



NAVTMKAR
BUILDERS LIMITED

ANNUAL REPORT

2015-2016

Board of Directors

Mr. Dakshesh Shah	Chairman & Managing Director
Mr. Samir Patel	Joint Managing Director
Mr. Shailesh Shah	Independent and Non Executive Director
Mr. Rameshchandra Patel	Independent and Non Executive Director
Mr. Sunil Bohara	Independent and Non Executive Director
Ms. Ripal Snehan Dave*	Independent and Non Executive Director

* Appointed as on 25/05/2015

Auditors

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

Registered Office

304, Circle P, near Prahlad Nagar,
S.G. Highway, Ahmedabad – 380051
Email Id: navkarbuilders@yahoo.co.in
Website: www.navkarbuilders.com

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NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th Annual General Meeting of the Members of Navkar Builders Limited will be held on Tuesday, 13th September, 2016 at 11.30 A.M at 304, Circle P, Near Prahladnagar, S.G. Highway, Ahmedabad – 380051 to transact the following business:-

ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as 31st March, 2016 and profit & loss account of the company for the year ended on 31st March, 2016 and the Report of the Directors' and Auditors.
2. To re-appoint Director in place of Mr. Rameshchandra Patel who retires by rotation and being eligible offers himself for reappointment.
3. To Declare dividend @ of 5%
4. To appoint M/s. S V K & Associates, Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company in place of M/s. J.B. Shah & Co, the retiring Statutory Auditors, to hold office from the conclusion of this Annual General Meeting, until the conclusion of Annual General Meeting to be held in the year 2022, subject to ratification at every Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2017.

SPECIAL BUSINESS:

5. **Appointment of Mr. Shaileshbhai Shah (DIN: 02231177), as an Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Shaileshbhai Shah (DIN: 02231177), a non-executive Director of the Company, who has submitted declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of five years, with effect from 13th September, 2016 to 12th September, 2021.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

6. **Appointment of Mr. Rameshchandra Patel (DIN: 02423697), as an Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Rameshchandra Patel (Din: 02423697), a non-executive Director of the Company, who has submitted declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of five years, with effect from 13th September, 2016 to 12th September, 2021.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

7. Appointment of Mr. Sunil Bohara (DIN: 02232219), as an Independent Director of the Company:

To consider and if thought fit, to pass with or without modification, if any, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Sunil Bohara (DIN: 02232219), a non-executive Director of the Company, who has submitted declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of five years, with effect from 13th September, 2016 to 12th September, 2021.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

By Order of the Board of Directors

Place : Ahmedabad

Date : 12/08/2016

**Sd/-
(Samir Patel)
Managing Director
DIN: 01852150**

**Sd/-
(Dakshesh Shah)
Managing Director
DIN: 00561666**

**Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 05th September, 2016 to 13th September, 2016 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
5. Voting through Electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014 in pursuance with the directions issued by SEBI vide Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2014, the Company is pleased to provide the facility to Members to exercise their right at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL)

A. The instructions for members for voting electronically are as under:-

- (i) The remote e-voting period begins on 08th September, 2016 (10.00 a.m.) and ends on 12th September, 2016 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 02nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 character DP ID followed by 8 digits client ID,
 - c. Members holding shares in physical form should enter folio number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If Demat account holder has forgotten his/ her existing password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Members who have not updated their PAN with the Company/ their Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
	In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through

- CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for 'Navkar Builders Limited'.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 04th September, 2016.
- C. A copy of this notice has been/ shall be placed on the website of the Company and the website of CDSL.
- D. Ms. Rupal Patel, Practicing Company Secretary (Membership No. FCS 6275) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- E. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or

against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

- F. In terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent along with this Notice. A member desiring to exercise vote by Ballot shall complete the said Ballot Form with assent (for) or dissent (against) and send it to Ms. Rupal Patel, Scrutinizer, having office address at 303, Prasad Apt., Opp. Jain Derasar, S.M. Road, Nehrunagar Cross Road, Ahmedabad-380015, Tel. No: 079-26420603, E-mail: roopalcs2001@gmail.com so as to reach her on or before 12th September, 2016 by 5.00 p.m. Any Ballot Form received after the said date and time shall be treated as if the reply from the Members has not been received.
- G. The facility for voting through ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting/ ballot shall be able to exercise their voting right at the meeting.
- H. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- I. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.navkarbuilders.com within 48 (Forty Eight) hours of conclusion of the annual general meeting and will be communicated to BSE Limited, who are required to place them on their website. The same shall also be placed on the website of CDSL.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
7. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts; will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
8. Corporate members intending to send their authorized representative to attend the meeting pursuant to the section 113 of the Companies Act, 2013 are requested to send to the company a certified true copy of the relevant board resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
9. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. MCS Share Transfer Agent Limited - Registrar and Share Transfer agent of the Company immediately.
10. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividends not en-cashed / claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After

transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.

11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. MCS Share Transfer Agent Limited, Ahmedabad, Registrar and Share Transfer agent of the Company.
12. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
13. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

By Order of the Board of Directors

Place : Ahmedabad

Date : 12/08/2016

**Sd/-
(Samir Patel)
Managing Director
DIN: 01852150**

**Sd/-
(Dakshesh Shah)
Managing Director
DIN: 00561666**

**Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177**

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE
COMPANIES ACT, 2013**

Item No. 2

Details of Director seeking reappointment at Annual General Meeting:

Name	Mr. Rameshchandra Patel
Date of Birth	04/01/1962
Directorship in other Public limited Companies	Nil
Membership of Committees of other Public Limited Companies	Nil
Director of Company since	01/10/2007
No. of Shares Held	Nil

Item No. 4

The Company had received Notice of Resignation dated 12/08/2016 under Section 140(4) of the Companies Act, 2013 from M/s. J.B. Shah & Co., Chartered Accountants, Ahmedabad in its capacity as a Statutory Auditors of the Company and the Board have recommended appointment of M/s. S V K & Associates, Chartered Accountants, Ahmedabad, as Statutory Auditors in place M/s. J.B. Shah & Co., Chartered Accountants, Ahmedabad, the retiring Statutory Auditors.

The change in the Statutory Auditors is proposed in order to remain at the forefront of good governance and in recognition of regulatory changes under the Companies Act, 2013. The Copy of the special notice for the appointment of new auditors is not required to be given in this report as provided under sub-section (2) of section 139 of the Companies Act, 2013.

Item No. 5

Mr. Shaileshbhai Shah, Director of the Company, has given a declaration to the Board that he met the criteria of independence as provided under Section 149(6) of the Act, In the opinion of the Board, The Director fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and He is independent of the management.

Mr. Shaileshbhai Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, his appointment as Independent Director is now being placed before the members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the members at the registered office of the company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of the Independent Director whose appointment is proposed, is provided in the annexure to the Explanatory statement attached herewith.

Mr. Shaileshbhai Shah is deemed to be interested in the resolutions set out respectively at Item No. 5 of the Notice with regard to his respective appointment.

The Board recommends the said resolution for your approval.

Save and except the above, none of the other Director or any key managerial personnel or any relative of any of the Director of the Company or the relative of any of the Director of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Profile of the Directors:

Name	:	Mr. Shaileshbhai Shah
Date of birth	:	27/05/1962
Qualification	:	B.com (SY)
Expertise	:	Accounts and administration
Director of the Company since	:	01/10/2007
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

Item No. 6

Mr. Rameshchandra Patel, Director of the Company, has given a declaration to the Board that he met the criteria of independence as provided under Section 149(6) of the Act, In the opinion of the Board, The Director fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

Mr. Rameshchandra Patel is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, his appointment as Independent Director is now being placed before the members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the members at the registered office of the company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of the Independent Director whose appointment is proposed, is provided in the annexure to the Explanatory statement attached herewith.

Mr. Rameshchandra Patel is deemed to be interested in the resolutions set out respectively at Item No. 6 of the Notice with regard to his respective appointment.

The Board recommends the said resolution for your approval.

Save and except the above, none of the other Director or any key managerial personnel or any relative of any of the Director of the Company or the relative of any of the Director of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Profile of the Directors:

Name	:	Mr. Rameshchandra Patel
Date of birth	:	04/01/1962
Qualification	:	B.Com
Expertise	:	Administration
Director of the Company since	:	01/10/2007
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

Item No. 7

Mr. Sunil Bohara, Director of the Company, has given a declaration to the Board that he met the criteria of independence as provided under Section 149(6) of the Act, In the opinion of the Board, The Director fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

Mr. Sunil Bohara is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, his appointment as Independent Director is now being placed before the members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the members at the registered office of the company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of the Independent Director whose appointment is proposed, is provided in the annexure to the Explanatory statement attached herewith.

Mr. Sunil Bohara is deemed to be interested in the resolutions set out respectively at Item No. 7 of the Notice with regard to his respective appointment.

The Board recommends the said resolution for your approval.

Save and except the above, none of the other Director or any key managerial personnel or any relative of any of the Director of the Company or the relative of any of the Director of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Profile of the Directors:

Name	:	Mr. Sunil Bohara
Date of birth	:	01/12/1975
Qualification	:	Chartered Accountant
Expertise	:	Finance and Taxation
Director of the Company since	:	11/06/2007
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

By Order of the Board of Directors

Place : Ahmedabad

Date : 12/08/2016

Sd/-
(Samir Patel)
Managing Director
DIN: 01852150

Sd/-
(Dakshesh Shah)
Managing Director
DIN: 00561666

Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177

Registered Office:

M/s. Navkar Builders Limited,
304, Circle P, Near Prahladnagar,
S.G. Highway, Ahmedabad – 380051
Phone : 079-40064095
CIN : L45200GJ1992PLC017761
Email : navkarbuilders@yahoo.co.in
Website : www.navkarbuilders.com

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronics holding with the Depository through their concerned Depository Participants.

DIRECTORS' REPORT

To,
The Members

Your directors have pleasure in presenting their Annual Report on the business and operations of the Company together with its Audited Accounts for the year ended 31st March, 2016. The Management Discussion and Analysis is also included in this Report.

FINANCIAL RESULTS AND OPERATIONAL REVIEW:

Particulars	Year Ended 31.03.2016 (Rs. in lacs)	Year Ended 31.03.2015 (Rs. in lacs)
Gross Sales/Income	6487.30	8302.43
Depreciation	191.17	207.88
Profit/(Loss) before Tax	345.45	654.37
Taxes/Deferred Taxes	118.50	230.63
Profit/(Loss) After Taxes	226.94	423.74
P& L Balance b/f	1328.75	1115.27
Proposed Dividend	87.27	174.53
Dividend Distribution Tax	17.86	35.73
Profit/ (Loss) carried to Balance Sheet	1450.56	1328.75

During the year under review the total income was Rs. 64,87,30,098/- as compared to Rs. 83,02,43,276/- of that of the previous Year. The Company has provided Rs.1,91,16,923/- for depreciation. After making all necessary provisions for current year and after taking into account the current year net profit and total provisions for taxation, the surplus carried to Balance Sheet is Rs. 2,26,94,300/-.

NATURE OF BUSINESS:

The Company is engaged in the Business of Infrastructure Activity including providing and supplying Ready Mix Concrete and RCC Pipes.

There was no change in the nature of the business of the Company during the year under review.

DIVIDEND:

Your directors are pleased to recommend 5% dividend on Equity Shares for the year ended 31st March, 2016, aggregating Rs. 87,26,650/- after paying Dividend Distribution tax aggregating Rs. 1,786,345/-.

