



NAV<sup>TM</sup>KAR  
BUILDERS LIMITED

**ANNUAL REPORT**

**2016-2017**

## **Board of Directors**

Mr. Dakshesh Shah	Chairman & Managing Director
Mr. Samir Patel	Joint Managing Director
Mr. Shailesh Shah	Director
Mr. Rameshchandra Patel	Director
Mr. Sunil Bohara	Director
Ms. Ripal Snehan Dave	Director

## **Auditors**

S V K & ASSOCIATES  
Chartered Accountants  
Ahmedabad

## **Registered Office**

304, Circle P, near Prahlad Nagar,  
S.G. Highway, Ahmedabad – 380051  
Email Id: [navkarbuilders@yahoo.co.in](mailto:navkarbuilders@yahoo.co.in)  
Website: [www.navkarbuilders.com](http://www.navkarbuilders.com)

## NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Navkar Builders Limited will be held on Thursday, 14<sup>th</sup> September, 2017 at 11.00 A.M at 304, Circle P, Near Prahlad Nagar, S.G. Highway, Ahmedabad - 380051 to transact the following business:-

### ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as 31<sup>st</sup> March, 2017 and profit & loss account of the company for the year ended on 31<sup>st</sup> March, 2017 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 1 %
4. To ratify appointment of M/s. S V K & Associates, Chartered Accountants, Ahmedabad, who were appointed in the Annual General Meeting in the year 2016 for a block of 5 year until the conclusion of the Annual General Meeting to be held in 2021 and fix his remuneration.

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

**Place : Ahmedabad  
Date : 14/08/2017**

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

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

**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 06<sup>th</sup> September, 2017 to 14<sup>th</sup> September, 2017 (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 13<sup>th</sup> 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 10<sup>th</sup> September, 2017 (11.00 a.m.) and ends on 13<sup>th</sup> September, 2017 (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 07<sup>th</sup> September, 2017 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](http://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](http://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 ( <u>Applicable for both demat shareholders as well as physical</u>
	<u>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</u>
	<u>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.</u>
DOB	Enter the Date of Birth as recorded in your demat account or in the <u>Company records for the said demat account or folio in dd/mm/yyyy</u>
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](http://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](mailto: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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 07<sup>th</sup> September, 2017.
- 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 Mrs. 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](mailto:roopalcs2001@gmail.com) so as to reach her on or before 13th September, 2017 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](http://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 the company does not have any amount which required to be transferred to the Investor Education and Protection Fund (IEPF).
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  
For, Navkar Builders Limited**

**Place : Ahmedabad  
Date : 14/08/2017**

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

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



**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	Nil
Membership of Committees of other Public	Nil
Director of Company since	01/10/2007
No. of Shares Held	Nil

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

Place : Ahmedabad  
Date : 14/08/2017

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

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

**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](mailto:navkarbuilders@yahoo.co.in)  
Website : [www.navkarbuilders.com](http://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.

## NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Navkar Builders Limited will be held on Thursday, 14<sup>th</sup> September, 2017 at 11.00 A.M at 304, Circle P, Near Prahlad Nagar, S.G. Highway, Ahmedabad – 380051 to transact the following business:-

### ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as 31<sup>st</sup> March, 2017 and profit & loss account of the company for the year ended on 31<sup>st</sup> March, 2017 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 1 %
4. To ratify appointment of M/s. S V K & Associates, Chartered Accountants, Ahmedabad, who were appointed in the Annual General Meeting in the year 2016 for a block of 5 year until the conclusion of the Annual General Meeting to be held in 2021 and fix his remuneration.

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

**Place : Ahmedabad  
Date : 14/08/2017**

<b>Sd/-</b>	<b>Sd/-</b>
<b>(Samir Patel)</b>	<b>(Dakshesh Shah)</b>
<b>Managing Director</b>	<b>Managing Director</b>
<b>DIN: 01852150</b>	<b>DIN: 00561666</b>

**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.

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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 13<sup>th</sup> 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 10<sup>th</sup> September, 2017 (11.00 a.m.) and ends on 13<sup>th</sup> September, 2017 (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 07<sup>th</sup> September, 2017 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](http://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](http://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
	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
	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
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](http://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](mailto: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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 07<sup>th</sup> September, 2017.
- 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 Mrs. 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](mailto:roopalcs2001@gmail.com) so as to reach her on or before 13th September, 2017 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](http://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 the company does not have any amount which required to be transferred to the Investor Education and Protection Fund (IEPF).
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  
For, Navkar Builders Limited**

Place : Ahmedabad

Date : 14/08/2017

Sd/-  
(Samir Patel)  
Managing  
DIN: 01852150

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

**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

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

Place : Ahmedabad

Date : 14/08/2017

Sd/-  
(Samir Patel)  
Managing  
DIN: 01852150

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

**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](mailto:navkarbuilders@yahoo.co.in)  
Website : [www.navkarbuilders.com](http://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, 2017. The Management Discussion and Analysis is also included in this Report.

### FINANCIAL RESULTS AND OPERATIONAL REVIEW:

(Rs. In Lacs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Gross Sales/Income	4215.40	6487.30
Depreciation	83.90	191.17
Profit/(Loss) before Tax	17.33	345.45
Taxes/Deferred Taxes		118.50
Profit/(Loss) After Taxes	37.88	226.94
P& L Balance b/f	1450.56	1328.75
Proposed Dividend	17.45	87.27
Dividend Distribution Tax	3.49	17.86
Profit/ (Loss) carried to Balance Sheet	1467.50	1450.56

During the year under review the total income was Rs. 421,540,530 /- as compared to Rs. 64,87,30,098/- of that of the previous Year. The Company has provided Rs. 83,89,754/- 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. 3,788,761 /-.

### 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 1% dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2017, aggregating Rs. 14,75,440/- and Dividend Distribution tax aggregating Rs. 349,066/-.

### 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. 16,94,255/- 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 two associate company named Navkar Fiscal Services Private Limited and Efficient Tie-Up Private Limited.

Financial Details of Navkar Fiscal Services Private Limited is as under.

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Gross Sales/Income	25.60	52.59
Less Depreciation	0	0.00
Profit/(Loss) before Tax	25.24	51.74
Taxes/Deferred Taxes	0.15	0.45
Profit/(Loss) After Taxes	25.09	51.29
P& L Balance b/f	-11.24	-62.54
Profit/ (Loss) carried to Balance Sheet	13.85	-11.24

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

Financial Details of Efficient Tie-Up Private Limited is as under.

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Gross Sales/Income	19,62,500	43,66,386
Less Depreciation	Nil	Nil
Profit/(Loss) before Tax	17,82,430.27	41,48,155.50
Taxes	6,968.00	68,960.00
Profit/(Loss) After Taxes	17,75,462.27	40,79,195.50
P& L Balance b/f	40,43,693.95	(35,501.55)
Profit/ (Loss) carried to Balance Sheet	58,19,156.22	40,43,693.95

The Company is engaged in the Business of Trading.

**SHARE CAPITAL:**

The paid up Equity Share Capital as on March 31, 2017 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. 2,16,64,320/- during the current year.

Long Term Debt of the Company stands zero as on 31<sup>st</sup> March, 2017.

**FIXED DEPOSITS:**

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31<sup>st</sup> March, 2017.

**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 accepted resignation of Mr. Rashmikant Mankodi from the post of company Secretary on 14.02.2017 during the year under review.

#### **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 Eleven (11) 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. 1,02,00,000/- or more per annum Rs. 8,50,000/- 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.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):** Not Applicable

**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, 2017, 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, 2017 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 has ratify appointment of M/s. S V K & Associates, Chartered Accountants, Ahmedabad, as Statutory Auditors of the company, which was

appointed as a statutory auditor of the Company in Annual General Meeting which was held on 13<sup>th</sup> September, 2016 for a block of 5 year until the conclusion of the annual General Meeting to be held in 2021.

