



Navkar Builders Limited

15th Annual Report
2006-2007



Navkar Builders Limited

BOARD OF DIRECTORS

Mr. Bhanvarlal Jain	Chairman
Mr. Dakshesh Shah	Managing Director
Mr. Ullas Shah	Joint Managing Director
Mr. Samir Patel	Joint Managing Director
Mr. Dinesh Jain	Director
Mr. Piyush Jain	Director
Mrs. Sheetal Shah	Director
Mr. Manubhai Shah	Director
Mr. Hemish Patel	Director
Mr. Prakashbhai Shah	Director
Mr. Sunil Bohara	Director

Auditors

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

Registered Office

1, Trimurti Hospital Building,
Nr. S.T. Bus Stand,
Junagadh - 362001

Corporate Office

407, Sarita Complex,
Behind Hotel Classic Gold,
C. G. Road, Ahmedabad- 380009

NOTICE FOR FIFTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Company will be held at 1, Trimurti Hospital Building, Nr. S. T. Bus stand, Junagadh-362001 on Saturday the 27th day of September, 2007 at 10.30 a.m. to transact the following business:-

ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as 31st March 2007 and profit & loss account of the company for the year ended on 31st March 2007 and the Report of the Directors' and Auditors.
2. To appoint Director in place of Mr. Piyush Jain who retires by rotation and being eligible offers himself for reappointment.
3. To appoint the Auditor & fix their remuneration.

SPECIAL BUSINESS:

4. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution.
"RESOLVED THAT, pursuant to provisions of Section 260 and all other applicable provisions of the companies Act 1956 and Articles of Association of the Company, Mr. Dakshesh Shah, who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion of this Annual General Meeting, who is eligible to be appointed as Director of the Company u/s 255, 256 and 257 of the Companies Act, 1956 be and is hereby appointed as Director of the company whose term of office liable to determination for retire by rotation."

5. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 260 and all other applicable provisions of the companies Act 1956 and Articles of Association of the Company, Mr. Ullas Shah, who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion of this Annual General Meeting, who is eligible to be appointed as Whole time Director of the Company u/s 269 of the Companies Act, 1956 be and is hereby appointed as Managing Director of the company whose term of office shall liable to determination for retire by rotation."

6. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT, pursuant to provisions of Section 260 and all other applicable provisions of the companies Act 1956 and Articles of Association of the Company, Mr. Manubhai Shah, who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion of this Annual General Meeting, who is eligible to be appointed as Director of the Company u/s 255, 256 and 257 of the Companies Act, 1956 be and is hereby appointed as Director of the company whose term of office shall liable to determination for retire by rotation."

7. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT, pursuant to provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company, Mrs. Sheetal Shah who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion of this Annual General Meeting, who is eligible to be appointed as Director of the Company u/s 255, 256 and 257 of the Companies Act, 1956 be and is hereby appointed as Director of the company whose term of office shall liable to determination for retire by rotation."

8. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT, pursuant to provisions of Section 260 and all other applicable provisions of the companies Act 1956 and Articles of Association of the Company, Mr. Hemish Patel, who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion of this Annual General Meeting, who is eligible to be appointed as Director of the Company u/s 255, 256 and 257 of the Companies Act, 1956 be and is hereby appointed as Director of the company whose term of office shall liable to determination for retire by rotation."

9. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT, pursuant to provisions of Section 260 and all other applicable provisions of the companies Act 1956 and Articles of Association of the Company, Mr. Samir Patel, who was appointed as an Additional Director by the Board of Directors, who hold the office as such only up to the conclusion



of this Annual General Meeting, who is eligible to be appointed as Director of the Company u/s 255, 256 and 257 of the Companies Act, 1956 be and is hereby appointed as Director of the company whose term of office shall liable to determination for retire by rotation."

10. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT subject to the provisions of Section 269, 310, 311, 316 read with Schedule XIII and any other applicable provisions of the Companies Act, 1956, subject to the consent of members of the Company, Mr. Dakshesh Shah be and is hereby appointed as Managing Director of the Company for a period of five years, commencing from 11th June, 2007."

"RESOLVED FURTHER THAT, Dinesh Jain, Director of the Company be and is hereby authorised to file the necessary forms and resolution with the Registrar of Companies."

"RESOLVED FURTHER THAT Mr. Dakshesh Shah, Managing Director of the Company be and is hereby authorised subject to the relevant provisions of the Companies Act, 1956 and other statutes applicable to the Company, to exercise for and on behalf of the Company, such powers, duties, rights and conditions as may be required, subject to the provisions of the Memorandum and Article of Association of the Company and also subject to any such prior permission or consent wherever applicable."

