

**8th
Annual Report
1999-2000**



Navkar Builders Ltd.



Navkar Builders Ltd.

Board Of Directors

Bhanwarlal Jain	Chairman
Sanjay B. Kothary	Managing Director
Bhavnaben Chikhalia	Director
Jaydeep Kothary	Director
Bharatbhai Kothary	Director
N. K. Shah	Director
Dinesh Jain	Director
Dr. Pravin Sojitra	Director

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 EIGHTH 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 Saturday the 30th September, 2000 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, 2000, 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 Mr. Dinesh Jain who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. N. K. Shah who retires by rotation and being eligible offers himself 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 Schedule XIII thereof, the consent of the shareholders of the Company be and is hereby accorded to the reappointment of Mr. Sanjay Kothary, Director of the Company as Managing Director of the Company for a period of five years w.e.f. 1st May, 2000 on the following terms and conditions :

1. **SALARY :** Rs. 22,000/- per month.

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 Managing Director.

The aggregate value of the various perquisites and amenities as may be sanctioned to and enjoyed by the Managing Director shall not exceed Rs. 96,000/- per annum.

3. RETIRAL BENEFITS :

- A. Contribution to Provident Fund, superannuation fund or annuity fund as per the rules of the Company, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- B. The Managing Director shall be entitled to Gratuity benefit at a rate not exceeding half a month's salary for each completed year of service.

4. CAR AND TELEPHONE :

In addition to above, the Company shall provide a Car and telephone at residence with complete maintenance thereof to the Managing Director for use for the business of the Company and the same will not be considered as perquisites. However personal long distance calls on telephone and use of Car for private purposes shall be billed by the Company to the Managing Director.

5. The Company will reimburse to the Managing Director such expenses as he may incur on behalf of the Company.
6. The Managing Director would be entitled to leave on full pay and allowances as per the rules of the Company not exceeding one month leave for every eleven months of services.
7. The Managing Director shall not be entitled to receive any sitting fee for attending the meetings of the Board of Directors or committee thereof from the date of his re-appointment.
8. Perquisites and amenities shall be valued as per Income-tax Act, 1961.
9. The appointment may be terminated by either party giving the other party two month's notice, or the Company paying two month's salary in lieu of the notice.
10. If at any time the appointee ceases to be a Director of the Company for any causes whatsoever, he shall cease to be the Managing Director of the Company.
11. The appointee is not liable to retire by rotation.

12. POWERS AND RESPONSIBILITIES :

Subject to the superintendence, control, and direction of the Board of Directors of the Company, the appointee shall have the general conduct and management of the whole of business and affairs of the Company except in the matters which may be specifically required to be done by the Board either by the Companies Act, 1956 or by the Articles of Association of the Company and the appointee shall also exercise and perform such powers and duties as the Board of Directors



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of the Company (herein after called the "Board") may from time to time determine. He shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company and in particular.

The appointee shall unless prevented by ill health or disability throughout the said term, devote adequate time, attention and abilities to the business of the Company and in all respect conform to and comply with directions given and regulations made by the Board and he shall well and faithfully serve the Company and use his best endeavors to promote the interest of the Company.

The appointee shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatsoever for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment as to the business affairs of the company or as to any trade secrets or secret process of the Company and the appointee during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

FURTHER RESOLVED that in the event of any re-enactment or recodification of the Companies Act, 1956 or the Income Tax Act, 1961 or amendments thereto, this Resolution shall continue to remain in force and the reference to various provisions of the Companies Act, 1956 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.

RESOLVED FURTHER THAT action taken by the Board of Directors in this connection be and are hereby ratified and that the Board of Directors of the Company be and is hereby further authorised to take all necessary actions as may be required in this connection.

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 FORTY 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.

18th August, 2000

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

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

The term of appointment of Mr. Sanjay Kothary as Managing Director of the Company has expired on 30th April, 2000. The Board of Director of the Company has at their meeting held on 30th April, 2000 re-appointed him as Managing Director of the Company for a further period of five years. As per the provisions of Schedule XIII of the Companies Act, 1956, such re-appointment is subject to approval of the shareholders of the Company in General Meeting.

Hence the resolution. The members are well aware that since incorporation Mr. Sanjay Kothari is associated with the Company and under his leadership only, the company has till date performed well. His business accumen and capabilities has proved at number of occasions. He is well known on his Approach towards customer and also in the matter of construction.

The Board recommend the resolutions.

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 of Section 302 of the Companies Act, 1956.

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

18th August, 2000

Regd. office :

1, Trimurti Hospital Building

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Junagadh - 362 001.

for and on behalf of the Board of Directors

Sanjay Kothary

Managing Director



Navkar Builders Ltd.

DIRECTORS' REPORT

To
The Members

Your Directors present herewith EIGHTH Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

(Rs. in lacs)

	31.3.2000	31.3.99
Total Income	222.60	290.63
Profit before interest and depreciation	12.05	17.63
Deduct : Interest	0.00	2.09
Depreciation	3.22	3.50
Profit before tax	8.83	12.04
Deduct : Provision for tax	2.35	3.25
Profit available for appropriation	6.48	8.79
Appropriation made as under :		
Income tax for earlier years	0.68	6.23
Profit carried to Balance sheet	5.80	2.56
Balance for last year	22.72	20.17
Balance carried to Balance Sheet	28.52	22.73

OPERATIONAL REVIEW

The total income of the Company during the year under review has gone down to Rs. 222.60 lacs as compared to Rs. 290.61 lacs of that of the previous year. Though during last year the Company has performed well, however looking to the overall real estate industry, the management is compelled to take a very cautious approach while launching any new scheme. The demand for offices and residential premises has also gone down considerably. In view of the above the Company is also analysing and exploring the alternate business opportunities in addition to the present activities.

DIRECTORS

Mr. Dinesh Jain and Mr. N. K. Shah, Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

Effective from 1st May, 2000, the Board has reappointed Mr. Sanjay Kothary as Managing Director of the Company and the same is subject to approval of the shareholders of the Company at the ensuing Annual General Meeting. The necessary resolution in this connection is proposed in the Notice of the ensuing Annual General Meeting.

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.