointee shall not exceed Rs. 2,16,000/- per annum.

#### 3. RETIRAL BENEFITS :

A. Contribution to Provident Fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

B. The Appointee shall be entitled to Gratuity benefit at a rate not exceeding half a month's salary for each completed year of service.

In addition to above, the Company shall provide a Car and telephone with complete maintenance thereof, at residence to the Appointee for use for the business of the Company and the same will not be considered as perquisites.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to fix the detailed terms and conditions as to work assignment and duties to be performed by the Appointee, from time to time."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as a special resolution :-

" RESOLVED THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to delist the Equity shares of the Company from Delhi Stock Exchange Association Limited.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to inform the concerned stock exchange(s) in this connection, to solve any difficulties and problems that may arise in the process and to do all acts, deeds, things and matters as may be considered necessary to delist the Equity shares from Delhi Stock Exchange Association Limited. "

*7th Annual Report***NOTE :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
IN ORDER TO BE EFFECTIVE, THE PROXY MUST REACH TO THE COMPANY AT LEAST FOURTY EIGHT HOURS BEFORE THE MEETING.
2. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of item of Special business is attached herewith.

16th August, 1999  
 Regd. office :  
 1, Trimurti Hospital Building  
 Nr. S. T. Bus Stand  
 Junagadh - 362 001.

for and on behalf of the board of directors  
**Sanjay Kothary**  
 Managing Director

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 IN  
 RESPECT OF ITEM NO. 5 and 6 OF THE NOTICE**

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**ITEM NO. 5 OF NOTICE**

Keeping in view the recent indication of improvement in overall economy and also to meet the growing business requirements that has increased to a great extent with improvment in overall business operations of the Company, it is proposed to appoint Mr. Jaydeep Kothary, Director of the Company as wholetime Director of the Company. It may be noted that since the appointment of Mr. Jaydeep Kothary on the Board of Directors in the year 1995, the Company is regularly availing services of Mr. Jaydeep Kothary for its various projects.

Mr. Jaydeep Kothary is B.E. Civil and is backed by more than Seven years experience in the construction and real estate industry.

The detailed terms and conditions of appointment are mentioned in the resolution and the same may be treated as an abstract of the terms of appointment pursuant to Section 302 of the Companies Act, 1956.

As per the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956, the consent of the members of the Company is required for appointment of Managing / whole time Director.

Hence the resolution.

Mr. Jaydeep Kothary being an appointee and Mr. Sanjay Kothary and Mr. Bharat Kothary, Directors of the Company being relatives of Mr. Jaydeep Kothary are concerned and interested in the resolution. None of the other Directors are interested in the resolution.

**ITEM NO. 6 OF NOTICE**

Presently the Company's equity shares are listed on the following four stock exchanges in India :

- I) THE SAURASHTRA AND KUTCH STOCK EXCHANGE LIMITED, RAJKOT
- II) THE STOCK EXCHANGE, MUMBAI.
- III) THE STOCK EXCHANGE, AHMEDABAD, AND
- IV) THE DELHI STOCK EXCHANGE ASSOCIATION LIMITED DELHI.

Out of 2957 shareholders of the Company, there are 158 shareholders located in and around the region where the Delhi Stock Exchange Association Limited is situated and the trading volume on the said Stock Exchange in the Company's shares is reported to have been "Nil" over a long period of time. The proposed delisting of the Company's Shares will therefore not adversely affect any investor including the members located in regions where the said Stock Exchange is situated. Also the Company is continuing listing of shares on other three stock exchanges.

Stock Exchanges in India with the permission of SEBI are now free to fix the prescribed listing fees unilaterally and it has been observed that the listing fee paid to the Delhi Stock Exchange is not at all commensurating to the trading volumes and number of shareholders who are being served thereat.

in line with the SEBI regulations for voluntary delisting of the Companies Securities by the Companies, members approval is sought by a Special Resolution for delisting its Equity Shares from the Stock Exchange situated at New Delhi.

The proposed delisting is in the interest of the Company and the Board commends the Resolution for acceptance by members.

16th August, 1999  
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for and on behalf of the board of directors  
**Sanjay Kothary**  
 Managing Director



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## DIRECTORS' REPORT

To  
The Members

Your Directors present herewith SEVENTH Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 1999.

### FINANCIAL RESULTS

	31.3.99	(Rs. in lacs) 31.3.98
Total Income	<u>290.63</u>	<u>227.00</u>
Profit before interest and depreciation	<u>17.63</u>	<u>14.47</u>
Deduct : Interest	2.09	0.30
Depreciation	3.50	2.47
Profit before tax	12.04	11.70
Deduct : Provision for tax	<u>3.25</u>	<u>2.70</u>
Profit available for appropriation	8.79	9.00
Appropriation made as under :		
General Reserve	0.00	1.00
Income tax for earlier years	<u>6.23</u>	<u>0.36</u>
Profit carried to Balance sheet	2.56	7.64
Balance for last year	<u>20.17</u>	<u>12.54</u>
Balance carried to Balance Sheet	<u>22.73</u>	<u>20.18</u>

### OPERATIONAL REVIEW

There is a gradual improvement in the performance of the Company. The total income of the Company has gone up to Rs. 290.63 lacs during the year as compared to that of Rs. 227.17 lacs of that of the previous year. The Company's prestigious scheme named "Konark Karishma" - a scheme of luxurious flats which was launched during the last year has almost completed. The response received to the scheme is satisfactory.

### Y2K COMPLIANCE

Since its installation, the Company's computer system has been adequately equipped to meet the requirements of Y2K. As such the Company's operations will not be affected in any way due to the likely problems of Y2K.

### DIRECTORS

Mr. Bhanwarlal Jain and Mrs. Bhawna Chikhalia, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

### DEPOSITS

The Company has not received any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.