"RESOLVED FURTHER THAT this resolution would remain in force until withdrawn or by cancellation of the same by subsequent resolution as may be passed by the Board of Directors of the Company to that effect and that this resolution of extracts hereby by communicated to the persons/ Companies etc., wherever necessary and deemed fit."

11. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT subject to the provisions of Section 269, 310, 311, 316 read with Schedule XIII and any other applicable provisions of the Companies Act, 1956, subject to the consent of members of the Company, Mr. Ullas Shah be and is hereby appointed as the Joint Managing Director of the Company for a period of five years, commencing from 11th June, 2007."

"RESOLVED FURTHER THAT Mr. Dinesh Jain, Director of the Company be and is hereby authorised to file the necessary forms and resolution with the Registrar of Companies."

"RESOLVED FURTHER THAT Mr. Ullas Shah, Joint Managing Director of the Company be and is hereby authorised subject to the relevant provisions of the Companies Act, 1956 and other statutes applicable to the Company, to exercise for and on behalf of the Company, such powers, duties, rights and conditions as may be required, subject to the provisions of the Memorandum and Article of Association of the Company and also subject to any such prior permission or consent wherever applicable."

"RESOLVED FURTHER THAT this resolution would remain in force until withdrawn or by cancellation of the same by subsequent resolution as may be passed by the Board of Directors of the Company to that effect and that this resolution of extracts hereby by communicated to the persons/ Companies etc., wherever necessary and deemed fit."

12. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT subject to the provisions of Section 269, 310, 311, 316 read with Schedule XIII and any other applicable provisions of the Companies Act, 1956, subject to the consent of members of the Company, Mr. Samir Patel be and is hereby appointed as the Joint Managing Director of the Company for a period of five years, commencing from 11th June, 2007."

"RESOLVED FURTHER THAT Mr. Dinesh Jain, Director of the Company be and is hereby authorised to file the necessary forms and resolution with the Registrar of Companies."

"RESOLVED FURTHER THAT Mr. Samir Patel, Joint Managing Director of the Company be and is hereby authorised subject to the relevant provisions of the Companies Act, 1956 and other statutes applicable to the Company, to exercise for and on behalf of the Company, such powers, duties, rights and conditions as may be required, subject to the provisions of the Memorandum and Article of Association of the Company and also subject to any such prior permission or consent wherever applicable."

"RESOLVED FURTHER THAT this resolution would remain in force until withdrawn or by cancellation of

the same by subsequent resolution as may be passed by the Board of Directors of the Company to that effect and that this resolution of extracts hereby by communicated to the persons/ Companies etc., wherever necessary and deemed fit."

13. To Consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution:

"RESOLVED THAT the authorized capital of the Company be and is hereby increased from Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each."

"RESOLVED THAT the Clause V of the Memorandum of Association of the Company be altered in the manner following:-

The words and figures Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each, be inserted in the place of words and figures Rs.6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 equity shares of Rs.10/- (Rupees Ten Only) each."

"RESOLVED THAT the authorized capital of the Company be and is hereby increased from Rs.6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 equity shares of Rs.10/- (Rupees Ten Only) each to Rs.12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs.10/- (Rupees Ten Only) each."

"RESOLVED THAT the Clause V of the Memorandum of Association of the Company be altered in the manner following:-

The words and figures Rs.12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs.10/- (Rupees Ten Only) each, be inserted in the place of words and figures Rs.6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 equity shares of Rs.10/- (Rupees Ten Only) each."

14. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution:

"RESOLVED THAT pursuant to u/s 21 of the companies Act 1956 the name of the company be and is hereby changed from Navkar Builders Limited to Parshva Buildcon Limited is be and hereby approved by all the Directors of the company.

"RESOLVED FURTHER THAT Mr. Dakshesh Shah, Director of the company is be and hereby authorized to do all such necessary acts for aforesaid resolution and for filed necessary documents to the ROC for aforesaid resolution.

15. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution.

"RESOLVED THAT pursuant to Articles of Association of the Company and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of shareholders at the General Meeting, the shares as per "List of partly paid up Shareholders" placed before the Board and attached to this resolution, be and are hereby forfeited."

"RESOLVED FURTHER THAT Shri Piyush Jain, Director of the Company, be and is hereby authorised to take necessary actions for the implementation of the aforesaid resolution."

16. To Consider and if thought fit to pass with or without modification following resolution as Special Resolution

"RESOLVED THAT, pursuant to provisions of section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members of the Company be and is hereby granted for commencement of business other than Main Object, as given clause no. 50, 51, 52, of Other Object Clause of the Memorandum of Association of the Company."