#### **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 IEPF 2 and also in compliance with section 96 read with subsection 2 of section 125 of The Companies Act, 2013.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has adequate of internal financial controls with reference to the Financial Statements during the year under review.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There is not any Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

#### **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 2016-17, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31<sup>st</sup> March, 2017.

**ACKNOWLEDGMENT:**

Your Directors convey 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 : 14/08/2017

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2017

*[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 31<sup>st</sup> March, 2017. 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 31<sup>st</sup> March, 2017 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 31<sup>st</sup> March, 2017, 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, 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

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;

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 IEPF 2, for unclaimed dividend as per provisions of section 96 read with subsection 2 of section 125 of The Companies Act, 2013 for uploading of information regarding unpaid and unclaimed amounts lying with companies for Financial Year 2015-16.

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 compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of account has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professional .

**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.

**Date: 14/08/2017**  
**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 - Return required
  6. Contract Labour(Regulation and Abolition) Act, 1970
  7. The Employees' State Insurance Act,1948 - Return required
  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: 14/08/2017**  
**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: 14/08/2017**  
**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 2016-2017**

**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

**(a) 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

**(b) Foreign exchange earnings and Outgo**

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

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2017**

**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	<b>L45200GJ1992PLC017761</b>
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	<b>Address:</b> 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad - 380051  <b>Contact No.:</b> 079-40064095 <b>E-mail id:</b> <a href="mailto:navkarbuilders@yahoo.co.in">navkarbuilders@yahoo.co.in</a> <b>Website:</b> <a href="http://www.navkarbuilders.com">www.navkarbuilders.com</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Name:</b> MCS Share Transfer Agent Ltd <b>Add:</b> 1. 12/1/5, Manoharpukur Road, Kolkata-700 026  2. 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009  <b>Contact No.:</b> 033-40724051/52/5 079-2658 2878, 2879, 2880  <b>E-mail id:</b> <a href="mailto:mcssta@rediffmail.com">mcssta@rediffmail.com</a> <a href="mailto:mcsahmd@gmail.com">mcsahmd@gmail.com</a>

**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%







Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>	1002350 0	459100	1048260 0	60.06	1002850 0	454100	1048260 0	60.061	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1002350 0	459100	1048260 0	60.06	1002850 0	454100	1048260 0	60.061	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	16994100	459200	17453300	100	16999100	454200	17453300	100.00	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
	<b>Total</b>	<b>6970700</b>	<b>39.94</b>	<b>6970700</b>	<b>39.94</b>	<b>Nil</b>

### 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	<b>Navkar Fiscal Services Private Limited</b>				
	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	<b>Samir C Patel</b>				
	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	<b>Dakshesh Rameshchandra Shah</b>				
	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	<b>6.65</b>	1161250	<b>6.65</b>

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

SNO.	Top 10 Shareholders	No. of shares	% of total shares of the company	Date	Increase/ Decrease in shareholding pattern	Cumulative shares during the year	% of Total Shares of The Company During The Year
1	Yogesh Biharilal Parikh	925000	5.30		No change		5.30
2	Renuka Yogesh Parikh	852400	4.88		No change		4.88
3	Keyur Sureshchandra Patel	442000	2.53		No change		2.53
4	Renubala Ashokkumar Miglani	325000	1.86		No change		1.86
5	Ashokkumar Hakamchand Miglani	325000	1.86		No change		1.86
6	Tejas A Patel	242000	1.39		No change		1.39
7	Sureshchandra Bhajibhai Patel	242000	1.39		No change		1.39
8	Patel Urvi Bhagwanbhai	242000	1.39		No change		1.39
9	Arvindbhai Bhajibhai Patel	242000	1.39		No change		1.39
10	Tushar Hasmukhbhai Patel	200000	1.15		No change		1.15
11	Satyapal Hakamchand Miglani	125000	0.72		No change		0.72

**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	<b>Samir C Patel - Managing Director</b>				
	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	<b>Dakshesh Rameshchandra Shah - Managing Director</b>				
	At the beginning of the year	1161250	<b>8.87</b>	1161250	<b>6.65</b>

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.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	15,31,09,228	88,67,000	0	16,19,76,228
ii) Interest due but not paid	56,861	0	0	56,861
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>15,31,66,089</b>	<b>88,67,000</b>	<b>0</b>	<b>16,20,33,089</b>
<b>Change in Indebtedness during the financial year</b>		1		
* Addition	20,53,417	48,52,799	0	69,06,216
* Reduction	(2,06,10,802)	0	0	(2,06,10,802)
<b>Net Change</b>	<b>(1,85,57,385)</b>	<b>48,52,799</b>	<b>0</b>	<b>(1,37,04,586)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	13,45,51,843	1,37,19,799	0	14,82,71,642
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>13,45,51,843</b>	<b>1,37,19,799</b>	<b>0</b>	<b>14,82,71,642</b>

#### 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
		Samir Patel-MD	Dakshesh Shah-MD	
1	<b>Gross salary</b>	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	<b>Stock Option</b>	Nil	Nil	Nil
3	<b>Sweat Equity</b>	Nil	Nil	Nil
4	<b>Commission - as % of profit - others, specify...</b>	Nil	Nil	Nil
5	<b>Others, please specify</b>	Nil	Nil	Nil

	<b>Total (A)</b>	<b>25,92,000</b>	<b>25,92,000</b>	<b>51,84,000</b>
	<b>Ceiling as per the Act</b>	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	Prakash Shah	
1	<b>Independent Directors</b>	Nil	Nil	Nil	Nil	Nil
	<b>Fee for attending board committee meetings</b>	Nil	Nil	Nil	Nil	Nil
	<b>Commission</b>	Nil	Nil	Nil	Nil	Nil
	<b>Others, please specify</b>	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
2	<b>Other Non-Executive Directors</b>	Nil	Nil	Nil	Nil	Nil
	<b>Fee for attending board committee meetings</b>	Nil	Nil	Nil	Nil	Nil
	<b>Commission</b>	Nil	Nil	Nil	Nil	Nil
	<b>Others, please specify</b>	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total Managerial Remuneration</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

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

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	<b>Gross salary</b>				
	<b>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</b>	Nil	1,00,000	Nil	1,00,000
	<b>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</b>	Nil	0	Nil	0
	<b>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</b>	Nil	0	Nil	0
2	<b>Stock Option</b>	Nil	0	Nil	0
3	<b>Sweat Equity</b>	Nil	0	Nil	0
4	<b>Commission</b>	Nil	0	Nil	0
	<b>- as % of profit</b>	Nil		Nil	
	<b>others, specify...</b>	Nil		Nil	
5	<b>Others, please specify</b>	Nil	0	Nil	0
	<b>Total</b>	<b>Nil</b>	<b>1,00,000</b>	<b>Nil</b>	<b>1,00,000</b>

## 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)
<b>A. COMPANY</b>					
Penalty					
Punishment	Nil				
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment	Nil				
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment	Nil				
Compounding					

**By Order of the Board of Directors**

Date : 14/08/2017

Place : Ahmedabad

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

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

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

## 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 for Financial Year ended 31<sup>st</sup> March, 2017 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:**

#### **Composition of Board of Directors as on date of Report:**

The Board of Directors as at 31<sup>st</sup> March, 2017 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 31<sup>st</sup> March, 2017.