TRANSFER TO RESERVES:

Out of the profits available for appropriation, no amount has been transferred to the General Reserve and the balance amount of Rs. 1,21,81,305/- has been carried forward to profit & loss account after provision for proposed dividend and dividend distribution tax.

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company has one associate company named Navkar Fiscal Services Private Limited.

Financial Details of the company is as under.

Particulars	Year Ended 31.03.2016 (Rs. in lacs)	Year Ended 31.03.2015 (Rs.)
Gross Sales/Income	52.59	0.30
Less Depreciation	0.00	0.00
Profit/(Loss) before Tax	51.74	0.10
Taxes/Deferred Taxes	0.45	0.00
Profit/(Loss) After Taxes	51.29	0.10
P& L Balance b/f	-62.54	-62.24
Profit/ (Loss) carried to Balance Sheet	-11.24	-62.54

The Company is engaged in the Business of Real Estate and Construction Consultancy.

SHARE CAPITAL:

The paid up Equity Share Capital as on March 31, 2016 was Rs. 17,45,33,000/-.

A) Issue of equity shares with differential rights:

During the year under review, the Company has not issued any shares with differential voting rights.

B) Issue of sweat equity shares:

During the year under review, the Company has not issued any sweat equity shares.

C) Issue of employee stock options:

During the year under review, the Company has not issued any sweat equity shares.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

FINANCE:

The Company has repaid the installments of Term Loans amounting to Rs. 3,39,02,308/- during the current year.

Long Term Debt of the Company stands to Rs. 2,14,67,159/- as on 31st March, 2016.

FIXED DEPOSITS:

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31st March, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

EMPLOYEE RELATIONS:

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company's vision and strategy to deliver good performance.

BUSINESS RISK MANAGEMENT:

The Company has laid down a Risk Management Policy and identified threat of such events which if occurs will adversely affect either / or, value to shareholders, ability of company to achieve objectives, ability to implement business strategies, the manner in which the company operates and reputation as "Risks". Further such Risks are categorized in to Strategic Risks, Operating Risks & Regulatory Risks. A detailed exercise is carried out to identify, evaluate, manage and monitoring all the three types of risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year under review, the company retained external audit firm to review its existing internal control system with a view of tighten the same and introduce system of self certification by all the process owners to ensure that internal controls over all the key business processes are operative. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

DIRECTORS:

a) Changes in Directors and Key Managerial Personnel:

Mr. Rameshchandra Patel will retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer himself for reappointment.

The Company has appointed Ms. Ripal Dave as an additional independent woman director of the Company pursuant to section 149 (1) of Companies Act, 2013 on 25/05/2015.

The Company has re-appointed Mr. Dakshesh Shah and Mr. Samir Patel as Managing Director of the Company on 12/06/2015.

b) Declaration by an Independent Director(s) and reappointment, if any:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

c) Formal Annual Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

d) Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

e) Number of Meetings of the Board of Directors and Audit Committee:

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year Twenty Two Board Meetings and one Independent Directors' meeting and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company drew remuneration of Rs. 60,00,000/- or more per annum Rs. 5,00,000/- or more per month during the year. Hence, no information is required to be furnished as required under Rule, 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large which is disclose in AOC-2

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS:

A. Statutory Auditors

The Company had received Notice of Resignation dated 12/08/2016 under Section 140(4) of the Companies Act, 2013 from M/s. J.B. Shah & Co., Chartered Accountants, Ahmedabad in its capacity as a Statutory Auditors of the Company and the Board have recommended appointment of M/s. S V K & Associates, Chartered Accountants, Ahmedabad, as Statutory Auditors in place M/s. J.B. Shah & Co., Chartered Accountants, Ahmedabad, the retiring Statutory Auditors.

The change in the Statutory Auditors is proposed in order to remain at the forefront of good governance and in recognition of regulatory changes under the Companies Act, 2013. The Copy of the special notice for the appointment of new auditors is not required to be given in this report as provided under sub-section (2) of section 139 of the Companies Act, 2013.

B. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Rupal Patel, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as “**Annexure -A**”.

Reply for qualification Remark in Secretarial Audit Report:

1. Though the Company has not published notice for Financial Result, the company has uploaded the same on Website of the company and also submitted to BSE Limited also.
2. The company is in process for filling the form 5INV and also in compliance with under MCA Notification G.S.R. 352(E) dated 10th May, 2012 which was introduced Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “**Annexure-B**”.

EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as “**Annexure-C**”.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS:

The Company has been proactive in the following principles and practices of good corporate governance. A report in line with the requirements of Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Management Discussion and Analysis and the Corporate Governance practices followed by the Company and the Auditors Certificate on Compliance of mandatory requirements are given as an “**Annexure “D & E**” respectively to this report.

Your Company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report, Management Discussion and Analysis and the Auditors’ Certificate regarding compliance of conditions of Corporate Governance are attached separately and form part of the Annual Report.

**DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE
(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013 and the rules framed there under.

During the financial year 2015-16, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2016.

ACKNOWLEDGMENT:

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

By Order of the Board of Directors

**Place : Ahmedabad
Date : 30/04/2016**

**Sd/-
(Samir Patel)
Managing Director
DIN: 01852150**

**Sd/-
(Dakshesh Shah)
Managing Director
DIN: 00561666**

**Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177**

Annexure - A
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Navkar Builders Limited (CIN: L45200GJ1992PLC017761)
304, Circle P, near Prahlad Nagar, S.G. Highway,
Ahmedabad - 380051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Navkar Builders Limited**. (hereinafter called "the company") for the audit period covering the financial year ended on 31st March, 2016. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of company's books, papers, minutes book, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2016, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956, to the extent it is applicable.
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (effective upto 14th May 2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May 2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (effective from 1st December, 2015)

We have also examined compliance of the following to the extent applicable:

- (i). Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (effective from 1st July, 2015); under the provisions of Companies Act, 2013; and
- (ii).The Listing Agreement entered into by the Company with Stock Exchanges(s) (effective upto 30th November 2015) ; and

We have relied upon the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company, as identified and confirmed by the management of the company and listed in **Annexure -I** to this report.

Please note that the company has made application for obtaining required license under Factory Act, 1948 during the year under review.

On the basis of our examination and representation made by the Company we report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to our knowledge except non-compliance in respect of:

- a) The Company has not published notice of meeting of the board of directors where financial results shall be discussed and financial results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The Company has not filed form 5INV for unclaimed dividend as required under MCA Notification G.S.R. 352(E) dated 10th May, 2012 which was introduced Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 for Financial Year 2014-15.

We Further Report that, there were no actions/ events in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014

requiring compliance thereof by the Company during the period under review

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs except the following:

- (a) The Company has adopted new set of articles of association of the company containing regulation in conformity with Companies Act, 2013 in its annual general meeting which was held on 23/09/2015.

Date: 30/04/2016

Place: Ahmedabad

Signature: Sd/-

Name of Practicing Company Secretary: Rupal Patel

C. P. No.: 3803

FCS No.: 6275

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE-II and forms an integral part of this report.

ANNEXURE- I

List of applicable laws to the Company

1. The Company has complied with the laws and regulations applicable specifically to the Company given its business belongs to Infrastructure relating to RMC and RCC Pipes Industries:
 1. Factory Act, 1948
 2. Building and Other Construction Workers(Regulation of Employment & Conditions of Service) Act, 1996
 3. Building and Other Construction Workers(Regulation of Employment & Conditions of Service) Central Rules, 1998
 4. The Building and Other Construction Workers' Welfare Cess Act, 1996 and Rules 1998
 5. The Workmen's Compensation Act, 1923
 6. Contract Labour(Regulation and Abolition) Act, 1970
 7. The Employees' State Insurance Act,1948
 8. The Motor Transport Workers Act, 1961 & Rules, 1964
 9. Motor Vehicles Act, 1988
 10. Motor Vehicles (Central) Rules, 1989
 11. Bombay Shops and Establishment Act, 1948
As amended from time to time till date.

2. All General Laws such Direct and Indirect Taxation related, Labour Laws and other incidental laws of respective States;

Date: 30/04/2016

Place: Ahmedabad

Signature: Sd/-

Name of Practicing Company Secretary: Rupal Patel

C. P. No.: 3803

FCS No.: 6275

Annexure II

To,
The Members,
Navkar Builders Limited (CIN: L15400GJ1981PLC004170)
304, Circle P, near Prahlad Nagar, S.G. Highway,
Ahmedabad - 380051

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 30/04/2016
Place: Ahmedabad

Signature: Sd/-
Name of Practicing Company Secretary: Rupal Patel
C. P. No.: 3803
FCS No.: 6275

ANNEXURE -B

TO THE DIRECTORS' REPORT FOR THE YEAR 2015-2016

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipment's	Nil

(b) Technology absorption

(i)	the efforts made towards technology absorption	Nil
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

(c) Foreign exchange earnings and Outgo

During the year, the total foreign exchange used was NIL and the total foreign exchange earned was NIL

ANNEXURE -C
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45200GJ1992PLC017761
2.	Registration Date	02/06/1992
3.	Name of the Company	Navkar Builders Limited
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	Address: 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad – 380051 Contact No.: 079-40064095 E-mail id: navkarbuilders@yahoo.co.in Website: www.navkarbuilders.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name: Sharepro Services India Pvt. Ltd Address: 416-420, 4th Floor Devnandan Mall, Opp. Sanyash, Ashram, Ellisbridge, Ahmedabad - 380006 Contact No.: 079 26582381 to 84 Fax No.: 079 26582385 E-mail id: sharepro@shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1	Infrastructure Project Activities including providing and supplying Ready Mix Concrete and RCC Pipes	23955	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

(No. of Companies for which information is being filled)

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	Navkar Fiscal Services Private Limited	U65910GJ1993PTC020813	Associate	28.82	2(6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1940117	0	1940117	11.12	1940117	0	1940117	11.12	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	5030583	0	5030583	28.82	5030583	0	5030583	28.82	0.00
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)	6970700	0	6970700	39.94	6970700	0	6970700	39.94	0.00
B. Public Shareholding									
a) NRIs – Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total(A) (2)					0	0	0	0	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6970700	0	6970700	39.94	6970700	0	6970700	39.94	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									

c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	4392450	1000	4393450	25.17	4379154	1000	4380154	25.10	-0.08
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	566505	307200	873705	5.01	576733	284700	861433	4.94	-0.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3264145	173400	3437545	19.70	3289464	173400	3462864	19.84	0.15
c) Others (HUF)	0	0	0	0	0	0	0		0.00
Non Resident Indians	1777900	0	1777900	10.19	1778149	0	1778149	10.19	0.00
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	10001000	481600	10482600	46.75	10023500	459100	10482600	60.06	0.00
Total Public									

Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	16971700	481600	17453300	100	16994200	459100	17453300	100	0.00

B) Shareholding of Promoter-

SN	Share holder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Navkar Fiscal Services Private Limited	5030583	28.82	5030583	28.82	Nil
2	Samir C Patel	778867	4.46	778867	4.46	Nil
3	Dakshesh Rameshchandra Shah	1161250	6.65	1161250	6.65	Nil
	Total	6970700	39.94	6970700	39.94	Nil