"RESOLVED FURTHER THAT, Mr. Dakshesh Shah, Managing Director of the Company be and is hereby authorised to do all necessary acts for the implementation of the aforesaid resolution."

For, For & on behalf of the Board of Directors

Place: Ahmedabad

Dakshesh Shah

Date: 01.08.2007

Director

MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.

**DIRECTORS REPORT**

To,
The Members

The Directors' present the Fifteenth Annual report on the business and operations of your Company for the year 2006-2007.

FINANCIAL RESULTS AND OPERATIONAL REVIEW:

During the year under review the total income from operations was Rs. 36.30 Lacs as compared to Rs. 18.74 Lacs of that of the previous Year. The Company has provided Rs. 2.25 Lacs for depreciation. After making provision of Rs. 2 Lacs for current year income tax and after taking into account the current year net profit and total provisions for taxation, the surplus carried to Balance Sheet is Rs. 37.26 Lacs, the management has nothing to say much about the activities of the company. Right now various options are being explored and appropriate decision will be taken as early as possible to fully activate the company.

For, Uniform and Assured Quality, Faster construction speed, Storage, Savings in labour requirement and Eco friendly standard, your Company has introduced RMC (Ready-mixed Concrete) as a part of its development.

PARTICULARS OF EMPLOYEES:

There is no employee having remuneration with the provisions of section 217(2A) of the companies Act 1956 read with the companies (Particulars of employee) Rules 1975 as amended.

DIRECTORS:

During the year Mr. Jaydeedp Kothary, Mr. Devraj Chikhaliya and Mr. Sanjay Kothari were resigned and the Board took note of the same. Mr. Dakshesh Shah, Mr. Ullas Shah, Mr. Samir Patel, Mr. Manubhai Shah, Mr. Hemish Patel, Mrs. Sheetal Shah who had been appointed as the Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and the Board recommend to appoint all of them as the Directors liable to retire by rotation. The Board also felt needed to appoint Mr. Dakshesh Shah as the Managing Director, Mr. Ullas Shah as the Joint Managing Director and Mr. Samir Patel as the Joint Managing Director of the Company pursuant to provisions of section 269 and other applicable provisions, if any, of the Companies Act, 1956.

RESPONSIBILITY STATEMENT:

As required u/s 217(2AA) of the Companies Act, 1956 your Director confirms that in the preparation of the annual accounts:

The applicable accounting standards have been followed along with proper explanation relating to material departures.

Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, so as to give a true and fair view of the state of affairs of the company at the end of the financial Year and the profit/loss of the company for that period.

Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from Friday, the 19th September, 2007 to Thursday, 28th September, 2007 (both days inclusive).
3. The shareholders are requested to bring their copy of Annual Report at the time of Meeting.
4. As a matter of convenience the shareholders are requested to inform their queries if any, the company in advance so as to enable the company to properly reply the same at the time of meeting.

For, For & on behalf of the Board of Directors

Place: Ahmedabad

Date: 09.06.2007

1, Trimurti Hospital Building,
Nr. S.T. Bus stand,
Junagadh-362 001

Managing Director

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT:****Item No.4:-**

Mr. Dakshesh Shah was appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mr. Dakshesh Shah for the office of Director of the Company.

None of the Directors of the Company except Mr. Dakshesh Shah and Mrs. Sheetal Shah being related to him be deemed to be concerned or interested in the resolution set out at item no. 4 of the accompanying notice.

Item No.5:-

Mr. Ullas Shah was appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mr. Ullas Shah for the office of Director of the Company.

None of the Directors of the Company except Mr. Ullas Shah and Mr. Manubhai Shah being related to him be deemed to be concerned or interested in the resolution set out at item no. 5 of the accompanying notice.

Item No.6:-

Mr. Manubhai Shah was appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mr. Manubhai Shah for the office of Director of the Company.

None of the Directors of the Company except Mr. Manubhai Shah and Mr. Ullas Shah being related to him be deemed to be concerned or interested in the resolution set out at item no. 6 of the accompanying notice.

Item No.7:-

Mrs. Sheetal Shah was appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mrs. Sheetal Shah for the office of Director of the Company.

None of the Directors of the Company except Mrs. Sheetal Shah and Mr. Dakshesh Shah being related to him be deemed to be concerned or interested in the resolution set out at item no. 7 of the accompanying notice.

Item No.8:-

Mr. Hemish Patel, appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mr. Hemish Patel for the office of Director of the Company.