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	Nil	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

#### **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.

#### **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 11 (Eleven) times on the following dates:

05/04/2016	13/04/2016	14/04/2016	24/04/2016	25/04/2016
27/04/2016	30/04/2016	22/06/2016	12/08/2016	14/11/2016
14/02/2017				

#### **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	11
Mr. Samir Patel	Managing Director	11
Mr. Sunil Bohara	Independent and Non Executive Director	11
Mr. Shailesh Shah	Independent and Non Executive Director	11
Mr. Rameshchandra	Independent and Non Executive Director	11
Mrs. Ripal Snehanbhai Dave	Independent and Non Executive Director	11

**Pecuniary relationship or transactions of non-executive Directors:**

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

**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.

**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

**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 31<sup>st</sup> March, 2017 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 held as Chairman on other public Companies (Excluding This Company)	No. of Committees held as member in other public Company (Excluding This Company)
1.	Mr. Dakshesh Shah	1	--	1
2.	Mr. Samir Patel	--	--	--
3.	Mr. Sunil Bohara	--	--	--
4.	Mr. Shailesh Shah	--	--	--
5.	Mr. Rameshchandra Patel	--	--	--
6.	Mrs. Ripal Snehanbhai Dave	--	--	--

#### **INDEPENDENT DIRECTORS' MEETING:**

During the year under review, the Independent Directors met on March 30, 2017, 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](http://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:

**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 apprised 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.

During the year under review, the 4 Audit Committee meeting were held during Financial Year 2016-17. The dates on which the said meetings were held as follows:

30/04/2016                  12/08/2016                  14/11/2016                  14/02/2017

**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, 2017**

(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, Nomination and Remuneration committee meeting was held on 30/04/2016.

### **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:-**

#### **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.

#### **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.

#### **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.

#### **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

#### **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.

#### **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.

#### **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.

#### **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.

During the year under review, the 4 meeting of the committee were held during Financial Year 2016-17. The dates on which the said meetings were held as follows:

30/04/2016	12/08/2016	14/11/2016	14/02/2017
------------	------------	------------	------------

#### **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

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 4 (four) Share Transfer & Shareholders'/Investor Grievance Committee were held during Financial Year 2016-2017. The dates on which the said meetings were held as follows:

30/04/2016	20/07/2016	18/10/2016	18/01/2017
------------	------------	------------	------------

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions as on 31<sup>st</sup> March, 2017 is given below :

**Complaints Status: 01.04.2016 to 31.03.2017**

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

**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
2016	13/09/2016	11:30 a.m.	304, Circle P, Near prahlad nagar, S.G. highway, Ahmedabad-380051
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

**The special resolutions have been passed at Annual General Meeting dated 13/09/2016 which are as followed:**

1. Appointment of Mr. Shaileshbhai Shah (DIN: 02231177), as an Independent Director of the Company
2. Appointment of Mr. Rameshchandra Patel (DIN: 02423697), as an Independent Director of the Company.
3. Appointment of Mr. Sunil Bohara (DIN: 02232219), as an Independent Director of the Company.

**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.

## **DISCLOSURES:**

a) **Materially significant related party transactions:**

The same are appropriately disclosed at the Note No. 26 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.

## **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 official news releases are displayed on the Company's website i.e. [www.navkarbuilders.com](http://www.navkarbuilders.com)

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

## **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>

## **GENERAL SHAREHOLDER INFORMATION:**

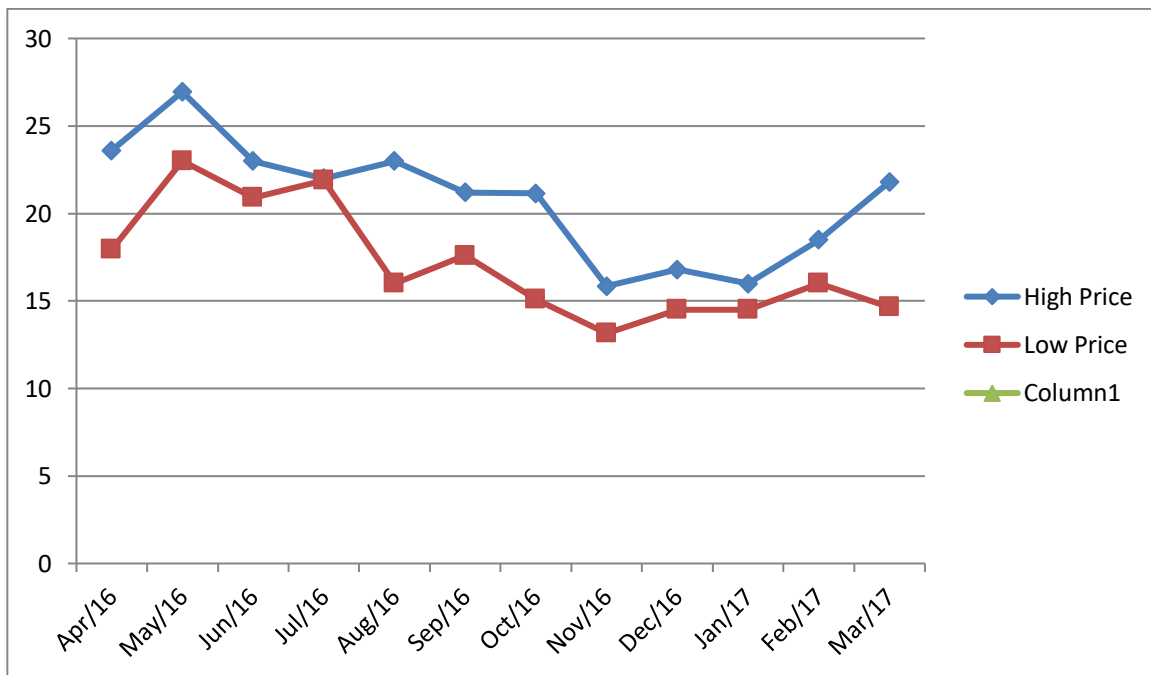
- a) Date, Time and venue of Annual General Meeting: 14<sup>th</sup> September, 2017 at 11:00 a.m. at the Registered Office of the Company.
- b) Financial Year: 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017.
- c) Financial Calendar:
  - i. 1<sup>st</sup> quarterly results – second week of August, 2017
  - ii. 2<sup>nd</sup> quarterly results – second week of November, 2017
  - iii. 3<sup>rd</sup> quarterly results – second week of February, 2018
  - iv. 4<sup>th</sup> quarterly results – Last week of May, 2018
- d) Date of Book Closure: 06<sup>th</sup> September, 2017 to 14<sup>th</sup> September, 2017 (both days inclusive)
- e) Dividend Payment Date: 29/09/2017
- f) Listing of Equity Shares on Stock Exchanges:

BSE Limited Annual listing fees for the financial Year up to 31.03.2017 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 2016	23.60	17.95
May 2016	26.95	23.00
June 2016	23.00	20.90
July 2016	22.00	21.90
August 2016	23.00	16.00
September 2016	21.20	17.60
October 2016	21.15	15.10
November 2016	15.85	13.15
December 2016	16.80	14.50
January 2017	15.98	14.50
February 2017	18.50	16.00
March 2017	21.80	14.65

- 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.

- 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 31<sup>st</sup> March, 2017):**

Share Holding of Nominal Value		Share Holders		Share Amount	
Rs.	Rs.	No.	% to total	In Rs.	% to total
Up to	5,000	1058	66.45	2628320	1.50
5,001 to	10,000	387	24.30	2958880	1.69
10,001 to	20,000	62	3.89	936660	0.53
20,001 to	30,000	22	1.38	554700	0.31
30,001 to	40,000	7	0.44	241610	0.13
40,001 to	50,000	8	0.50	366480	0.21
50,001 to	1,00,000	11	0.69	725140	0.41
1,00,001 to	5,00,000	12	0.75	3047380	1.74
5,00,000 &	Above	25	1.57	163073830	93.43
<b>Total</b>		1627	98.28	174533000	100.00

n) **Shareholding pattern as on 31.03.2017**

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	4378091	25.08
c. Indian public	5252109	30.09
d. other	852400	4.88
<b>TOTAL</b>	17453300	100.00

Dematerialization of shares: As on 31.03.2017 Demated shares accounted for 97.39% (16999100 Equity Shares) of total equity.

Outstanding GDR / ADR / Warrants: NA

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

**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](mailto:mcssta@rediffmail.com), [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com)



**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](mailto:navkarbuilders@yahoo.co.in) Website

: [www.navkarbuilders.com](http://www.navkarbuilders.com)

**Location of plants:**

a) Plot No.444/A, Adalaj-Koba Road, Village: Ambapur, Adalaj,  
Dist.: Gandhinagar.

b) 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, 2017.

