

# **Tenth Annual Report 2001-2002**



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*Navkar Builders Ltd.*



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### **Board Of Directors**

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

### **Auditors**

**J. B. Shah & Co.**

Chartered Accountants  
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.



## NOTICE

NOTICE is hereby given that the TENTH 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 **Monday the 30th September, 2002 at 10.30 a.m.** to transact the following Ordinary Business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance sheet as at 31st March, 2002, 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. Bhanwarlal 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 modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modifications or re-enactment thereof, for the time being in force and subject to any approvals if necessary, the Articles of Association of the Company be and is hereby altered, amended and modified as follows;

1. In Article 2 of the Articles of Association dealing with the definitions of various words, definition of the words (1) " Beneficial owner " be inserted after the definition of the word " Board or Board of Directors" , (2) " Depository Act, 1996 " and " Depository " be inserted after the definition of the word " Debenture " :

" Beneficial Owner " shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996

" Depository Act, 1996 " shall include any statutory modification or re-enactment thereof

" Depository " shall mean a Depository as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

2. The existing Article 15 be renumbered as Article 15-A and thereafter the following new Article be inserted as Article No. 15-B :

#### 15-B : ISSUE OF SWEAT EQUITY

The Company may issue any shares as Sweat Equity shares of a class of shares already issued subject to the guidelines as prescribed by the Securities and Exchange Board of India or Government of India in this behalf from time to time.

3. The existing Article 56 be renumbered as Article 56-A and thereafter the following new Article be inserted as Article No. 56-B :

#### 56-B : BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other specified securities subject to and in accordance with the provisions of Section 77A of the Companies Act, 1956 and / or any regulations or procedure made by the Securities and Exchange Board of India or Government of India in this behalf and in accordance with any other guidelines as may be prescribed and for the time being in force.

4. The following new Articles be inserted after Article 81 as Article No. 81-A to 81-G.

#### SHARES / SECURITIES IN DEMATERIALIZED / REMATERIALIZED FORM

#### ISSUE OF SHARES ETC. IN DEMATERIALIZED / REMATERIALIZED FORM

81-A. Notwithstanding anything contained hereinabove or in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and / or , rematerialize its shares, debentures and other securities held in the Depository and/or to issue its fresh shares, debentures and other securities, in a dematerialized form pursuant to the Depositories Act, 1996 and rules/regulations framed there under.

**CANCELLATION OF CERTIFICATE FOR SHARES HELD IN DEPOSITORY**

81-B. Upon receipt of certificate of shares on surrender by a person who has entered into any agreement with the depository, the Company shall cancel such certificate and substitute in its records the name of depository as the registered owner in respect of the said shares and shall also inform the depository accordingly.

**ISSUE OF SHARES TO BENEFICIAL OWNER IN REMATERIALIZE FORM**

81-C. If a beneficial owner opts out of the depository in respect of any shares of the Company and the Company receives due intimation thereof from the depository, the Company shall on fulfillment of such conditions and on payment of such fees as may be prescribed by the Board, issue certificate of the said shares to the beneficial owner or the transferee, as the case may be.

**REGISTER AND INDEX OF MEMBERS**

81-D. In the Register and index of members kept by the Company in accordance with all applicable provisions of the Companies Act, 1956 containing the details of shares held in material form, there shall also be entered the details of shares and other securities held by any members in a dematerialized form in any media as may be permitted by law including in any form of electronic media, in such manner as found convenient.

**TRANSFER OF SHARES HELD IN DEPOSITORY**

81-E. In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall only apply and the provisions contained elsewhere in these Articles for transfer of shares held in a material form has no application in such cases.

81-F. In the "Register of Transfer" kept by the Company for registering transfer of any shares held in material form, there shall also be fairly and distinctly entered particulars of every transfer or transmission of any share held in dematerialized forms.

**PROGRESSIVE NUMBERING OF SHARES NOT TO APPLY**

81-G. The provisions relating to progressive numbering shall not apply to the shares of the Company which are in dematerialized form.

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 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 deeds, things and matters as may be considered necessary to delist the Equity shares from Delhi Stock Exchange Association Limited. "

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

"Resolved that Dr. D. P. Chikhalia who was appointed as additional Director of the Company on 19th August 2002 and whose term of appointment expires on the day of this Annual General Meeting, be and is hereby appointed as Director of the Company liable to retire by rotation".