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Navkar Fiscal Services Private Limited				
	At the beginning of the year	5030583	28.82	5030583	28.82
	Date wise Increase / Decrease in Shareholding during the year	----	----	----	----
	At the end of the year	5030583	28.82	5030583	28.82
2	Samir C Patel				
	At the beginning of the year	778867	4.46	778867	4.46
	Date wise Increase / Decrease in Shareholding during the year	----	----	----	----
	At the end of the year	778867	4.46	778867	4.46
3	Dakshesh Rameshchandra Shah				
	At the beginning of the year	1161250	6.65	1161250	6.65
	Date wise Increase / Decrease in Shareholding during the year	----	----	----	----
	At the end of the year	1161250	6.65	1161250	6.65

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Yogesh Biharilal Parikh	925000	5.30	No Change	925000	5.30
2	Renuka Yogesh Parikh	852400	4.88	No Change	852400	4.88
3	Keyur Sureshchandra Patel	442000	2.53	No Change	442000	2.53
4	Renubala Ashokkumar Miglani	325000	1.86	No Change	325000	1.86
5	Ashokkumar Hakamchand Miglani	325000	1.86	No Change	325000	1.86
6	Tejas A Patel	242000	1.39	No Change	242000	1.39
7	Arvindbhai Bhajibhai Patel	242000	1.39	No Change	242000	1.39
8	Sureshchandra Bhajibhai Patel	242000	1.39	No Change	242000	1.39
9	Patel Urvi Bhagwanbhai	242000	1.39	No Change	242000	1.39
10	Efficient Tie-Up Private Limited	3925000	22.48	No Change	3925000	22.48
11	Shitalnath Consultant Private Limited	438300	2.51	No Change	438300	2.51

E) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Samir C Patel – Managing Director				
	At the beginning of the year	778867	5.95	778867	4.46
	Date wise Increase / Decrease in Shareholding during the year	----	----	----	----
	At the end of the year	778867	5.95	778867	4.46
2	Dakshesh Rameshchandra Shah – Managing Director				
	At the beginning of the year	1161250	8.87	1161250	6.65
	Date wise Increase / Decrease \se in Shareholding during the year	----	----	----	----
	At the end of the year	1161250	8.87	1161250	6.65

F) INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,53,69,467	2,72,17,000	0	8,25,86,467
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due				
Total (i+ii+iii)	5,53,69,467	2,72,17,000	0	8,25,86,467
Change in Indebtedness during the financial year				
* Addition				
* Reduction	3,39,02,308	1,83,50,000	0	5,22,52,308
Net Change	3,39,02,308	1,83,50,000	0	5,22,52,308
Indebtedness at the end of the financial year				
i) Principal Amount	2,14,67,160	88,67,000	0	3,03,34,160
ii) Interest due but not paid	56,861	0	0	56,861
iii) Interest accrued but not due				
Total (i+ii+iii)	2,15,24,021	88,67,000	0	3,03,91,021

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (In Rs.)
		Samir Patel- MD	Dakshesh Shah- MD	
1	Gross salary	25,92,000	25,92,000	51,84,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	25,92,000	25,92,000	51,84,000
	Ceiling as per the Act	10% of the Net profits of the Company		

B. Remuneration to other directors:

S. N.	Particulars of Remuneration	Name of Directors				Total Amount
		Rameshchandra Patel	Shaileshbhai Shah	Sunil Bohara	Ripal Dave	
1	Independent Directors					
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors					Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER / WTD

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	1,44,000	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	Others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	1,44,000	Nil	Nil

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment	Nil				
Compounding					
B. DIRECTORS					
Penalty					
Punishment	Nil				
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment	Nil				
Compounding					

ANNEXURE-D

Corporate Governance Report

In Accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) (the 'Listing Regulations') with BSE Limited the Report Containing the Details of Corporate governance Systems and processes at Navkar Builders Limited is as Follows:

A. Mandatory Requirements

1. Company's philosophy on code of Corporate Governance:

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.

The Navkar Builders Limited is committed to good Corporate Governance in order to all stakeholders – Customers, suppliers, lenders, employees, the shareholders. The detailed report on implementation by the company of the Corporate Governance Code as incorporated in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below.

2. Board of Directors:

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

The Board of Directors as at 31st March, 2016 comprises of Six Directors including of Two Executive Director and four Non-Executive Directors. The Chairman is an Executive Managing Director. The Independent Directors on the Board are senior, competent and highly respected persons from their receptive fields. The following is the Composition of the Board as at 31st March, 2016.

Sr. No.	Name of Director	Category	No. of Directorship(s) held in Indian public & private Limited Companies (Excluding this Company)	Committee(s) position (Excluding this Company)	
				Member	Chairman
1	Mr. Dakshesh Shah	Managing Director	8	1	Nil
2	Mr. Samir Patel	Managing Director	2	Nil	Nil
3	Mr. Sunil Bohara	Independent and Non-Executive Director	2	Nil	Nil
4	Mr. Shailesh Shah	Independent and Non-Executive Director	Nil	Nil	Nil
5	Mr. Rameshchandra Patel	Independent and Non-Executive Director	Nil	Nil	Nil
6	Mrs. Ripal Dave*	Independent and Non-Executive Director	Nil	Nil	Nil

* Appointed on 25/05/2015

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 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 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.

During the year under review, the Board met 24 (Twenty Four) times on the following dates:

17/04/2015	02/05/2015	15/05/2015	23/05/2015	25/05/2015
12/06/2015	13/07/2015	14/07/2015	12/08/2015	20/08/2015
22/08/2015	05/10/2015	19/10/2015	28/10/2015	09/11/2015
11/12/2015	28/12/2015	06/01/2016	19/01/2016	20/01/2016
21/01/2016	30/01/2016	12/02/2016	31/03/2016	

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 Board Meeting attended
Mr. Dakshesh Shah	Managing Director	18
Mr. Samir Patel	Managing Director	24
Mr. Sunil Bohara	Independent and Non Executive Director	24
Mr. Shailesh Shah	Independent and Non Executive Director	24
Mr. Rameshchandra Patel	Independent and Non Executive Director	24
Mrs. Ripal Snehanbhai Dave*	Independent and Non Executive Director	20

* Appointed on 25/05/2015

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

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

2.4 Details of Director seeking re-appointment at the ensuing Annual General Meeting:

As per the provisions of the Companies Act, 2013, 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. Rameshchandra Patel retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

(a) Profile of Mr. Rameshchandra Patel Director being Re- appointed:

Name	Mr. Rameshchandra Patel
Date of Birth	04/01/1962
Director of the Company	01/10/2007
No. of shares held in the company	Nil
No. of warrants held in the company	Nil
Directorship in other company	Nil

2.5 Details of Directors who are as Chairman and Director 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 Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 31st March, 2016 and the same is reproduced herein below:

Sr. No.	Name of Director	No of Directorship in other Listed Companies (Excluding This Company)	No. of Committees positions held as Chairman on other public Companies (Excluding This Company)	No. of Committees positions held as member in other public Company (Excluding This Company)
1.	Mr. Dakshesh Shah	2	--	1
2.	Mr. Samir Patel	--	--	--
3.	Mr. Sunil Bohara	--	--	--
4.	Mr. Shailesh Shah	--	--	--
5.	Mr. Rameshchandra Patel	--	--	--
6.	Mrs. Ripal Snehanbhai Dave*	--	--	--

* Appointed on 25/05/2015

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on March 26, 2016, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company. This policy is displayed on <http://www.navkarbuilders.com/info.html>

EVALUATION OF THE BOARD'S PERFORMANCE:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

PREVENTION OF INSIDER TRADING:

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulation, 2015 (“The PIT Regulations”). The PIT regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulation is to curb the practice of insider trading in the securities of a listed company.

The company has adopted an ‘Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by insiders’ (“the code”) in accordance with the requirements of the PIT regulations.

The Code is applicable to promoters and Promoter’s Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The company has also formulated ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’ in compliance with SEBI (Prohibition of Insider Trading) Regulation, 2015. This Code is displayed on the Company’s website viz. www.navkarbuilders.com

3. COMMITTEE OF BOARD

The Company had four Board Committees. These are

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

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Details of the role and composition of these Committees are provided below:

3.1 Audit Committee:

The Audit committee constituted by the Board of directors as per the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013, comprises of three members viz.

Mr. Sunil Bohara	Chairman	- Director
Mr. Shailesh Patel	Member	- Director
Mr. Rameshchandra Patel	Member	- Director

Who are aware with finance, accounts, management and corporate affairs. Two independent members constitute the quorum of the said Audit Committee Meeting.

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:

The scope of activities of the Audit Committee includes the following:

1. 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.
2. 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 auditors.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Explanation (i): The term “related party transactions” shall have the same meaning as provided in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 records. The Board of Directors, regularly appraised on the recommendations of 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.

As required under Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management.
- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses; and
- The Appointment, removal and terms of remuneration of the internal auditors.

The Audit Committee has the following powers:

- a) To investigate any activity within its terms of reference.
- b) To seek any information from any employee.
- c) To obtain outside legal and professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers it necessary.

The Audit Committee invites such of the executives as it considers appropriate (Particularly the head of the finance function) representatives of the statutory Auditors. The Company Secretary acts as the Secretary to the Audit Committee.

During the year under review, the 4 Audit Committee meeting were held during Financial Year 2015-16. The dates on which the said meetings were held as follows:

23/05/2015 12/08/2015 09/11/2015 12/02/2016

3.2 Nomination and 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:

Details of Remuneration of Executive / Non-Executive Directors for the financial year ended 31st March, 2016

(Amount in Rs.)

Name	Executive / Non-Executive	Salary	Bonus	Sitting Fees	Contribution to PF	Perquisites	Total
Dakshesh Shah	Executive	25,92,000	-	-	-	-	25,92,000
Samir Patel	Executive	25,92,000	-	-	-	-	25,92,000
Sunil Bohara	Non Executive	-	-	-	-	-	-
Shailesh Shah	Non Executive	-	-	-	-	-	-
Rameshchandra Patel	Non Executive	-	-	-	-	-	-
Ripal Dave	Non Executive	-	-	-	-	-	-

The Composition of Nomination and Remuneration committee is as under;

Mr. Sunil Bohara	Chairman	- Director
Mr. Rameshchandra Patel	Member	- Director
Mr. Shaileshbhai Shah	Member	- Director

Remuneration Committee constituted for the purpose of considering remuneration of executive and non-executive directors.

During the year under review, the 3 (Three) Nomination and Remuneration committee meeting were held during Financial Year 2015-16. The dates on which the said meetings were held as follows:

12/08/2015 09/11/2015 21/01/2016

Non- Executive Director

The Company has not paid any sitting fees to any of the Directors of the Company.

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.

**Terms of reference of the Committee inter alia, include the following:
Nomination of Directors / Key Managerial Personnel / Senior Management***

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

**Remuneration of Directors / Key Managerial Personnel / Senior Management*/
other Employees**

1. Evolve the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.
2. The Committee shall, while formulating the policy, ensure the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

* Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

NOMINATION & REMUNERATION POLICY:

1. Purpose of this Policy:

The company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The purpose of this Policy is to establish and govern the procedure applicable:

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

2. Definitions:

“Independent Director means a director referred to in Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.”

“Key Managerial Personnel” (the “KMP”) shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

“Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“Remuneration”, means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“Senior Management” mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed there under or in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Mentioned as above.

4. Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

5. Criteria for Determining the followings:-

5.1 Qualifications for appointment of Directors (including Independent Directors):

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile industry experience;
- d) Other appropriate qualification/experience to meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

5.2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;

- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

5.3 Independence Standards:

The following would be the independence review procedure and criteria to assist the Committee to evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. “Affiliate” shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the SEBI (LODR) regulations, 2015. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director’s independence.