**By Order of the Board of Directors**

Date: 14/08/2017

Place: Ahmedabad

Sd/  
(Samir Patel)  
Managing  
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 2016-17 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 2016-17 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 2016-17;
  - Significant changes in accounting policies during the year 2016-17 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 : 14/08/2017**  
**Place : Ahmedabad**

**Sd/ (Ripal Dave) Director & CEO**  
**Sd/ (Shailesh Shah) Director & CFO**  
**DIN: 07192664 DIN: 02231177**

**Annexure- E**  
**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\$ 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 (NIIF) 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 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.
- 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 m<sup>3</sup>). 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 overriding 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 operate every aspect of the Construction adhering to quality service to all clients by adopting and 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.

## **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 : 14/08/2017**  
**Place : Ahmedabad**

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>(Samir Patel)</b>	<b>(Dakshesh Shah)</b>	<b>(Shailesh Shah)</b>
<b>Managing Director</b>	<b>Managing Director</b>	<b>Director &amp; CFO</b>
<b>DIN: 01852150</b>	<b>DIN: 00561666</b>	<b>DIN: 02231177</b>

**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 2016-17 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: 14/08/2017**  
**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, 2017 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 an assurance as to the future viability of the company nor the efficient with which the management has conducted the affairs of the company.

**For, SVK & Associates,  
Chartered Accountants**

**Date: 14/08/2017**  
**Place: Ahmedabad**

**Sd/-  
Shilpang V Karia  
Partner  
M. No. 102114  
Firm No. 118564W**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NAVKAR BUILDERS LIMITED**

#### **Report on Audited Financial Statements**

We have audited the accompanying financial statements of Navkar Builders Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2017, 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 financial statements that give a true and fair view of the financial position and financial performance 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation of the 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 an adequate internal financial controls system over financial reporting in place 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 the Company's Board of 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with the notes thereon, 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, to the extent applicable;

1. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
2. In the case of the Statement of Profit and Loss, of the profit / (Loss) of the Company for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the cash flows of the Company 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, as submitted to us;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable;
- (e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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. There were no pending litigations which would impact the financial position of the Company.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note no 30 to the financial statement.

***For SVK & ASSOCIATES***

Chartered Accountants

Firm No. – 118564W

**Sd/-**

**Shilpang V. Karia**

**Partner**

M. No. – 102114

Place: Ahmedabad

Date: 29<sup>th</sup> May, 2017

**“Annexure – A” to The Auditor’s Report**

(Referred to in paragraph 1 of our Report of even date on the Statement of Accounts of NAVKAR BUILDERS LIMITED, for the year ended on 31st March, 2017)

i. **FIXED ASSETS:**

- a. In our opinion, the company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- c. As explained to us and on the basis of our examination of the books of accounts, the deeds of immovable properties are held in the name of the company.

ii. **INVENTORIES:**

- a. According to the information and explanation given to us, the inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.
- b. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.

iii. **LOANS:**

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, during the year under review except Rs. 91.61 lacs given to one party in preceding years containing Nil rate of interest and repayable on demand.

iv. **LOANS, INVESTMENTS & GUARANTEES:**

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans directly or indirectly to any directors or person or entities in which directors are interested and/or has not given any guarantee or provided any security in connection with loan taken by them except Loan of Rs. 91.61 lacs given to one party in preceding years contains Nil rate of interest and repayable on demand.

According to the information and explanations given to us and on the basis of our examination of the books of account, the company has complied with the provisions of section 186 in respect of investments made in securities of other body corporate.

v. **DEPOSITS:**

As explained to us, the company has not accepted any loans or deposits within meaning of Section 73 to 76 of the Companies Act, 2013 read with Rule 2(b) of the Companies (Acceptance of Deposit's) Rules 2014, during the year under review.

vi. **COST RECORDS:**

According to the information and explanations provided by the management to us and to the best of our knowledge, the Company is not engaged in production of any such goods or production of any such services for which the Central Government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence the provisions of section 148(1) of the Act do not apply to the Company.

vii. **STATUTORY DUES:**

a. As per information and explanation available to us, undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have been generally regularly deposited



with the appropriate authorities, applicable to it though there had been some delays in certain cases. Further according to information explanation given to us, No undisputed statutory dues applicable to the company were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than 6 months from the date they become payable except Dividend Distribution Tax of Rs. 17.86 lacs related to dividend declared in the year 2016-17.

- b. According to the information and explanation available to us, there are no dues outstanding on account sales tax, income tax, wealth tax, service tax, custom duty, excise duty, cess on account of dispute.

viii. **DUES TO FINANCIAL INSTITUTION, BANKS OR DEBENTURE HOLDER:**

Based on our audit procedures and as per information and explanation given to us by the management of the company, we are of the opinion that company has not defaulted in repayment of dues to financial institutions and banks during the year under review.

The company has not issued any debentures.

ix. **TERM LOANS & PUBLIC ISSUE:**

Based on the audit procedures performed and according to the information, explanations given to us, on an overall basis, the existing as well as new term loans have been applied for the purpose for which those were obtained. The company has not raised any money through a public issue during the year under review.

x. **FRAUD:**

Based upon the audit procedures performed and as per the information and explanation given by the management, we report that no fraud by the company or any fraud on the company by its officers / employees has been noticed or reported during the course of our audit.

xi. **MANAGERIAL REMUNERATION:**

As per the information and explanations given to us, the company has complied with the provisions of section 197 of the Companies Act, 2013 regarding managerial remuneration to the extent applicable.

xii. NIDHI COMPANY:

In our opinion, the company is not a Nidhi company. Consequently, the provisions of clause (xii) of the order are not applicable to the company.

xiii. RELATED PARTY TRANSACTIONS:

Based upon the audit procedures performed and as per the information and explanation given by the management, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and have been duly disclosed in the financial statements, as required by the applicable accounting standards.

xiv. PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT:

Based on the audit procedures performed and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, the provisions of clause (xiv) of the order are not applicable to the company.

xv. NON-CASH TRANSACTIONS:

Based on the audit procedures performed and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Consequently, the provisions of clause (xv) of the order are not applicable to the company.

xvi. REGISTRATION UNDER SECTION 45-IA OF RBI ACT, 1934:

Since the company is not an NBFC, the provisions of clause (xvi) of the order are not applicable to the company.

***For SVK & ASSOCIATES***

Chartered Accountants

Firm No. – 118564W

**Sd/-**

**Shilpang V. Karia**

**Partner**

M. No. – 102114

Place: Ahmedabad

Date: 29<sup>th</sup> May, 2017

## **“Annexure – B” to The Auditor’s Report**

(Referred to in paragraph 2(f) of our Report of even date on the Statement of Accounts of **NAVKAR BUILDERS LIMITED** for the year ended on 31<sup>st</sup> March, 2017)

### **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 31<sup>st</sup> March, 2017 in conjunction with our audit of financial statements of the company for the year ended on that date.

#### **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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with 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 auditor's judgement, including the assessment of the risks of material misstatement of the 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 control 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, 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 31 March 2017 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.