**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 special business is annexed hereto.

3. The Register of Members and share transfer books will remain closed from 16.9.2002 to 30.9.2002 [ both days inclusive ].

Date : 28.8.2002

Regd. office :

1, Trimurti Hospital Building,

Nr. S. T. Bus Stand Junagadh - 362 001.

for and on behalf of the Board of Directors

**BHANWARLAL JAIN**

chairman



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS CONTAINED IN THE NOTICE OF 10TH ANNUAL GENERAL MEETING OF THE COMPANY.**

**ITEM NO. 5 OF NOTICE**

It is proposed to insert enabling Article authorizing the Company to issue Sweat Equity shares. As per the provisions of Section 79A of the Companies Act, 1956 Sweat Equity shares means equity shares issued by the Company to employees or directors at a discount or for consideration other than cash for providing know how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

Further the existing set of Articles of Association of the Company does not permit the Company to buy-back its own shares. As per the newly introduced provisions of Section 77A of the Companies Act, 1956 a Company can buy-back its own shares subject to compliance with the various requirements and in accordance with the guidelines, rules and regulations prescribed by the Government/SEBI from time to time in that regard. One of such requirement is the necessity of enabling provision in the Articles of Association of the Company. In view of the same it is proposed to suitably alter the provisions of Articles and to insert the Article enabling the Company to buy-back its own shares subject to rules and regulations as applicable from time to time.

Further, in terms of the requirements of Securities and Exchange Board of India and Stock Exchange, Mumbai making it compulsory for all B2 group Companies to compulsorily get its securities dematerialised, the Company has made necessary applications to National Securities depository Limited - NSDL and Central Depository Services [India] Limited - CDSL. For the purpose of properly defining the provisions applicable due to such, it is necessary to have appropriate provisions in the Articles of Association in that regard.

As per the provisions of Section 31 of the Companies Act, 1956, consent of the members is necessary for any alteration in Articles of Association of the Company, by way of special resolution.

A copy of the existing Articles of Association of the Company along with the proposed alterations is available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on all working days.

None of the directors of the Company is, in any way, concerned or interested in the said resolution.

Your directors recommend this resolution for approval of the shareholders.

**ITEM NO. 6 OF NOTICE**

At present the Company's shares are listed on Saurashtra & Kutch Stock Exchange, Mumbai Stock Exchange, Ahmedabad Stock Exchange and Delhi Stock Exchange. However out of total 2602 shareholders of the Company there are only 157 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. Looking to the cost involved in a continued listing vis-a-vis the number of shareholders in and around Delhi as well as the nil trading volume on the said Exchange, it is considered by the Board that the continued listing is not justified and therefore the same be discontinued. The company's shares will remain listed on the other three stock exchanges and hence the proposed delisting of the Company's Shares will not adversely affect any investor including the members located in regions where the said Stock Exchanges are situated. In accordance with the SEBI guidelines necessary exit route to the shareholders situated in the Delhi region will be provided and the voluntary delisting formalities will be made in accordance with the SEBI guidelines.

The Directors of the Company residing in Delhi region may be deemed to be interested in the resolution to the extent of their shareholding which they may offer to the organiser at the time of acceptance of the exit route.

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

**ITEM NO. 7 OF NOTICE**

Dr. D. P. Chikhalia was appointed as additional Director of the Company on 19th August 2002. His term of appointment expires on the day of the ensuing AGM as per the provisions of Section 257 of the Company's Act, 1956, the Company has received a notice along with necessary notice fees, from one of the shareholders of the Company proposing for the appointment of Dr. D. P. Chikhalia as Director of the Company at the ensuing AGM of the Company. Mr. D. P. Chikhalia is backed by good educational and professional background and the Company has availed his honorary services in the past. The Directors are of the opinion that his presence on the Board will be in the interest of the Company.

The Board recommends the Resolution for approval.

Except Dr. D. P. Chikhalia, none of the other Directors is concerned or interested in the resolution.

Date: 28.8.2002  
Regd. office:  
1, Trimurti Hospital Building,  
Nr. S. T. Bus Stand Junagadh - 362 001.

for and on behalf of the Board of Directors  
**BHANWARLAL JAIN**  
chairman