Independence Review Procedures:

1. Annual Review:

The director’s independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI (LODR) regulations, 2015.

2. Individual Director’s Independence Determinations:

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules there on and the SEBI (LODR) regulations, 2015.

3. Notice of Change of Independent Status:

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

5.5 Term:

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Whole-time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.6 Evaluation:

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

5.7 Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Remuneration of Managing / Whole-time Director, KMP and Senior Management:

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

7. Remuneration to Non-executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3.3 Sub-Committee (Quarterly Results Review Committee):

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

Mr. Sunil Bohara	Chairman	- Director
Mr. Dakshesh Shah	Member	- Director
Mr. Shaileshbhai Shah	Member	- Director

The Committee is responsible for approving quarterly un-audited financial statements and monitoring the performance of the Company. One meeting was held on 12/02/2016.

3.4 Stakeholders Relationship Committee

(Share Transfer & Shareholders/Investor Grievance Committee)

The Stakeholders Relationship Committee comprises as under:

Mr. Sunil Bohara	Chairman	- Director
Mr. Dakshesh Shah	Member	- Director
Mr. Rameshchandra Patel	Member	- Director

Mr. Rashmikant Mankodi 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.

During the year under review, the 3 (Three) Share Transfer & Shareholders'/Investor Grievance Committee were held during Financial Year 2015-2016. The dates on which the said meetings were held as follows:

12/08/2015	09/11/2015	20/01/2016
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The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions as on 31st March, 2016 is given below :

Complaints Status: 01.04.2015 to 31.03.2016

- Number of complaints received so far : 1
- Number of complaints solved : 0
- Number of pending complaints : 1

4. GENERAL BODY MEETING:

Location and time where last three AGMs were held:

Year of AGM	Date of the AGM	Time	Place of AGM Held
2015	23/09/2015	11:00 a.m.	304, Circle P, Near prahlad nagar, S.G. highway, Ahmedabad-380051
2014	30/09/2014	10.30 a.m.	407, Sarita Complex, B/h. Hotel Classic Gold, C.G.Road, Ahmedabad – 380006
2013	27/09/2013	10.30 a.m.	407, Sarita Complex, B/h. Hotel Classic Gold, C.G.Road, Ahmedabad – 380006

The special resolutions have been passed at Annual General Meeting dated 23/09/2015 which are as followed:

1. Appointment of Ms. Ripal Snehanbhai Dave (DIN: 07192664), as an Independent Director of the Company.
2. Change in terms and conditions of Managing Director of the Company.
3. Change in terms and conditions of Joint Managing Director of the Company.
4. Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013.

Resolution passed through Postal Ballot procedure during the year under review:

The company has not passed any resolution through postal ballot procedure.

Extraordinary General Meeting (EGM)

No extra ordinary general meeting held during the financial year under review.

5. DISCLOSURES:

- a) Materially significant related party transactions:

The same are appropriately disclosed at the Note No. 25 of Significant Accounting Policies and notes on accounts of the Annual Accounts of the Company.

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. MEANS OF COMMUNICATIONS:

The presentation as to the Company's performance etc., are made to the Institutional Investors/Financial Analysts as and when felt expedient.

The Company's financial results and officials news releases are displayed on the Company's website i.e. www.navkarbuilders.com

The Management Discussions and Analysis Report forms part of the Directors Report and is given separately

7. VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulations, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.navkarbuilders.com/WHISTEL%20BLOWER%20POLICY.pdf>

8. GENERAL SHAREHOLDER INFORMATION:

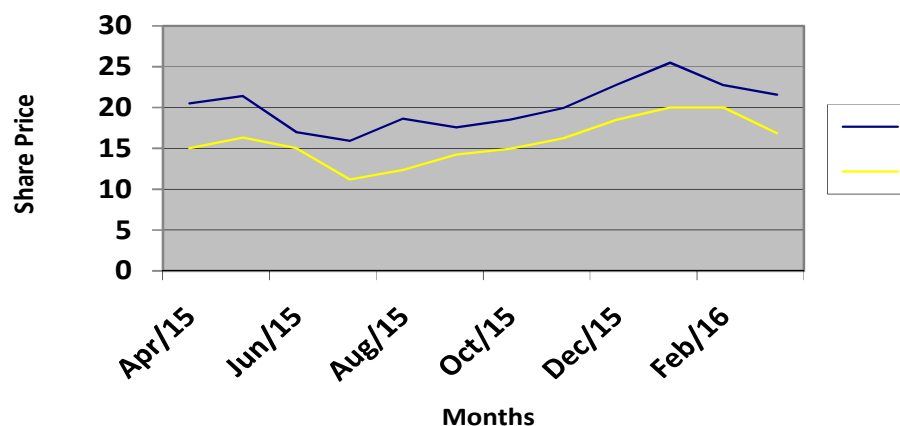
- a) Annual General Meeting: 13th September, 2016
Date, Time and venue: 11.30 a.m. at the Registered Office of the Company.
- b) Financial Year: 01st April, 2015 to 31st March, 2016.
- c) Financial Calendar:
 - i. 1st quarterly results – second week of August, 2016
 - ii. 2nd quarterly results – second week of November, 2016
 - iii. 3rd quarterly results – second week of February, 2017
 - iv. 4th quarterly results – Last week of May, 2017
- d) Date of Book Closure: 05th September, 2016 to 13th September, 2016
- e) Dividend Payment Date: 11/10/2016
- f) Listing of Equity Shares on Stock Exchanges:

BSE Limited Annual listing fees for the financial Year up to 31.03.2016 has been paid.
- g) Stock Code: **BSE 531494**
- h) Demat ISIN number: **INE268H01010**

- i) Market price data: Price per share has been reported to take place as follows:

Month	High Price	Low Price
April 2015	20.50	15.00
May 2015	21.40	16.30
June 2015	17.00	15.00
July 2015	15.90	11.20
August 2015	18.62	12.35
September 2015	17.55	14.25
October 2015	18.52	14.95
November 2015	19.95	16.25
December 2015	22.80	18.50
January 2016	25.50	20.00
February 2016	22.75	20.00
March 2016	21.60	16.85

- j) Performance of the Company's shares in comparison with broad-based indices as BSE's Sensex: The Company has Sustainable growth.



- k) **Registered and Transfer Agent:** M/S. MCS Share Transfer Agent Limited as the common agency both in respect of physical and demat shares.

The company has changed Registrar and Share Transfer Agent from M/S. MCS Share Transfer Agent Limited to M/s. Sharepro Services (India) Private Limited dated 22nd June, 2016.

- 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 15 days.

m) Distribution of Shareholding (as on 31st March, 2016):

Share Holding of Nominal Value		Share Holders		Share Amount	
Rs.	Rs.	No.	% to total	In Rs.	% to total
Up to	5,000	1071	65.83	2702450	1.55
5,001 to	10,000	403	24.77	3089270	1.77
10,001 to	20,000	66	4.06	1002720	0.57
20,001 to	30,000	23	1.41	578440	0.33
30,001 to	40,000	9	0.55	322900	0.19
40,001 to	50,000	8	0.49	366480	0.21
50,001 to	1,00,000	11	0.68	729100	0.42
1,00,001 to	2,00,000	8	0.49	1242810	0.71
2,00,000 &	Above	28	1.72	164498830	94.25
Total		1627	98.28	174533000	100.00

n) Shareholding pattern as on 31.03.2016

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	39.94
b. Other bodies corporate	4380154	25.10
c. Indian public	4324297	24.78
d. other	1778149	10.18
TOTAL	17453300	100.00

Dematerialization of shares: As on 31.03.2016 Demated shares accounted for 97.37% (16994200 Equity Shares) of total equity.

Outstanding GDR / ADR / Warrants: NA

o) Registrar and Share Transfer Agent and Address for Correspondence:

- a) The company has changed Registrar and Share Transfer Agent form M/s. Sharepro Services (India) Pvt. Ltd to Mcs Share Transfer Agent Limited dated 22nd June, 2016.

M/S. MCS SHARE TRANSFER AGENT LIMITED

12/1/5, Manohar Pukur Road, Kolkatta-700033

Ahmedabad office: 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009

Tele. No.: 033-40724051, 079 26582878

Fax No.: 033-40724050

E-mail: mcssta@rediffmail.com, mcsahmd@gmail.com

b) Registered Office of the Company:

M/S. NAVKAR BUILDERS LIMITED
304, Circle P, Near Prahlad Nagar,
S.G. Highway, Ahmedabad – 380051
Phone : 079-40064095
CIN : L45200GJ1992PLC017761
Email : navkarbuilders@yahoo.co.in
Website : www.navkarbuilders.com

p) Location of plants:

- a) Plot No.444/A, Adalaj-Koba Road, Village: Ambapur, Adalaj, Dist.: Gandhinagar.
- b) Block No.: 923-924, Village: Dumad, Nr. Dumad Four Road, Taluka & Dist.: Vadodara.
- c) Plot no. 1160, 1161-A, village : Sanghana, ta.: Matar, dist. Kheda

COMPLIANCE CERTIFICATE OF THE AUDITORS

The statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulation and the same is annexed to this Report.

DECLARATION

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Navkar Builders Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.

By Order of the Board of Directors

Date : 30/04/2016

Place : Ahmedabad

**Sd/-
(Samir Patel)
Managing Director
DIN: 01852150**

**Sd/-
(Dakshesh Shah)
Managing Director
DIN: 00561666**

**Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177**

CEO/CFO CERTIFICATION:

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Navkar Builders Limited (“the Company”) to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year 2015-16 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 2015-16 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 –
 - Significant changes in internal control over the financial reporting during the year 2015-16;
 - Significant changes in accounting policies during the year 2015-16 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.

By Order of the Board of Directors

Date : 30/04/2016
Place : Ahmedabad

Sd/-
(Ripal Dave)
Director & CEO
DIN: 07192664

Sd/-
(Shailesh Shah)
Director & CFO
DIN: 02231177

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL OVERVIEW:

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Minister of Road Transport and Highways, and Shipping, has announced the government's target of Rs 25 trillion (US\$ 376.53 billion) investment in infrastructure over a period of three years, which will include Rs 8 trillion (US\$ 120.49 billion) for developing 27 industrial clusters and an additional Rs 5 trillion (US\$ 75.30 billion) for road, railway and port connectivity projects.

Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development.

❖ MARKET SIZE:

India needs Rs 31 trillion (US\$ 454.83 billion) to be spent on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments.

The Indian construction equipment industry is reviving after a gap of four years and is expected to grow to US\$ 5 billion by FY2019-20 from current size of US\$ 2.8 billion, according to a report@ released by the Indian Construction Equipment Manufacturers' Association (ICEMA).

Foreign Direct Investment (FDI) received in construction development sector from April 2000 to December 2015 stood at US\$ 24.18 billion, according to the Department of Industrial Policy and Promotion (DIPP).

❖ GOVERNMENT INITIATIVES:

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

- The Reserve Bank of India (RBI) has allowed companies in the infrastructure sector to raise External Commercial Borrowings (ECB) with a minimum maturity of five years and with an individual limit of US\$ 750 million for borrowing under the automatic route.
- The Securities and Exchange Board of India (SEBI) has allowed Foreign Portfolio Investors (FPI) to invest in units of real estate investment trusts (REITs), infrastructure investment trusts (InvITs), category III alternative investment funds (AIFs), and also permitted them to acquire corporate bonds under default.