***For SVK & ASSOCIATES***

Chartered Accountants

Firm No. – 118564W

**Sd/-**

**Shilpang V. Karia**

**Partner**

M. No. – 102114

Place: Ahmedabad

Date: 29<sup>th</sup> May, 2017

**NAVKAR BUILDERS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2017**

	Particulars	Note	As at March 31,2017	As at March 31,2016
<b>I.</b>	<b><u>EQUITY AND LIABILITY</u></b>			
	<b>Shareholders' Funds</b>			
	Share Capital	2	174,533,000	174,533,000
	Reserves and Surplus	3	154,352,861	152,664,847
	<b>Non-current Liabilities</b>			
	Long-Term Borrowings	4	-	856,358
	Unsecured Loans	5	13,719,799	8,867,000
	Deferred Tax Liabilities	6	27,094,862	23,677,035
	<b>Current Liabilities</b>			
	Short Term Borrowings	7	133,695,485	131,642,068
	Trade Payables	8	288,707,788	2,292,511
	Other Current Liabilities	9	110,008,736	155,827,110
	Short-Term Provisions	10	4,456,982	19,103,411
	<b>TOTAL</b>		<b>906,569,514</b>	<b>669,463,340</b>
<b>II.</b>	<b><u>ASSETS</u></b>			
	<b>Non-current assets</b>			
	<b>Fixed Assets</b>	11		
	Tangible Assets		234,414,472	262,000,659
	Capital Work-in-Progress		18,520,891	20,920,891
			<b>252,935,363</b>	<b>282,921,550</b>
	<b>Non-current Investments</b>	12	500,000	500,000
	<b>Long Term Loans and Advances</b>	13	6,847,095	9,112,441
	<b>Current Assets</b>			
	Inventories	14	109,135,208	46,454,603
	Trade Receivables	15	410,201,130	234,398,261
	Cash and Cash Equivalent	16	23,559,040	18,285,129
	Short-Term Loans and Advances	17	103,391,679	77,791,356
	<b>TOTAL</b>		<b>906,569,514</b>	<b>669,463,340</b>
	Significant Accounting Policy	1		
	Notes are an integral part of the Financial Statements	2 to 37		

As per our report of even date  
For, SVK & ASSOCIATES  
Chartered Accountants  
Firm Reg. No: 118564W

Sd/-  
Shilpang V. Karia  
Partner  
M.No. 102114

Place :- Ahmedabad  
Date :- 29th May , 2017

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

Sd/-  
Samir Patel  
Managing Director  
DIN No. 01852150

Sd/-  
Shailesh Shah  
Director  
DIN No. 02231177

Sd/-  
Rameshchandra Dahyabhai Patel  
Director  
DIN No. 02423697

Place :- Ahmedabad  
Date :- 29th May , 2017

**NAVKAR BUILDERS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

	Particulars	Note	For Year ending on March 31, 2017	For Year ending on March 31, 2016
<b>I.</b>	<b><u>INCOME</u></b>			
	Revenue from Operations	18	418,131,804	646,598,222
	Other Income	19	3,408,726	2,131,876
	<b>TOTAL REVENUE</b>		<b>421,540,530</b>	<b>648,730,098</b>
<b>II.</b>	<b><u>EXPENDITURE</u></b>			
	Cost of Materials Consumed and Work Contracting Charges	20	443,717,849	466,621,821
	(Increase)/ Decrease in Inventories of Finished Goods , W.I.P and Stock in Trade	21	(78,507,240)	39,445,012
	Employee benefits Expense	22	8,633,352	23,123,616
	Finance Costs	23	22,328,445	25,938,486
	Depreciation and amortisation expenses	11	8,389,754	19,116,923
	Other expenses	24	15,244,547	39,939,731
	<b>TOTAL EXPENSES</b>		<b>419,806,707</b>	<b>614,185,589</b>
	<b>PROFIT BEFORE TAX</b>		<b>1,733,823</b>	<b>34,544,509</b>
	<b>Tax Expense</b>			
	1. Current Tax		(570,000)	(24,291,763)
	2. Deferred Tax		(3,417,827)	12,357,705
	3. Prior Period Taxation		6,042,765	83,849
	<b>PROFIT FOR THE YEAR</b>		<b>3,788,761</b>	<b>22,694,300</b>
	Earnings Per Share (in Rs.)	25		
	-Basic (Nominal Value of share Rs.10)		<b>0.22</b>	<b>1.30</b>
	-Diluted (Nominal Value of share Rs.10)		<b>0.22</b>	<b>1.30</b>
	Significant Accounting Policy	1		
	Notes are an integral part of the Financial Statements	2 to 37		

As per our report of even date

For, SVK & ASSOCIATES  
Chartered Accountants  
Firm Reg. No: 118564W

Sd/-  
Shilpang V. Karia  
Partner  
M.No. 102114

Place :- Ahmedabad  
Date :- 29th May , 2017

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

Sd/-  
Samir Patel  
Managing Director

Sd/-  
Shailesh Shah  
Director

Sd/-  
Rameshchandra Dahyabhai Patel  
Director

Place :- Ahmedabad  
Date :- 29th May , 2017

**NAVKAR BUILDERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

Particulars	April 1, 2016 to March 31, 2017	April 1, 2015 to March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	<b>1,733,823</b>	<b>34,544,509</b>
<b>Adjustments for:</b>		
Asset Discarded / Loss on Sale of Assets	8,157,195	22,081,726
Depreciation	8,389,754	19,116,923
Finance Cost	20,060,557	25,938,486
Profit on sale of Investment / Assets		(123,410)
Interest Income	(1,757,795)	(1,303,048)
<b>Operating Profit before Working Capital Changes</b>	<b>36,583,534</b>	<b>100,255,186</b>
<b>Movements in Working Capital :</b>		
Decrease / (Increase) in Inventories	(62,680,605)	74,603,769
Decrease / (Increase) in Sundry Debtors	(175,802,869)	(123,736,011)
Decrease / (Increase) in Loans and Advances	(23,334,977)	33,294,520
(Decrease)/Increase Other Long-Term Liabilities	-	(974,600)
(Decrease) / Increase in Current Liabilities	219,806,386	(21,617,428)
Cash (used in) / generated from operations	<b>(5,428,531)</b>	<b>61,825,436</b>
Direct Taxes Paid (net of refunds)	(18,248,998)	(10,169,621)
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>12,820,467</b>	<b>71,995,057</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) of Fixed Assets	-	(4,764,685)
Sale / Disposal of Fixed Assets	21,596,433	25,187,973
Assets Discarded / Loss on Sale of Assets	(8,157,195)	(22,081,726)
Profit on sale of Investment / Assets	-	123,410
Interest Received	1,757,795	1,303,048
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>15,197,033</b>	<b>(231,980)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment) / Proceeds From Long Term Borrowings	(856,358)	(20,610,801)
(Repayment) / Proceeds From Short Term Borrowings	2,053,417	14,926,456
Increase/(Decrease) in Unsecured Loan	4,852,799	(18,350,000)
Interest Expense	(20,060,557)	(25,938,486)
Proposed Dividend	(8,726,650)	(17,453,300)
Dividend Distribution Tax	-	(3,572,691)
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(22,737,349)</b>	<b>(70,998,823)</b>
<b>D.NET INCREASE IN CASH AND CASH EQUIVALENTS (D)=(A+B+C)</b>	<b>5,280,152</b>	<b>764,254</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>18,285,129</b>	<b>17,520,874</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>23,565,282</b>	<b>18,285,128</b>
<b>Components of cash and cash equivalents</b>		
Cash and cheques on hand	269,784	3,163,141
With Scheduled Banks		
- in Current Account	8,010,627	624,607
- in Term Deposit Accounts	15,278,629	14,497,381
	<b>23,559,040</b>	<b>18,285,129</b>

**Notes**

1) The figures in brackets represent outflows.

2) Previous periods' figures have been regrouped / reclassified , wherever necessary, to confirm to current year presentation.

