



*Navkar Builders Limited*



## *Navkar Builders Limited*

### Board of Directors

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

Managing Director  
Joint Managing Director  
Joint Managing Director  
Director  
Director  
Director  
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.

Name of Director	Category
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 recode. 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 -