- Budgetary allocation for Roads and Railways in the Union Budget 2016 has been increased to Rs 218,000 crore (US\$ 31.98 billion) with an aim to boost the private investment cycle.
- The Central Government has rolled out stuck projects worth Rs 4 lakh crore (US\$ 58.69 billion) in the past six months (ending November 2015), while stating that infrastructure development is the government's top priority in order to improve economic growth.
- Government of India plans to launch the National Infrastructure Investment Fund (NIFF) with an initial corpus of at least Rs 40,000 crore (US\$ 5.87 billion).
- Department of Industrial Policy and Promotion (DIPP) has set up an online monitoring system for on-going projects under the Industrial Infrastructure Up-gradation Scheme (IIUS).
- The Ministry of Urban Development has decided to allow the use of construction & demolition waste up to 20 per cent in construction of load bearing items and up to 100 per cent for non-load bearing purposes. This provision is expected to significantly help in reuse of such waste, in line with ongoing efforts under Swachh Bharat Mission (SBM).
- The Government of India plans to award 100 highway projects under the public-private partnership (PPP) mode in 2016, with expectations that recent amendments in regulations would revive investor sentiments in PPP projects in the infrastructure sector.
- The Reserve Bank of India (RBI) has notified 100 per cent foreign direct investment (FDI) under automatic route in the construction development sector. The new limit came into effect in December 2014.
- In the Budget 2015-16, the capital outlays for roads, and railways have been increased by Rs 140.3 billion (US\$ 2.05 billion) and Rs 100.5 billion (US\$ 1.47 billion) respectively.
- The Securities and Exchange Board of India (SEBI) has announced norms for public issue of units of infrastructure investment trusts (Inv ITs) in order to facilitate infrastructure developers raise capital from public investors.

INDUSTRY STRUCTURE:

Construction is the second largest industry in India, next only to agriculture. According to the information published by National Institute for Construction Management and Research (NICMAR), construction accounts for more than 40 percent of the national plan outlay, contributes 5 percent to the GDP annually

and 78 percent to the gross capital formation. Nearly 16 percent of the nation's working population is reportedly dependent on construction for its livelihood. Nearly 32 million workers and professionals are directly employed in construction activities. Out of them, 24 million are unskilled. Thus, the construction industry in India has, by and large, been a labour-intensive industry, although change in favour of modernization and automation is now discernible in certain fields. Ready-mixed concrete is one such field.

Concrete is largest 'man-made' material of construction all over the world. Excepting cement, (and additives, if any) which is a factory - produced material, all other ingredients of concrete are locally available. It is estimated that world over about 1650 million tons of cement and 6500 million tons of concrete were consumed during the year 2000. The average, per capita annual consumption of cement worldwide is about 260 kg and that of concrete 1 ton, while in India; the cement consumption is about 95 kg and that of concrete 375 kg (0.156 m³). The cement and concrete consumption is expected to grow at the average rate of 2% to 3% world over while in India it is expected to grow at 5% to 6% during the next decade.



NEED OF RMC

One of the major casualties of heavy reliance on labour-intensive techniques of concrete construction is the quality of work. With emphasis on cost as the over-riding factor in deciding the award of contracts, there was no premium on quality of concrete. As a result, it is no surprise that the phenomenon of early deterioration of concrete structures is assuming serious proportions in the country. Fortunately there is growing realization that quality cannot be achieved by relying on the age-old labour-intensive techniques of concrete construction. Besides quality, speed of construction is also an important factor. Faster speed generally leads to economy in construction. Site-mixed concrete has serious limitations as far as speed of construction is concerned. The breaks in concreting operations lead to provision of numerous construction joints, which are a permanent source of trouble and affect durability of structure adversely.

Environmental issues have also assumed greater importance in recent years. During the past, environmental considerations did not figure at all in project planning; therefore site storage, mixing, wastage, etc were acceptable. However, especially in urban areas, the work sites do not have adequate space for storage of cement, aggregates, sand, etc. The materials of construction quite often spill on the roads, leading to traffic delays and blocking of drainage lines causing inconvenience to the users.

OPPORTUNITIES:

Ready mix concrete has gained acceptance in Indian industry due to several advantages including quality control and overall economy. RMC plants are proliferating, especially in urban regions, not only because of the space restrictions around construction site but also due to the realisation of the advantages by engineers and construction industry.

The word “potential” is a much over used phrase when looking at India. As we have seen earlier the infrastructure statistics are of such mind – boggling proportions that it could be said that there is a massive potential for the growth of ready mixed concrete industry. However, realising that potential will take a considerable time as companies come to terms with the unique obstacles presented in the Indian market.

CHALLENGES RISKS & CONCERNS:

- **Industry/ policy risk:**

The Company’s business is highly dependent on road and bridge projects in India undertaken or awarded by governmental authorities and other entities funded by governments. Any change in government policies resulting in a decrease in the amount of road and bridge projects undertaken or a decrease in private sector participation in road and bridge projects adversely affects our business and results of operations. Our business may be affected by changes in interest rates, changes in Government policy, taxation, exchange rates and controls, social and civil unrest and political, economic or other developments in or affecting India.

- **Project risk:**

Infrastructure projects involve agreements that are long-term in nature (as much as three years in EPC contracts and around 25 years in Design, Build, Finance, Operate and Transfer (DBFOT) road projects) All long term projects have inherent risks associated with them and involve variables that may not necessarily be within our control. These include inflation, interest rates movements, liquidity, commodity and oil prices, governance, construction delays, material shortages, unanticipated cost increases, cost overruns, inability to negotiate satisfactory arrangements with joint venture partners, and disagreements with our joint venture partners.

We are increasingly bidding for large-scale infrastructure projects. There are various risks associated with the execution of large-scale projects. Managing large-scale integrated projects may also increase the potential relative size of cost overruns and negatively affect our operating margins. In addition, we may need to execute large-scale projects through joint ventures with other companies, which expose us to the risk of default by our Joint Venture Partners.

- **Input and labour cost risk:**

Cost of Input materials such as Bitumen depends upon the International Market for Oil. As Bitumen is a major raw material, any Change in the Oil prices affects the overall cost of the projects. The availability of labour for execution of projects is also a major risk factor.

CURRENT GLOBAL SCENARIO AND FUTURE OUTLOOK:

The production capacity of a ready-mix concrete plant depends on the capacity of the batching plant. An average plant has a production capacity of 30 cubic meters per hour. The plant will be able to produce about 90,000 cubic meters a year. But the ready mix concrete (RMC) business in India has been facing continued hiccups over some time now. Established players have to take on intense competition from smaller region-specific companies. Major RMC companies are thus reworking strategies.

With the concern over liquidity there has been a general slowdown in both real estate and infrastructure projects. Many of the high-end residential projects, especially in metro cities, have been delayed. Unfortunately, only these projects depend on RMC as these buildings come up generally in congested residential areas.

India is in fast-forward mode and time is of essence. Players like BPOs often want to start operations straight away and have no time to wait. All this is tipping the scales in favor of use of ready-mix concrete, and mechanized construction equipment at sites. So we conclude that if the quality of concrete is something that you cannot compromise on in your project owing to many critical factors at stake, RMC is the way to go!

SEGMENT WISE PERFORMANCE:

The Company is operating only in one sector i.e. Infrastructure Project Activity including providing Ready Mix Concrete and RCC Pipes therefore the segment reporting and performance standard is not applicable to the Company.



QUALITY CONTROL:

Ready Mixed Concrete is used for structural elements in all types of constructions. Adherence to the quality norms confirming to I.S. Standards is prime requirement for manufacture of RMC.

The Management and the Employees of Navkar Builders Ltd. are committed to operate every aspect of the Construction adhering to the standards that offers quality service to all clients by adopting and implementing effecting Quality Management System & Procedures

Consistency in quality is achieved by checking the raw materials in conformity with relevant I.S. Code, Carrying out full – fledged tests and trial mixes in well furnished laboratories with latest testing equipments.



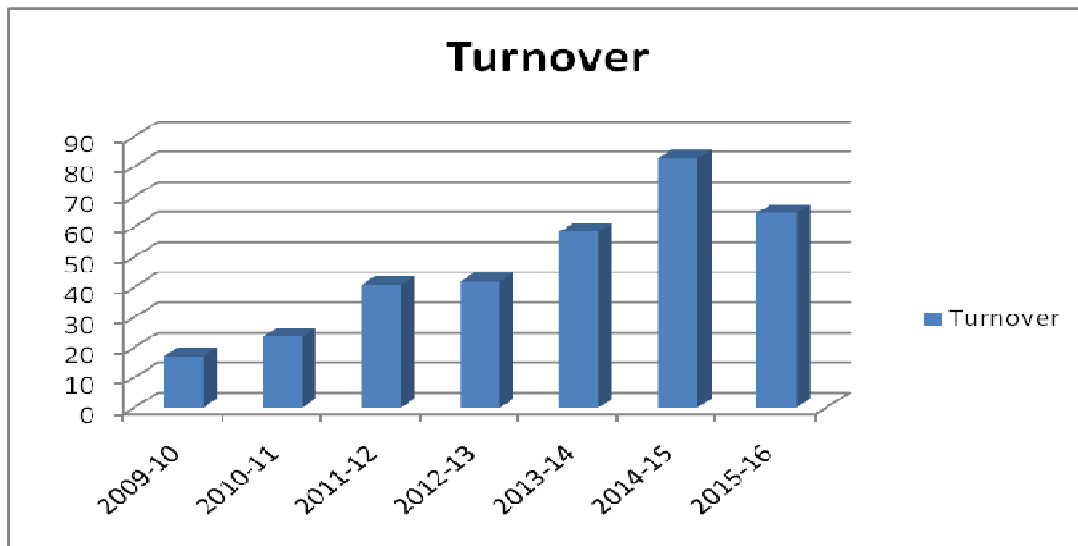
INFRASTRUCTURE



READY MIX CONCRETE

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 yearend 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



Company's diversified activities

Laying of 4G Cable Networking under Reliance Telecom. Recent sites are located in Ahmedabad, Vadodara, Kutch and Bhuj –

We have equipped ourselves with all the resources required to venture into the new field.

Manpower –

- ✘ We have recruited best talent available in the market for executing this new project viz. Project Management, Project Execution, Finance, HR, Legal, IT.
- ✘ For Site we have hired skilled labors to carry out the HDD activities

Material –

We preserve an extensive database for local vendors and others so that no work delays due to material unavailability.

Management –

We are a professionally managed company wherein we follow the best solutions to our business aspects in the most strategic way.

VISION

To be one of the premier infrastructure company in India by 2018 executing various vertical of construction activities with the help of its in house raw material production.

MISSION

- Adherence to Safety & Quality Norms
- Sustainable & Continual Growth
- Teamwork And Healthy Competition
- Concern towards The Stakeholders
- Deliver Best Service.
- Strong Willingness to Learn.
- Adherence To Values & Ethics

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.