As per our report of even date

**For, SVK & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No: 118564W**

**Sd/-**  
**Shilpang V. Karia**  
**Partner**  
**M.No. 102114**

**Place :- Ahmedabad**  
**Date :- 29th May , 2017**

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

**Sd/-**  
**Samir Patel**  
**Managing Director**

**Sd/-**  
**Shailesh Shah**  
**Director**

**Sd/-**  
**Rameshchandra Dahyabhai Patel**  
**Director**

**Place :- Ahmedabad**  
**Date :- 29th May , 2017**



**Navkar Builders Limited**  
Notes to the Financial Statements for the Year ended 31st March, 2017

Note No.	Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
2	<b>Share Capital</b>		
	<b>Authorised share capital:-</b> 20,000,000 (20,000,000) Equity Shares of Rs. 10 each	200,000,000	200,000,000
		200,000,000	200,000,000
	<b>Issued, Subscribed &amp; Paid-up Share Capital:-</b> 1,74,53,300 (1,74,53,300) Equity Shares of Rs. 10 each fully paid up	174,533,000	174,533,000
		174,533,000	174,533,000

**2.1 List of Share Holders having more than 5% holding**

Sr. No.	Name of Shareholder	As at 31 March, 2017					
		No. of Shares held	No. of Shares held	% of Holding	No. of Shares held	No. of Shares held	% of Holding
1	Navkar Fiscal Services (P) Ltd	5,030,583	5,030,583	28.82%	5,030,583	5,030,583	28.82%
2	Efficient Tie-up Private Limited	3,925,000	3,925,000	22.49%	3,925,000	3,925,000	22.49%
3	Daksheshbhai R Shah	1,161,250	1,161,250	6.65%	1,161,250	1,161,250	6.65%
4	Yogesh B Parikh	925,000	925,000	5.30%	925,000	925,000	5.30%

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

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Balance as at the beginning of the year	17,453,300	17,453,300
Issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>17,453,300</b>	<b>17,453,300</b>

**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 General Meeting.

**2.4 The company has not issued any Right/ Bonus shares during any preceding year.**

**NAVKAR BUILDERS LIMITED**

Notes to the Financial Statements for the Year ended 31st March, 2017

Particulars		As at March 31,2017	As at March 31,2016
<b>3</b>	<b>RESERVES AND SURPLUS</b>		
	<b>Capital Reserve</b>		
	Opening Balance	4,611,500	4,611,500
<u>Add:</u>	Transferred on forfeited of shares	-	
	<b>Closing Balance (A)</b>	<b>4,611,500</b>	<b>4,611,500</b>
	<b>Securities Premium Reserve</b>		
	Opening Balance	2,722,500	2,722,500
<u>Add:</u>	On issue of shares		
	<b>Closing Balance (B)</b>	<b>2,722,500</b>	<b>2,722,500</b>
	<b>General Reserve</b>		
	Opening Balance	275,000	275,000
<u>Add:</u>	During the Year		
	<b>Closing Balance (C)</b>	<b>275,000</b>	<b>275,000</b>
	<b>Profit and Loss Account</b>		
	Opening Balance	145,055,847	132,874,542
<u>Add:</u>	Profit for the Year	3,788,761	22,694,300
<u>Less:</u>	Transfer from Reserve		
	Proposed Dividend [Dividend per Share 1 paise/- (Previous year Re. 0.50/-)]	(1,745,440)	(8,726,650)
	Proposed Dividend Distribution Tax	(355,307)	(1,786,345)
	<b>Closing Balance (D)</b>	<b>146,743,861</b>	<b>145,055,847</b>
	<b>Total (A+B+C+D)</b>	<b>154,352,861</b>	<b>152,664,847</b>
<b>4</b>	<b>Long-Term Borrowings</b>		
	<b>Secured Loans</b>		
	Vehicle Loans (Refer note no. 4.1)	-	856,358
	<b>Total</b>	<b>-</b>	<b>856,358</b>
<b>4.1</b>	<b>Vehicle Loans from Bank</b>		
	Vehicle Loans of Rs. 8.56 lac (14.31 lac) Vehicle Loans of which Rs. 0.00 Lacs (PY Rs. 8.56 Lacs) are classified as Secured Loans From Bank and Rs. 8.56 Lacs (PY Rs. 5.74 Lacs) are classified as Current Maturities of Long Term Borrowings are secured against respective vehicles under the Hire Purchase Contract .		
	Principal repayable in monthly equated Installments. Applicable Rate of Interest is 12% p.a.		
<b>5</b>	<b>Unsecured Loans</b>		
	From Related parties	10,919,799	8,867,000
	Inter Corporate Deposit	2,800,000	-
	<b>Total</b>	<b>13,719,799</b>	<b>8,867,000</b>

Particulars		As at March 31,2017	As at March 31,2016
<b>6</b>	<b>Deferred Tax Liabilities</b>		
	For the Timing Differences in Depreciation	27,094,862	23,677,035
	<b>Total</b>	<b>27,094,862</b>	<b>23,677,035</b>
<b>7</b>	<b>SHORT TERM BORROWINGS</b>		
	<b>Secured</b>		
	Cash Credit with Banks (Note no. 7.1)	133,695,485	131,642,068
	<b>Total</b>	<b>133,695,485</b>	<b>131,642,068</b>
	<b><u>Nature of Security</u></b>		
7.1	Cash Credit with Union Bank of India are secured by hypothecation of present and future stock and book debts of company, 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.		
<b>8</b>	<b>TRADE PAYABLES</b>		
	Micro, Small and Medium Enterprise (Refer note no. 8.1)	-	
	Others	288,707,788	2,292,511
	<b>Total</b>	<b>288,707,788</b>	<b>2,292,511</b>
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.		
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Interest Accrued but not due	-	56,861
	Unclaimed Dividend	417,463	325,624
	Current Maturities of long term borrowings	856,358	20,610,802
	Creditors for Capital Expenditure	16,280	303,672
	Statutory Dues Payable	12,470,399	2,822,875
	Employees Balances	335,852	720,922
	Other Payables	22,490,932	77,762,242
	Retention Money Payable	71,486,318	51,000,677
	Advance received from Customers	1,935,135	2,223,435
	<b>Total</b>	<b>110,008,736</b>	<b>155,827,110</b>
<b>10</b>	<b>SHORT TERM PROVISION</b>		
	Provision for Tax	570,000	8,590,416
	Provision for Dividend	1,745,330	8,726,650
	Provision for Dividend Distribution Tax	2,141,652	1,786,345
	<b>Total</b>	<b>4,456,982</b>	<b>19,103,411</b>

Particulars		As at March 31,2017	As at March 31,2016
<b>12</b>	<b>INVESTMENTS</b>		
	<b>LONG TERM INVESTMENTS</b>		
	<b>QUOTED</b>	500,000	500,000
	Units 49990 (PY 49990) Union KBC Small & Mid Cap Fund - Growth Market Value as on 31.03.2017 Rs. 5,61,887/- (PY Rs. 6,12,877/-)		
	<b>Total</b>	<b>500,000</b>	<b>500,000</b>
<b>13</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Security Deposits	6,847,095	9,112,441
	<b>Total</b>	<b>6,847,095</b>	<b>9,112,441</b>
<b>14</b>	<b>INVENTORIES</b>		
	Raw Material	10,845,119	26,671,754
	Finished Goods	16,520,313	10,260,070
	Work in Progress	81,769,776	9,522,779
	<b>Total</b>	<b>109,135,208</b>	<b>46,454,603</b>
<b>15</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured considered good)		
	Over Six Months	57,554,462	21,851,633
	Others	352,646,668	212,546,628
	<b>Total</b>	<b>410,201,130</b>	<b>234,398,261</b>
<b>16</b>	<b>CASH AND CASH EQUIVALENT</b>		
	Cash on Hand	269,784	3,163,141
	Balance with Scheduled Banks		
	a. in Current Accounts	8,010,627	624,607
	b. in Term Deposit Accounts	15,278,629	14,497,381
	<b>Total</b>	<b>23,559,040</b>	<b>18,285,129</b>
<b>17</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Loans and Advances (Unsecured, Considered good)	11,712,471	20,018,831
	Retention Money Receivable	73,364,090	43,234,329
	Input Credit of Indirect Taxes	4,940,270	3,818,759
	MAT Credit Entitlement	-	9,186,974
	Advance Taxes (net of Provision)	11,303,626	-
	Advances to Creditors for goods	2,071,222	1,532,463
	<b>Total</b>	<b>103,391,679</b>	<b>77,791,356</b>