None of the Directors of the Company except Mr. Hemish Patel and Mr. Samir Patel being related to him be deemed to be concerned or interested in the resolution set out at item no. 8 of the accompanying notice.



Item No.9:-

Mr. Samir Patel, appointed as an additional director of the company with effect from 19/05/2007, pursuant to the provision of Section 260 of the Companies Act, 1956 he holds office upto the ensuing Annual General Meeting of the Company. The Company was in receipt of a notice Section 257 of the Companies Act, 1956, along with requisite deposit proposing Mr. Samir Patel for the office of Director of the Company.

None of the Directors of the Company except Mr. Samir Patel and Mr. Hemish Patel being related to him be deemed to be concerned or interested in the resolution set out at item no. 9 of the accompanying notice.

Item No.10:-

Profile of Mr. Dakshesh Shah, Director being appointed u/s 269 of the Companies Act, 1956

Name	Dakshesh Shah
Date of Birth	14/12/1972
Director of the Company	19/05/2007
No. of shares held in the company	100100
No. of warrants held in the company	N.A
Directorship in other company	Parshva Texchem (India) Private Limited Parshva Alluminium Co.Private Limited

Mr. Dakshesh Shah, being young entrepreneur and a successful businessman having experience of more than nine years in various type of industrial supplies and has been spending his precious time and energy for day to day affairs of the Company. Therefore, the consent of the members is sought for appointment of Mr. Dakshesh Shah as the Managing Director of the Company.

Item No.11:-

Profile of Mr. Ullas Shah, Director being appointed u/s 269 of the Companies Act, 1956

Name	Ullas Shah
Date of Birth	27/02/1977
Director of the Company	19/05/2007
No. of shares held in the company	100000
No. of warrants held in the company	N.A
Directorship in other company	Gurjar System Private Limited Parshva Texchem (India) Private Limited Parshva Alluminium Co.Private Limited

Mr. Ullas Shah, being young Chartered Accountant and a successful businessman having experience of more than seven years in running of printing press and has been spending his precious time and energy for day to day affairs of the Company. Therefore, the consent of the members is sought for appointment of Mr. Ullas Shah as the Joint Managing Director of the Company.

Item No.12:-

Profile of Mr. Samir Patel, Director being appointed u/s 269 of the Companies Act, 1956

Name	Samir Patel
Date of Birth	10/04/1972
Director of the Company	19/05/2007
No. of shares held in the company	104800
No. of warrants held in the company	N.A
Directorship in other company	Parshva Texchem (India) Private Limited Parshva Alluminium Co.Private Limited



Mr. Samir Patel, being young being young entrepreneur and a successful businessman having experience of more than ten years in the field of building, construction and real estate field and has been spending his precious time and energy for day to day affairs of the Company. Therefore, the consent of the members is sought for appointment of Mr. Samir Patel as the Joint Managing Director of the Company.

Item No.13:-

The Board of Director had decided to expand the activities of the company and the management of the Company felt need of the funds and therefore it was necessary to increase the authorized share capital of the Company and accordingly change Capital Clause No.V of the Memorandum of Association of the Company. The Board recommended for passing the resolution as an ordinary resolution.

None of the directors of the Company were interested, in any way, in the aforesaid resolution.

Item No.14:-

The Company has applied for change of name as the word Parshva – the name of good may become blessings for the progress of the Company. This word has been suggested by the astrologer. The office of the Registrar of Companies, Gujarat has made the name "Parshva Buildcon Limited" available to the Company. Pursuant to section 21 and other applicable provisions, if any, of the Companies Act, 1956, approval of the shareholders is sought for change of name of the Company.

None of the directors of the Company were interested, in any way, in the aforesaid resolution.

Item No.15:-

Pursuant to various reminder and last and final call notice dated 26th April, 2007, and resolution passed at the meeting of the Board of Directors of the Company held on 11th June, 2007, the Board of Directors have decided to forfeit Partly paid up (922,300 equity shares upon which Rs.5/- equity shares have been paid) equity shares. The shareholders filed to pay the same. The matter has been considered by the Board of Directors of the company as liable to forfeit with the approval of shareholders.

None of the directors of the Company were interested, in any way, in the aforesaid resolution.

Item No.16:-

The management team of the Company foresaw good business prospects even in the line of information technology and hence the Board has decided to change object clause of the Company by adding clause no.50, 51, 52, of Other Object Clause of the Memorandum of Association of the Company by way of passing of resolution by postal ballot. If the same be passed with majority the Board proposed for commencement of business other than Main Object, as given clause no. 50, 51, 52, of Other Object Clause of the Memorandum of Association of the Company.