By Order of the Board of Directors

Date : 30/04/2016

Place : Ahmedabad

Sd/-	Sd/-	Sd/-
(Samir Patel)	(Dakshesh Shah)	(Shailesh Shah)
Managing Director	Managing Director	Director & CFO
DIN: 01852150	DIN: 00561666	DIN: 02231177

CERTIFICATE ON FINANCIAL STATEMENTS

To,
The Members,
Navkar Builders Limited

We, have hereby certify that:

1. We have reviewed the financial statements and the cash flow statements of Navkar Builders Limited for the financial year 2015-16 and to the best of our knowledge and belief, we state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes in internal control over financing reporting during the year;
 - b. significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - c. that there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**By Order of the Board
For Navkar Builders Limited**

**Date: 30/04/2016
Place: Ahmedabad**

**Sd/-
Samir Patel
Managing Director
DIN: 01852150**

**AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To,
The Members,
Navkar Builders Ltd,
304, Circle P, near Prahlad Nagar,
S.G. Highway, Ahmedabad – 380051

We have examined the compliance of condition of Corporate Governance by **Navkar Builders Ltd**, for the year ended March 31, 2016 as stipulated in Regulation 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 and para C, D and E of schedule V of the securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (collectively referred to as "SEBI Listing Regulation, 2015).

The compliance of conditions of corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance note on certification of corporate Governance, issued by the institute of Chartered Accountant of Indian and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that such compliance is neither as assurance as to the future viability of the company nor the efficient with which the management has conducted the affairs of the company.

For J. B. Shah & Co.
Chartered Accountants

Date: 30/04/2016
Place: Ahmedabad

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NAVKAR BUILDERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Navkar Builders Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of

accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 30/04/2016
Place: Ahmedabad

For J. B. Shah & Co.
Chartered Accountants
Firm Reg. No. 121333W

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

“Annexure – A” to Independent Auditor’s Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the of fixed assets.
(b) The company has a regular programme of physical verification of its fixed assets which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, a major portion of the fixed assets have been physically verified by the management during the period. No material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the company.
- 2) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year and there were no material discrepancies noticed on physical verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business.
- 3) According to the information and explanation given to us, the company has granted loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 5) The company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) According to the information and explanation given to us, the central government has not prescribed for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the operations carried out by the company.

- 7) (a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any disputed dues required to be paid to the government authorities.
- 8)** In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to banks or financial institution.
- 9)** Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer during the year including debt instruments. The Company has raised moneys by way of term loans from bank and financial institutions. The term loans were applied for the purposes for which those were raised.
- 10)** In our opinion and according to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11)** In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12)** The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13)** In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.

- 14)** During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15)** In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of section 192 of the Act are not applicable to the Company.
- 16)** In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

Date: 30/04/2016
Place: Ahmedabad

For J. B. Shah & Co.
Chartered Accountants
Firm Reg. No. 121333W

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

“Annexure – B” to the Independent Auditor’s Report

Referred to in paragraph 2(f) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Navkar Builders Limited (“the Company”) as of 31st March, 2016 in conjunction with our audit of standalone financial statements of the company as of and for the year ended 31st March, 2016,

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the ‘Guidance Note’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Date: 30/04/2016
Place: Ahmedabad

For J. B. Shah & Co.
Chartered Accountants
Firm Reg. No. 121333W

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

NAVKAAR BUILDERS LIMITED
BALANCE SHEET AS AT MARCH 31, 2016
All amounts are rupees in lacs unless otherwise stated

	Particulars	Note	As at March 31,2016	As at March 31,2015
I.	<u>EQUITY AND LIABILITY</u>			
	Shareholders' Funds			
	Share Capital	2	1,745.33	1,745.33
	Reserves and Surplus	3	1,526.65	1,404.84
	Non-current Liabilities			
	Long-Term Borrowings	4	8.56	214.67
	Unsecured Loans	5	88.67	272.17
	Deferred Tax Liabilities	6	236.77	360.35
	Current Liabilities			
	Short Term Borrowings	7	1,316.42	1,167.16
	Trade Payables	8	22.93	138.91
	Other Current Liabilities	9	1,558.27	1,400.59
	Short-Term Provisions	10	191.03	210.26
	TOTAL		6,694.63	6,914.27
II.	<u>ASSETS</u>			
	Non-current assets			
	Fixed Assets	11		
	Tangible Assets		2,620.01	3,131.36
	Capital Work-in-Progress		209.21	93.26
			2,829.22	3,224.62
	Non-current Investments	12	5.00	5.00
	Long Term Loans and Advances	13	91.12	81.38
	Current Assets			
	Inventories	14	464.55	1,210.58
	Trade Receivables	15	2,343.98	1,106.62
	Cash and Cash Equivalent	16	182.85	175.21
	Short-Term Loans and Advances	17	777.91	1,110.86
	TOTAL		6,694.63	6,914.27
	Significant Accounting Policy	1		
	Notes are an integral part of the Financial Statements	2 to 30		

As per our report of even date
For, J. B. Shah & Co.
Chartered Accountants
Firm Reg. No: 121333W

sd/-
Jasmin B. Shah
Proprietor
M.No. 46238

Place :- Ahmedabad
Date :- 30/04/2016

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

sd/-
Dakshesh Shah
Managing I DIN No. 00561666

sd/-
Samir Patel
Managing I DIN No. 01852150

sd/-
Shailesh Shah
Director DIN No. 02231177

sd/-
Rashmi Mankodi
Company Secretary
Place :- Ahmedabad
Date :- 30/04/2016

NAV KAR BUILDERS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

All amounts are rupees in lacs unless otherwise stated

	Particulars	Note	For Year ending on March 31, 2016	For Year ending on March 31, 2015
I.	INCOME			
	Revenue from Operations	18	6,465.98	8,279.13
	Other Income	19	21.32	23.30
	TOTAL REVENUE		6,487.30	8,302.43
II.	EXPENDITURE			
	Cost of Materials Consumed and Work Contracting Charges (Increase)/ Decrease in Inventories of Finished Goods , W.I.P and Stock in Trade	20	4,666.22	6,866.69
	Employee benefits Expense	21	394.45	(414.06)
	Finance Costs	22	231.24	306.61
	Depreciation and amortisation expenses	23	259.38	351.98
	Other expenses	11	191.17	207.88
	Other expenses	24	399.40	328.96
	TOTAL EXPENSES		6,141.86	7,648.07
	PROFIT BEFORE TAX		345.45	654.37
	Tax Expense			
	1. Current Tax		(242.92)	(195.00)
	2. Deferred Tax		123.58	(22.54)
	3. Prior Period Taxation		0.84	(13.09)
	PROFIT FOR THE YEAR		226.94	423.74
	Earnings Per Share (in Rs.)	25		
	-Basic (Nominal Value of share Rs.10)		1.30	2.43
	-Diluted (Nominal Value of share Rs.10)		1.30	2.43
	Significant Accounting Policy	1		
	Notes are an integral part of the Financial Statements	2 to 30		

As per our report of even date

For, J. B. Shah & Co.

Chartered Accountants

Firm Reg. No: 121333W

Jasmin B. Shah

Proprietor

M.No. 46238

Place :- Ahmedabad

Date :- 30/04/2016

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

Daksehsh Shah

Managing Director

DIN No. 01852150

Samir Patel

Director

DIN No. 02231177

Shailesh Shah

Director

DIN No. 02423697

Rashmi Mankodi

Company Secretary

Place :- Ahmedabad

Date :- 30/04/2016

NAVKKAR BUILDERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

All amounts are rupees in lacs unless otherwise stated

Particulars	April 1, 2015 to March 31, 2016	April 1, 2014 to March 31, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	345.45	654.37
Adjustments for:		
Asset Discarded / Loss on Sale of Assets	220.82	7.51
Effect of Foreign Exchange (Gain)/ Loss	-	40.67
Depreciation	191.17	207.88
Finance Cost	259.38	351.98
Profit on sale of Investment / Assets	(1.23)	(0.40)
Interest Income	(13.03)	(20.70)
Operating Profit before Working Capital Changes	1,002.55	1,241.31
Movements in Working Capital :		
Decrease / (Increase) in Inventories	746.04	(375.48)
Decrease / (Increase) in Sundry Debtors	(1,237.36)	(34.98)
Decrease / (Increase) in Loans and Advances	332.95	460.02
(Decrease)/Increase Other Long-Term Liabilities	(9.75)	(856.43)
(Decrease) / Increase in Current Liabilities	(216.17)	216.77
Cash (used in) / generated from operations	618.25	651.20
Direct Taxes Paid (net of refunds)	(101.70)	349.17
Net cash (used in) / generated from operating activities (A)	719.95	302.03
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) of Fixed Assets	(47.65)	(60.67)
Sale / Disposal of Fixed Assets	251.88	349.49
Assets Discarded / Loss on Sale of Assets	(220.82)	(7.51)
Profit on sale of Investment / Assets	1.23	0.40
Interest Received	13.03	20.70
Net cash (used in) / generated from investing activities (B)	(2.32)	302.41
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds From Long Term Borrowings	(206.11)	(396.00)
(Repayment) / Proceeds From Short Term Borrowings	149.26	(16.09)
Increase/(Decrease) in Unsecured Loan	(183.50)	81.17
Interest Expense	(259.38)	(351.98)
Proposed Dividend	(174.53)	-
Dividend Distribution Tax	(35.73)	-
Net cash (used in) / generated from financing activities (C)	(709.99)	(682.90)
D.NET INCREASE IN CASH AND CASH EQUIVALENTS (D)=(A+B+C)	7.64	(78.47)
Cash and cash equivalents at the beginning of the year	175.21	253.68
Cash and cash equivalents at the end of the year	182.85	175.21
Components of cash and cash equivalents		
Cash and cheques on hand	31.63	27.11
With Scheduled Banks		
- in Current Account	6.25	6.47
- in Term Deposit Accounts	144.97	141.63
	182.85	175.21

Notes

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

As per our report of even date
For, J. B. Shah & Co.
Chartered Accountants
Firm Reg. No: 121333W

sd/-
Jasmin B. Shah
Proprietor
M.No. 46238

Place :- Ahmedabad
Date :- 30/04/2016

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

sd/-
Dakshesh Shah
Managing Director DIN No. 00561666

sd/-
Samir Patel
Managing Director DIN No. 01852150

sd/-
Shailesh Shah
Director DIN No. 02231177

sd/-
Rashmi Mankodi
Company Secretary
Place :- Ahmedabad
Date :- 30/04/2016

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956, to the extent applicable. Further, the guidance Notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Presentation & disclosure of financial statements

The company has prepared & presented the financial statements as on 31st March, 2016 as per the Schedule III notified under the Companies Act, 2013. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements".

1.3 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenue and expenses during the reported period. Such estimates are on a reasonable and prudent basis taking into account all available information; actual results could differ from estimates. Differences on account of revision of estimates actual outcome and existing estimates are recognised prospectively once such results are known / materialised in accordance with the requirements of the respective accounting standard, as may be applicable.

1.4 Revenue Recognition

- a) 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. The Company collects Service Tax, Excise Duty and value added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company and hence not included in revenue.
- b) Revenue from the Construction contracts is recognised on the basis of percentage of completion method as specified under AS 7 issued by the Institute of the Chartered Accountants of India. Accordingly the revenue

is recognised after assessing the stage of completion as at the Balance Sheet date.

- c) Interest Income is recognised on time proportion basis..

1.5 Fixed Assets

Tangible

- a) The fixed assets are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of all expenses incurred in bringing the assets to its present location, including installation and commissioning expenses. The indirect expenditure incurred during the pre-commencement period is allocated proportionately over the cost of the relevant assets.
- b) 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.