## NAVKAR BUILDERS LIMITED

Notes to the Financial Statements for the Year ended 31st March, 2017

Particulars	for the year ending on March 31,2017	for the year ending on March 31,2016
<b>18 <u>REVENUE FROM OPERATIONS</u></b>		
Sale of Products	291,991,305	77,060,336
Sale of Services	126,462,584	573,540,888
Less : Excise Duty	(322,085)	(4,003,002)
<b>Total</b>	<b>418,131,804</b>	<b>646,598,222</b>
<b>19 <u>OTHER INCOME</u></b>		
Interest	1,757,795	1,303,048
Misc. Income	1,650,931	705,418
Profit on Sale of FA / Investment	-	123,410
<b>Total</b>	<b>3,408,726</b>	<b>2,131,876</b>
<b>20 <u>COST OF RAW MATERIAL CONSUMED AND OPERATING EXP.</u></b>		
Opg Stock of Raw Material	26,671,754	61,830,511
Add : Purchase of Raw Material	280,403,001	19,777,259
Less : Closing Stock of Raw Material	(10,845,119)	(26,671,754)
<b>Raw Material consumed during the year (A)</b>	<b>296,229,635</b>	<b>54,936,016</b>
<b><u>Other Operating Expenses</u></b>		
Work Contract Charges	140,025,378	369,046,656
Labour Charges	4,026,567	25,652,531
Electric Power, Fuel	903,429	4,193,421
Freight Inward, Loading and unloading charges	1,868,575	7,610,682
Repairs & Maint. Exp	664,265	5,182,515
<b>Other Operating Exp (B)</b>	<b>147,488,214</b>	<b>411,685,805</b>
<b>Total (A + B)</b>	<b>443,717,849</b>	<b>466,621,821</b>
<b>21 <u>CHANGES IN INVENTORIES, WORK IN PROGRESS AND STOCK IN TRADE</u></b>		
<b><u>Opening Stock</u></b>		
Finished goods	10,260,070	8,680,904
Work in Progress	9,522,779	50,546,957
	<b>19,782,849</b>	<b>59,227,861</b>
Less : <b><u>Closing Stock</u></b>		
Finished Goods	16,520,313	10,260,070
Work in Progress	81,769,776	9,522,779
	<b>98,290,089</b>	<b>19,782,849</b>
<b>Total</b>	<b>(78,507,240)</b>	<b>39,445,012</b>

<b>22 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages, Allowances and Bonus (Refer Note 22.1)	8,571,607	22,787,534
Gratuity Exp		
Staff Welfare Expenses	61,745	336,082
<b>Total</b>	<b>8,633,352</b>	<b>23,123,616</b>

22.1 Salaries includes Director Remuneration amounting to Rs. 51,84,000/- (PY Rs. 51,84,000/-)

<b>23 FINANCE COST</b>		
Interest Exp	20,060,557	23,346,840
Other Borrowing Costs	2,267,888	2,591,646
<b>Total</b>	<b>22,328,445</b>	<b>25,938,486</b>

<b>24 OTHER EXP</b>		
Advertisement and Sales Promotion	22,572	43,069
Freight Outward	242,300	1,900,263
Rent	1,818,500	3,774,378
Rates and Taxes	1,275,458	4,594,636
Travelling Expenses	281,911	738,284
Communication Expenses	267,680	732,953
Payment to Auditors	200,000	225,000
Legal and Professional Expenses	871,101	1,682,262
Printing and Stationary Expenses	8,862	126,741
Insurance	606,042	1,038,128
Other Administrative Expenses	1,492,927	3,002,291
Asset Discarded / Loss on Sale of Fixed Assets	8,157,195	22,081,726
<b>Total</b>	<b>15,244,547</b>	<b>39,939,731</b>

<b>24.1 PAYMENT TO AUDITORS :</b>		
Statutory Audit Fees	150,000	175,000
Tax Audit Fees	50,000	50,000
	<b>200,000</b>	<b>225,000</b>

**NAVKAR BUILDERS LIMITED**  
Notes to the Financial Statements for the Year ended 31st March, 2017

**Note no. 11 : Fixed Assets**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2016	Addition for the year	Transfer / Adjusted for the year	As at 31.03.2017	As at 01.04.2016	Addition for the year	Transfer / Adjusted for the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Leasehold Land	22,613,687	-	-	22,613,687	-	-	-	-	22,613,687	22,613,687
Building	72,895,943	-	-	72,895,943	7,012,106	617,420	-	7,629,526	65,266,417	65,883,837
Plant & Machinery	228,712,403	-	(25,453,094)	203,259,309	61,488,028	6,785,943	(7,055,855)	61,218,117	142,041,192	167,224,374
Computer	974,162	-	-	974,162	790,752	112,982	-	903,734	70,428	183,410
Furniture & Fixtures	3,377,262	-	-	3,377,262	1,266,577	277,856	-	1,544,433	1,832,829	2,110,685
Vehicles	6,791,054	-	(1,342,767)	5,448,287	2,806,389	595,553	(543,575)	2,858,367	2,589,920	3,984,665
<b>Total Tangible Assets</b>	<b>335,364,511</b>	<b>-</b>	<b>(26,795,861)</b>	<b>308,568,650</b>	<b>73,363,852</b>	<b>8,389,754</b>	<b>(7,599,430)</b>	<b>74,154,176</b>	<b>234,414,473</b>	<b>262,000,659</b>
Capital WIP									18,520,891	20,920,891
<b>Total Capital WIP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,520,891</b>	<b>20,920,891</b>
<b>Total Assets</b>	<b>335,364,511</b>	<b>-</b>	<b>(26,795,861)</b>	<b>308,568,650</b>	<b>73,363,852</b>	<b>8,389,754</b>	<b>(7,599,430)</b>	<b>74,154,176</b>	<b>252,935,364</b>	<b>282,921,550</b>
<b>PY Total</b>	<b>384,341,885</b>	<b>4,764,685</b>	<b>(53,742,059)</b>	<b>335,364,511</b>	<b>71,205,901</b>	<b>19,116,923</b>	<b>(16,958,972)</b>	<b>73,363,852</b>	<b>262,000,659</b>	<b>-</b>

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**CORPORATE INFORMATION:**

NAVKAR BUILDERS LIMITED ('the company') is engaged in the business of construction and development of infrastructure projects (including provision of Ready mix concrete and Reinforced Cement Concrete Pipes).

**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, 2013, 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 financial statements are consistent with those of previous year unless otherwise stated.

**1.2 Presentation & disclosure of financial statements**

The company has prepared & presented the financial statements as on 31st March, 2017 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.



**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

## **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.

## **1.9 Investments**

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

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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.

### **26. 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:

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**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.,  
Yashnanad 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, 2017:**

**(Rs. In Lacs)**

Particulars	Entities Where KMP /RKMP has Significant Influence	KMP	Entities have Significant Influence
<b>Transactions</b>			
Sales	Nil	Nil	Nil
	(116.33)	(Nil)	(Nil)
Sales of Plant and Machinery	59.00	Nil	Nil
	(30.75)	(Nil)	(Nil)
Remuneration	Nil	51.84	Nil
	(Nil)	(51.84)	(Nil)
Loans & Advances taken / recovered	42.63	Nil	Nil
	(88.67)	Nil	Nil
Repayment of Loans & Advances taken / given	22.10	Nil	Nil
	(63.50)	Nil	(20.15)
Advance From Customer	Nil	Nil	Nil
	(Nil)	Nil	Nil