1.6 Impairment

The Company assesses at each balance sheet whether there is any indication that assets may be impaired. If any such indications exist, the Company estimates the recoverable amount of the assets or the cash-generating unit and if the same is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets are reflected at the recoverable amount.

1.7 Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale or disposal, as the case may be.

1.8 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process, stores and spares, packing materials, trading and other products are determined on weighted average basis.

Noncurrent Investments are carried at cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

1.10 Employee Benefit

- a) Gratuity is provided for on the basis of an actuarial valuation on projected unit credit method as at date of reporting.
- b) A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.
- c) The company offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

1.11 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.

1.12 Cash and Cash Equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

1.13 Tax Expense

- a) Tax expense comprises of current tax and deferred tax.
- b) Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates as per the Income Tax Act, 1961.
- c) Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are

recognised only to the extent that there is a reasonable certainty that sufficient future income will be available.

- d) Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.
- e) 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.

1.14 Earnings Per Share

- a) Basic earnings per share are 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.
- b) For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

1.15 Segment Reporting

The company has only one preliminary reportable segment i.e. construction and development of infrastructure projects (including provision of Ready mix concrete and Reinforced Cement Concrete Pipes) hence there is no separate reportable segments as required in Accounting standard 17 issued by ICAI.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

- a) 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.

b) Contingent liabilities, if any, are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:

- a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- a possible obligation, unless the probability of outflow of resources is remote.

c) Contingent assets are not recognized.

1.17 Foreign currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing at the date of transactions. Exchange difference arising on settlement of transactions is recognised as income or expense in the year in which they arise.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at the year-end rate and difference in translations and unrealised gains / (losses) on foreign currency transactions are recognised in the statement of profit & loss.

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

Note No.	Particulars	As at 31st March, 2016	As at 31 st March, 2015
2	Share Capital		
	Authorised share capital :- 20,000,000 (20,000,000) Equity Shares of Rs. 10 each	2,000.00	2,000.00
		2,000.00	2,000.00
	Issued, Subscribed & Paid-up Share Capital:- 1,74,53,300 (1,74,53,300) Equity Shares of Rs. 10 each fully paid up	1,745.33	1,745.33
		1,745.33	1,745.33

2.1 List of Share Holders having more than 5% holding

Sr. No.	Name of Shareholder	As at 31 March, 2016		As at 31 March, 2015	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Navkar Fiscal Services (P) Ltd	5,030,583	28.82%	5,030,583	28.82%
2	Efficient Tie-up Private Limited	3,925,000	22.49%	3,925,000	22.49%
3	Daksheshbhai R Shah	1,161,250	6.65%	1,161,250	6.65%
4	Yogesh B Parikh	925,000	5.30%	925,000	5.30%

2.2 The Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2016	As at 31st March, 2015
Balance as at the beginning of the year	17,453,300	17,453,300
Issued during the year	-	-
Balance as at the end of the year	17,453,300	17,453,300

2.3 Terms and Rights attached to equity Shares

The company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend proposed by the Board of Directors is subject to approval of the Shareholding in the ensuing Annual

2.4 The company has not issued any Right/ Bonus shares during any preceding year.
2.5 The company has issued 43,63,300 Equity Shares during the FY 2013-14.

Particulars	As at March 31,2016	As at March 31,2015
3 RESERVES AND SURPLUS		
Capital Reserve		
Opening Balance	46.12	46.12
<u>Add:</u> Transferred on forfeited of shares		
Closing Balance (A)	46.12	46.12
Securities Premium Reserve		
Opening Balance	27.23	27.23
<u>Add:</u> On issue of shares		
Closing Balance (B)	27.23	27.23
General Reserve		
Opening Balance	2.75	2.75
<u>Add:</u> During the Year		
Closing Balance (C)	2.75	2.75
Profit and Loss Account		
Opening Balance	1,328.75	1,115.27
<u>Add:</u> Profit for the Year	226.94	423.74
<u>Less:</u> Transfer from Reserve	-	-
Proposed Dividend [Dividend per Share 0.50/- (Previous year Re. 1/-)]	(87.27)	(174.53)
Proposed Dividend Distribution Tax	(17.86)	(35.73)
Closing Balance (D)	1,450.56	1,328.75
Total (A+B+C+D)	1,526.65	1,404.84
4 Long-Term Borrowings		
Secured Loans		
Term loans from Nationalised Bank (Refer note no. 4.1)	-	200.37
Vehicle Loans (Refer note no. 4.2)	8.56	14.31
Total	8.56	214.67
4.1 Term Loan from Bank		
<p>Term Loans from Union Bank of India of Rs. 200.37 lac (467.52 lac) of which Rs. Nil (200.37 lac) has been classified as long term borrowing and Rs. 200.37 lac (267.16 lac) has been classified as Current Maturities of long term borrowing and are secured, by way of Hypothecation of Plant & Machineries situated at Plants of the Company, specific immovable properties of Company and Personal Guarantee of two directors, one shareholder and Corporate Guarantee of Navkar Fiscal Services Pvt. Ltd. to the extent of Rs. 91.00 Lacs.</p> <p>Principal repayable in equal monthly/quarterly installments. Interest is payable on Monthly Basis. Applicable Rate of Interest is B.R. + 3.50% p.a. i.e. at Present 13.15% p.a.</p>		
4.2 Vehicle Loans from Bank		
<p>Vehicle Loans of Rs. 14.31 lac (19.53 lac) Vehicle Loans of which Rs. 8.56 Lacs (PY Rs. 14.31 Lacs) are classified as Secured Loans From Bank and Rs. 5.74 Lacs (PY Rs. 5.22 Lacs) are classified as Current Maturities of Long Term Borrowings are secured against respective vehicles under the Hire Purchase Contract .</p> <p>Principal repayable in monthly equated Installments. Applicable Rate of Interest is 12% p.a.</p>		
5 Unsecured Loans		
From Related parties	88.67	272.17
Total	88.67	272.17

Particulars	As at March 31,2016	As at March 31,2015
6 Deferred Tax Liabilities		
For the Timing Differences in Depreciation	236.77	360.35
Total	236.77	360.35
7 SHORT TERM BORROWINGS		
Secured		
Cash Credit with Banks (Note no. 7.1)	1,316.42	1,167.16
Total	1,316.42	1,167.16
<u>Nature of Security</u>		
Cash Credit with Union Bank of India are secured by hypothecation of present and future stock and book debts of company,		
7.1	Personal Guarantee of two directors, one shareholder and Corporate Guarantee of Associate companies in tune of sanction limits.	
Interest is payable on Monthly Basis. Applicable Rate of Interest is B.R. + 3.50% p.a. i.e. at Present 13.15% p.a.		
8 TRADE PAYABLES		
Micro, Small and Medium Enterprise (Refer note no. 8.1)		
Others	22.93	138.91
Total	22.93	138.91
8.1	Under the Micro, Small & Medium enterprise development act, 2006, certain disclosures are required to be made relating to Micro & small enterprise. The company is in the process of compiling relevant information from its supplier about their coverage under the said act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of the this act is not expected to be material. This has been relied upon by the auditors.	
9 OTHER CURRENT LIABILITIES		
Interest Accrued but not due	0.57	-
Unclaimed Dividend	3.26	-
Current Maturities of long term borrowings	206.11	339.02
Creditors for Capital Expenditure	3.04	13.57
Statutory Dues Payable	28.23	54.43
Employees Balances	7.21	1.49
Other Payables	777.62	737.74
Retention Money Payable	510.01	167.75
Advance received from Customers	22.23	86.59
Total	1,558.27	1,400.59
10 SHORT TERM PROVISION		
Provision for Tax	85.90	-
Provision for Dividend	87.27	174.53
Provision for Dividend Distribution Tax	17.86	35.73
Total	191.03	210.26

NAV KAR BUILDERS LIMITED

Notes to the Financial Statements for the Year ended 31st March, 2016

All amounts in rupees unless otherwise stated

Note no. 11 : Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2015	Addition for the year	Transfer / Adjusted for the year	As at 31.03.2016	As at 01.04.2015	Addition for the year	Transfer / Adjusted for the year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Leasehold Land	188.91	37.23	-	226.14	-	-	-	-	226.14	188.91
Building	843.62	-	(114.66)	728.96	75.12	8.65	(13.64)	70.12	658.84	768.50
Plant & Machinery	2,688.11	10.36	(411.34)	2,287.12	596.85	166.49	(148.46)	614.88	1,672.24	2,091.26
Computer	13.26	0.06	(3.58)	9.74	9.94	1.32	(3.35)	7.91	1.83	3.32
Furniture & Fixtures	36.07	-	(2.30)	33.77	9.81	3.88	(1.03)	12.67	21.11	26.26
Vehicles	73.46	-	(5.55)	67.91	20.35	10.83	(3.11)	28.06	39.85	53.11
Total	3,843.42	47.65	(537.42)	3,353.65	712.06	191.17	(169.59)	733.64	2,620.01	3,131.36
Capital WIP									209.21	93.26
PY Total	4,169.48	33.52	359.58	3,843.42	514.27	207.88	(10.09)	712.06	3,224.62	-

Notes :

11.1 Capital work-in-progress includes advances for capital goods amounting to Rs. 209.21 Lacs

11.2 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives.

11.3 In accordance with the Schedule II of the Companies Act, 2013, the company has reassessed the estimated useful life of assets. The reassessed useful life is in the line with existing useful life of the assets used by the company for the purpose of the depreciation. Due to this reassessment, the depreciation expense for the year ended 31.03.2015 is higher by Rs. 38.90 Lacs.

Particulars	As at March 31,2016	As at March 31,2015
12 INVESTMENTS		
LONG TERM INVESTMENTS		
QUOTED	5.00	5.00
Units 49990 (PY 49990) Union KBC Small & Mid Cap Fund - Growth Market Value as on 31.03.2016 Rs. 5,61,887/- (PY Rs. 6,12,877/-)		
Total	5.00	5.00
13 LONG TERM LOANS AND ADVANCES		
Security Deposits	91.12	81.38
Total	91.12	81.38
14 INVENTORIES		
Raw Material	266.72	618.31
Finished Goods	102.60	86.81
Work in Progress	95.23	505.47
Total	464.55	1,210.58
15 TRADE RECEIVABLES		
(Unsecured considered good)		
Over Six Months	218.52	288.93
Others	2,125.47	817.69
Total	2,343.98	1,106.62
16 CASH AND CASH EQUIVALENT		
Cash on Hand	31.63	27.11
Balance with Scheduled Banks		
a. in Current Accounts	6.25	6.47
b. in Term Deposit Accounts	144.97	141.63
Total	182.85	175.21
17 SHORT TERM LOANS AND ADVANCES		
Loans and Advances (Unsecured, Considered good)	200.19	381.83
Retention Money Receivable	432.34	219.16
Input Credit of Indirect Taxes	38.19	51.02
MAT Credit Entitlement	91.87	90.61
Advance Taxes (net of Provision)	-	55.70
Advances to Creditors for goods	15.32	312.54
Total	777.91	1,110.86

Particulars	For the year ending on March 31,2016	For the year ending on March 31,2015
18 REVENUE FROM OPERATIONS		
Sale of Products	770.60	3,369.82
Sale of Services	5,735.41	4,997.89
Less : Excise Duty	(40.03)	(88.58)
Total	6,465.98	8,279.13
19 OTHER INCOME		
Interest	13.03	20.70
Misc. Income	7.05	2.21
Profit on Sale of FA / Investment	1.23	0.40
Total	21.32	23.30
20 COST OF RAW MATERIAL CONSUMED AND OPERATING EXP.		
Opg Stock of Raw Material	618.31	656.88
Add : Purchase of Raw Material	197.77	2,350.56
Less : Closing Stock of Raw Material	(266.72)	(618.31)
Raw Material consumed during the year (A)	549.36	2,389.13
Other Operating Expenses		
Work Contract Charges	3,690.47	3,303.91
Labour Charges	256.53	423.16
Electric Power, Fuel	41.93	163.70
Freight Inward, Loading and unloading charges	76.11	520.87
Repairs & Maint. Exp	51.83	65.92
Other Operating Exp (B)	4,116.86	4,477.55
Total (A + B)	4,666.22	6,866.69
21 CHANGES IN INVENTORIES, WORK IN PROGRESS AND STOCK IN TRADE		
Opening Stock		
Finished goods	86.81	77.52
Work in Progress	505.47	100.70
	592.28	178.22
Less : Closing Stock		
Finished Goods	102.60	86.81
Work in Progress	95.23	505.47
	197.83	592.28
Total	394.45	(414.06)
22 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Bonus (Refer Note 22.1)	224.16	300.11
Gratuity Exp	3.71	-
Staff Welfare Expenses	3.36	6.50
22.1 Salaries includes Director Remuneration amounting to Rs. 51,84,000/- (PY Rs. 51,84,000/-)		
Total	231.24	306.61

Particulars	For the year ending on March 31,2016	For the year ending on March 31,2015
23 FINANCE COST		
Interest Exp	233.47	333.81
Other Borrowing Costs	25.92	18.17
Total	259.38	351.98
24 OTHER EXP		
Advertisement and Sales Promotion	0.43	1.64
Freight Outward	19.00	71.76
Foreign Exchange fluctuation loss	-	40.67
Rent	37.74	48.34
Rates and Taxes	45.95	67.18
Travelling Expenses	7.38	11.52
Communication Expenses	7.33	8.24
Payment to Auditors	2.25	2.00
Donation	-	0.05
Legal and Professional Expenses	16.82	16.62
Printing and Stationary Expenses	1.27	1.29
Insurance	10.38	11.39
Other Administrative Expenses	30.02	40.74
Asset Discarded / Loss on Sale of Fixed Assets	220.82	7.51
Total	399.40	328.96
24.1 PAYMENT TO AUDITORS :		
Statutory Audit Fees	1.75	1.50
Tax Audit Fees	0.50	0.50
	2.25	2.00

25. Related Party Transactions:

As per Accounting Standard - 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.,
Yashnad Engineers & Contractors,
Wildwood Resorts & Realities Pvt. Ltd
Yash Associates

b) Key management personnel

Dakshesh R. Shah,
Samir C. Patel

c) Entities have significant influence -

Navkar Fiscal Services Pvt. Ltd.
Efficient Tie-up Pvt. Ltd.

B. Transactions between the Company and related parties and the status of outstanding balances as at March 31, 2016:

Particulars	Entities Where KMP /RKMP has Significant	KMP	(Rs. In Lacs)
			Entities have Significant Influence
Transactions			
Sales	245.87	Nil	Nil
	(87.74)	(Nil)	(Nil)
Sales of Plant and Machinery	30.75	Nil	Nil
	(35.00)	(Nil)	(Nil)
Interest Expense	Nil	Nil	Nil
	(Nil)	(Nil)	(0.80)
Remuneration	Nil	51.84	Nil
	(Nil)	(51.84)	(Nil)
Repayment of Loans given	Nil	Nil	20.15
	(Nil)	Nil	Nil
Loans & Advances taken	Nil	Nil	Nil
	(Nil)	(Nil)	(103.17)
Repayment of Loans & Advances taken	63.50	Nil	Nil
	(Nil)	(Nil)	(22.00)

Particulars	Entities Where KMP /RKMP has Significant	KMP	Entities have Significant Influence
Balances Outstanding as on 31.03.2016 (31.03.2015)			
Loans & Advances taken	88.67	Nil	88.67
	(88.67)	(Nil)	(88.67)
Advance From Customer	1.61	Nil	Nil
	(7.85)	(Nil)	(Nil)
Other Payable	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Loans & Advances given	91.61	Nil	Nil
	(91.61)	(Nil)	(Nil)
Trade Receivable	130.67	Nil	Nil
	(Nil)	(Nil)	(Nil)

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 March 31,	
			2016	2015
Transactions				
Sales	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	245.86	87.74
Sales	Entities where KMP/ RKMP has significant influence	Yash Associates	116.33	Nil
Sales of Plant and Machinery	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	30.75	35.00
Remuneration	Key Managerial Personnel	Dakshesh R. Shah	25.92	25.92
	Key Managerial Personnel	Samir C. Patel	25.92	25.92
Loans & Advances taken	Entities have significant influence	Efficient Tie-up Pvt Ltd	Nil	103.17
Repayment of Loans & Advances taken	Entities where KMP/ RKMP has significant influence	Wildwood Resorts and Private Limited	63.50	Nil
Repayment of Loans & Advances taken	Entities have significant influence	Efficient Tie-up Pvt Ltd	Nil	22.00
Repayment of Loans & Advances given	Entities have significant influence	Efficient Tie-up Pvt Ltd	20.15	Nil

Type of the Transaction	Type of relationship	Name of the entity/person	Year ended March 31,	
			2016	2015
Balances Outstanding as on 31.03.2016 (31.03.2015)				
Loans & Advances given	Entities where KMP/ RKMP has significant influence	Parshva Alluminium Co. Ltd.	91.61	91.61
Loans & Advances given	Entities have significant influence	Navkar Fiscal Services Private Limited	Nil	20.16
Loans & Advances taken	Entities where KMP/ RKMP has significant influence	Wild Wood Resorts & Realities Pvt. Ltd.	Nil	63.50
Loans & Advances taken	Entities have significant influence	Efficient Tie-up Pvt Ltd	88.67	88.67
Trade Receivables	Entities where KMP/ RKMP has significant influence	Yashnanad Engineers & Contractors	16.37	1.61
Trade Receivables	Entities where KMP/ RKMP has significant influence	Yash Associates	114.30	0.00
Other Payable	Key Managerial Personnel	Dakshesh R. Shah	Nil	14.82
Other Payable	Key Managerial Personnel	Samir C. Patel	Nil	14.47
Trade Receivable	Entities have significant influence	Navkar Fiscal Services Private Limited	Nil	13.09

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

(Rs. In Lacs)

Type of relationship	Name	Amount outstanding as at March 31, 2016	Maximum Amount outstanding during the year
Companies in which directors are interested	Parshva Alluminium Co. Ltd.	91.61	91.61
Companies in which directors are interested	Navkar Fiscal Services Private Limited	Nil	20.16

Note:

- a) All the above balances of loans 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.

27. Employee Benefits (AS - 15) (Note pending from the actuary valuer will be received by end of day)

a) Defined Contribution plan

Amount of Rs. 3,71,250/- is recognised as an expense and included in Employees Benefit expenses in Note 22 to statement of profit and loss.

- b) As per Accounting standard - 15, "Employee Benefits". The disclosures are given as below :

Particulars	As at March 31,2016	As at March 31,2015
Reconciliation of Employee benefit expenses		
Obligation at the beginning of the year	Nil	Nil
Current Service Cost	3,71,250	Nil
Interest Cost	Nil	Nil
Actuarial (Gain)/ Loss	Nil	Nil
Benefits Paid	Nil	Nil
Present Value of obligations at the year end	3,71,250	Nil
Change in Fair Value of Plan Assets		
Fair Value of the Plan at period beginning	Nil	Nil
Actual return on plan assets	Nil	Nil
Employers' Contribution	Nil	Nil
Benefits Paid	Nil	Nil
Plan Assets as at year end	Nil	Nil
Liability recognised in the Balance sheet		
Present value of the obligations at year end	3,71,250	Nil
Fair Value of Plan Assets	Nil	Nil
Un recognised actuarial Gains / (Loss)	3,71,250	Nil
Unfunded Liability recognised in the Balance sheet	Nil	Nil
Net cost recognised in the statement of profit & Loss		
Interest cost	Nil	Nil
Service cost	3,71,250	Nil
Expected / Actual return on Plan Assets	Nil	Nil
Gain / (Loss) recognised	Nil	Nil
Net (Gain) / cost provided as expense in the statement of profit and loss	3,71,250	Nil
Assumptions used to determine the benefit obligation		
Discounting Rate (per Annum)	8.00% p.a.	8.00% p.a.
Expected rate of escalation in salary (per annum)	5.00% p.a.	5.00% p.a.
Expected rate of return on plan assets	N.A.	N.A.

28. Additional information pursuant to the Schedule III of the Companies Act, 2013

Expenditure in Foreign Currency during the financial year 2015-16	
Particulars	Amount Rs. (In Lacs)
Interest Expense	Nil
Capital Expenditure	Nil

29. a) In opinion of the directors, contingent liability not provided is Rs. Nil. (Nil)
b) Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil (Nil).

30. 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.

As per our report of even date

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

Sd/-
Jasmin B. Shah
Proprietor
M.No. 46238
Place: - Ahmedabad
Date: - 30/04/2016

for and on behalf of the Board of Directors of

Navkar Builders Limited

Sd/-
Dakshesh Shah
Managing Director **DIN NO. 0561660**

Sd/-
Samir Patel
Managing Director **DIN NO. 01852150**

Sd/-
Shailesh Shah
Director **DIN NO. 02231177**

Sd/-
Rashmi Mankodi
Company Secretary

Place :- Ahmedabad
Date :- 30/04/2016

Reg. Add: 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad-380051

**ATTENDANCE SLIP
ANNUAL GENERAL MEETING – 13th September, 2016 AT 11.30 A.M.**

DP Id.		Client Id. / Ben. A/c.	
Folio No.		No. of Shares	

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the **ANNUAL GENERAL MEETING** of the Company being held on 13th September, 2016 at 11.30 A.M. at 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad- 380051

Full Name of the Shareholder / Proxy (In Block Letter) Signature

=====

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L45200GJ1992PLC017761

Name of the company: NAVKAR BUILDERS LIMITED

Registered office: 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad- 380051

Name of the member (s)	
Registered address	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint:

1. Name:
Address:
E-mail Id:
Signature:....., or failing him,

2. Name:
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 13th day of September, 2016 at 11.30 A.M. at 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad- 380051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description	For	Against
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2016		
2	Re-election of Mr. Rameshchandra Patel as a Director of the company		
3	Declaration of Dividend @5%		
4	Appointment of M/s. S V K & Associates as Auditors & fix their remuneration.		
5	Appointment of Mr. Shaileshbhai Shah, as an Independent Director of the Company		
6	Appointment of Mr. Rameshchandra Patel, as an Independent Director of the Company		
7	Appointment of Mr. Sunil Bohara, as an Independent Director of the Company		

**Affix
Rs. 1 /-
Revenue
Stamp**

Signed this..... day of..... 20....
Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If Undelivered, please return to:-
M/S. MCS SHARE TRANSFER AGENT LIMITED.
Unit: Navkar Builders Limited
12/1/5, Manohar Pukur Road, Kolkatta-700033
Ahmedabad office: 201, Shatdal Complex,
Opp. Bata Show Room, Ashram Road,
Ahmedabad – 380009