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**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,	
			2017	2016
Sales	Entities where KMP/ RKMP has significant influence	Yash Associates	Nil	116.33
Sales of Plant and Machinery	Entities where KMP/ RKMP has significant influence	Yashnand Engineers & Contractors	59.00	30.75
Remuneration	Key Managerial Personnel	Dakshesh R. Shah	25.92	25.92
	Key Managerial Personnel	Samir C. Patel	25.92	25.92
Amount received against sales	Entities have significant influence	Yashnand Engineers & Contractors	75.37	Nil
Loans & Advances given	Entities have significant influence	Yashnand Engineers & Contractors	22.10	Nil
Loans & Advances taken / recovered	Entities have significant influence	Yashnand Engineers & Contractors	42.63	Nil
Loans & Advances taken	Entities where KMP/ RKMP has significant influence	Wildwood Resorts and Private Limited	Nil	63.50
Repayment of Loans & Advances given	Entities have significant influence	Efficient Tie-up Pvt Ltd	Nil	20.15
<b>Balances Outstanding as on 31.03.2017 (31.03.2016)</b>				
Loans & Advances given	Entities where KMP/ RKMP has significant influence	Parshva Alluminium Co. Ltd.	91.61	91.61
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	Yashnand Engineers & Contractors	Nil	16.37
Unsecured Loan taken	Entities where KMP/ RKMP has significant influence	Yashnand Engineers & Contractors	20.53	Nil
Trade Receivables	Entities where KMP/ RKMP has significant influence	Yash Associates	Nil	114.30
Remuneration Payable	Key Managerial Personnel	Dakshesh R. Shah	4.18	Nil
Remuneration Payable	Key Managerial Personnel	Samir C. Patel	17.89	Nil

27. 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, 2017	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	Nil

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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.

28. Employee Benefits (AS - 15)

- a) The following table summarizes the component of net benefit expenses recognized in Statement of Profit & Loss. Gratuity Obligation as at year end as per Actuarial Valuation certified by management of the company / labour law consultant.

Particulars	As at March 31,2017	As at March 31,2016
<b>Reconciliation of Employee benefit expenses</b>		
Obligation at the beginning of the year	3,71,250	Nil
<b>Adjustments during the year</b>	<b>-1,66,558</b>	<b>3,71,250</b>
Obligation at the end of the year	2,04,692	3,71,250

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

<b>Expenditure in Foreign Currency during the financial year 2016-17</b>	
Particulars	Amount Rs. In Lacs
Interest Expense	Nil
Capital Expenditure	Nil

30. Reporting requirements under Companies Act, 2013 under Notification No. G.S.R. 308(E) [F. No. 17/62/2015-CL-V (Vol.I)] dated 30-03-2017

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8-11-2016	-	2,21,688	2,21,688
(+) Permitted receipts	-	4,000	4,000
(+) Amount withdraw from bank	-	1,57,162	1,57,162
(-) Permitted payments	-	2,06,869	2,06,869
(-) Amount deposited in Banks	-	16,081	16,081
<b>Closing cash in hand as on 30-12-2016</b>	-	<b>1,59,900</b>	<b>1,59,900</b>

31. **Unclaimed dividend:**

Particulars	As at April 01,2016	Declared during the year	Distributed during the year	Unclaimed as at March 31, 2017
Final Dividend FY 2014-15	3,25,624	-	14,049	3,11,575
Final Dividend FY 2015-16	-	87,26,650	86,20,762	1,05,888

32.
  - 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).
33. Balances of Trade Payables, Unsecured Loans, Trade Receivables, Long Term and Short Term Loans & Advances, In-operative bank accounts, Other Current and Other Non Current Assets and Provisions are subject to the confirmation of the parties concerned. Wherever confirmation of the parties for the amounts due to them / amounts due from them as per books of accounts are not received, necessary adjustments, if any, will be made when the accounts are reconciled / settled.

**NAVKAR BUILDERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

34. Previous year accounts being audited by another auditor, opening balances wherever disclosed are being relied upon the said accounts and as certified by management of the company.
35. In the absence of information regarding outstanding dues of MICRO or Small Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act, the Company has not disclosed the same as required by Schedule III to the Companies Act.
36. Wherever no vouchers and documentary evidences were made available for our verification, we have relied on the authentication given by management of the company.
37. Figures have been rounded off to the nearest rupee wherever required.

As per our report of even date  
**For, SVK & ASSOCIATES**

**Chartered Accountants**  
**Firm Reg. No: 118564W**

**Sd/-**  
**Shilpang Karia**  
**Partner**  
**M.No. 102114**

**Place :- Ahmedabad**  
**Date :- 29/05/2017**

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

**Sd/-**  
**Samir Patel**  
**Managing Director**

**Sd/-**  
**Shailesh Shah**  
**Director**

**Sd/-**  
**Rameshchandra Dahyabhai Patel**  
**Director**

**Place :- Ahmedabad**  
**Date :- 29/05/2017**

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

**ATTENDANCE SLIP  
ANNUAL GENERAL MEETING – 14<sup>th</sup> September, 2017 AT 11.00 A.M.**

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

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 14<sup>th</sup> September, 2017 at 11.00 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 14<sup>th</sup> day of September, 2017 at 11.00 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, 2017		
2	Re-election of Mr. Rameshchandra Patel as a Director of the company		
3	Declaration of Dividend @1%		
4	Ratification of M/s. S V K & Associates as Auditors & fix their remuneration.		

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-

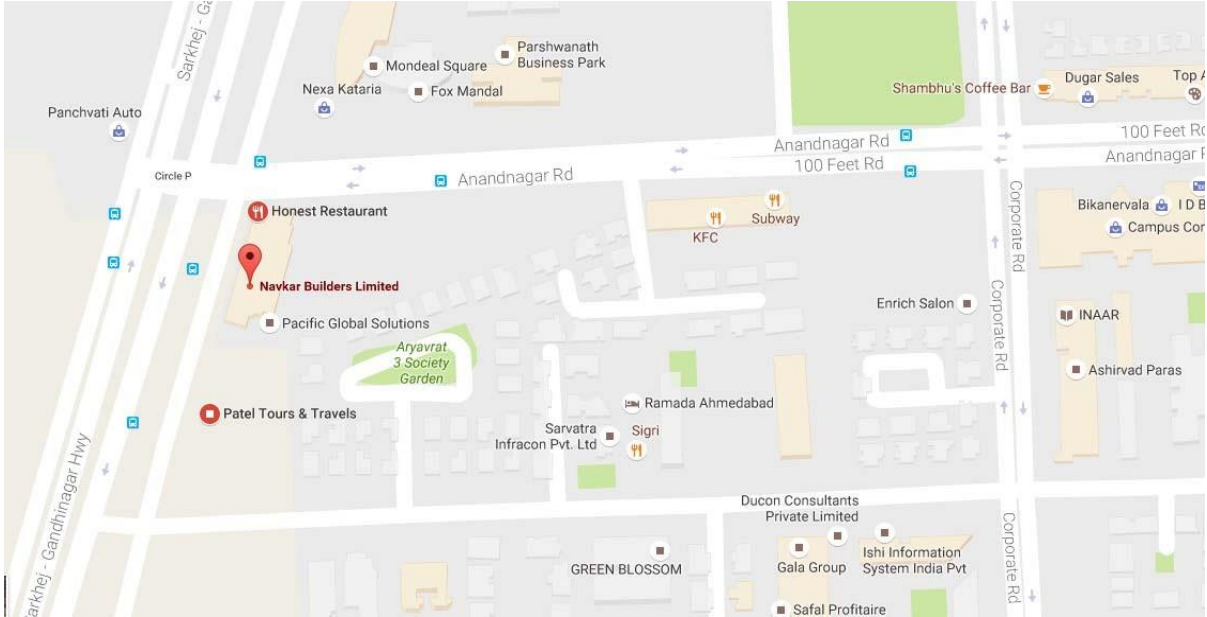
700033 **Ahmedabad office:** 201, Shatdal

Complex, Opp. Bata Show Room, Ashram

Road, *Ahmedabad* - 380009

Navkar Builders Limited Google Maps

Map for Venue of AGM i.e. at the registered office of the company 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad-380051



Navkar Builders Limited Google Maps

Map for Venue of AGM i.e. at the registered office of the company 304, Circle P, near Prahlad Nagar, S.G. Highway, Ahmedabad-380051