None of the directors of the Company were interested, in any way, in the aforesaid resolution.

Date: 09-06-2007

Regd. Office:

1, Trimurti Hospital Building,
Nr. S.T. Bus stand,
Junagadh-362 001

By and on Behalf of the
the Board of Directors

Managing Director

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

As required under rule 3 of the companies (Disclosure of Particulars in the report of Board of Directors) Rules 1998, the particulars relating to the conservation of energy, Technology absorption, and the foreign exchange earnings and outgo are also Nil.

APPOINTMENT OF AUDITORS:

M/s. J. B. Shah & Co., Chartered Accountants the retiring auditors being eligible offer themselves for re-appointment. Members are requested to appoint them as auditors of the company.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing agreement, forms part of this Report and the same is annexed hereto.

REPORT ON CORPORATE GOVERNANCE:

A separate Report on Corporate Governance along with Certificate from Auditors on its compliance as annexed hereto.

SEGMENT:

Your Company is engaged in a single segment only.

ACKNOWLEDGEMENT:

The management is grateful to the government authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

For, For & on behalf of the Board of Directors

Place: Ahmedabad

Date: 09.06.2007

Managing Director



REPORT ON CORPORATE GOVERNANCE

The Board of Directors of the Company gives due support to the principles behind the good Corporate Governance. Given below is a report on Corporate Governance:

1. COMPANY'S PHILOSOPHY

The Company's philosophy on the corporate governance lays strong emphasis on transparency, accountability, full disclosure of material facts, and independence of Board, integrity and fair play with all stake holders. The Company will endeavor to constantly comply with and to continuously improve on the aspects with an overall view to earn trust and respect of the members, lenders and other stakeholders. All employees are guided by the company's policy on important issues, relationship with costumers, shareholders and statutory authorities.

2. BOARD OF DIRECTORS

a. Composition of Board of Directors as on 31.03.2007:

The Board of Directors of the Company comprised Ten Directors of whom one was executive Director and five non-executive Directors. The non-executive Directors also comprised two independent directors. The Chairman is a non-executive director.

Name of Director	Category
Mr. Bhanvarlal Jain (Chairman)	Non-Executive
Mr. Dakshesh Shah (Managing Director)	Executive*
Mr. Jaydeep Kothari	Non-Executive+
Mr. Dinesh Jain	Independent and Non-Executive
Mr. Piyush Jain	Independent and Non-Executive
Mr. Ullas Shah	Non-Executive*
Mrs. Sheetal Shah	Non-Executive*
Mr. Manubhai Shah	Non-Executive*
Mr. Hemish Patel	Non-Executive*
Mr. Samir Patel	Non-Executive*
Mr. Devraj Chikahlia	Independent and Non-Executive++
Mr. Sanjay Kothary	Executive***

*Appointed with effect from 19th May, 2007

+Mr. Jaydeep Kothary has resigned from the Board w.e.f. 28th March, 2007

++ Devraj Chikhaliya has resigned from the Board w.e.f. 26th April, 2007.

*** Sanjay Kothary has resigned from the Board w.e.f. 28th March, 2007.

b. Number of Board of Director Meetings held and dates on which held:

14. Board meetings were held during the year as against the minimum requirements of 4 meetings. The dates on which the meetings were held are 30th April, 2006, 30th June, 2006, 20th July, 2006, 31st July, 2006, 31st October, 2006, 31st January, 2007, 05th March, 2007, 28th March, 2007.

c. Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of Director	Category of Directorship	No. of other Directorship	No. of Board Meeting attended	Attendance at the AGM held on 30-09-2006
Mr. Bhanvarlal Jain	Non Executive Chairman	N.A	11	Yes
Mr. Sanjay Kothary	Executive	1	7	Yes
Mr. Dakshesh Shah	Executive	N.A	3	NA
Mr. Jaydeep Kothari	Non Executive	N.A	7	Yes
Mr. Ullas Shah	Non Executive	N.A	3	NA
Mr. Dinesh Jain	Independent and Non-Executive	N.A	12	Yes
Mr. Samir Patel	Non Executive	N.A	3	NA
Mr. Hemish Patel	Non Executive	N.A	3	NA
Mrs. Sheetal Shah	Non Executive	N.A	3	NA
Mr. Devrajbhai Chikhalia	Independent and Non-Executive	1	7	Yes
Mr. Piyush Jain	Independent and Non-Executive	N.A	7	NA
Mr. Manubhai Shah	Non Executive	N.A	3	NA

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

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

The information as required under Annexure-I A to the Clause 49 of the Listing Agreement is made available to the Board of Directors.

AUDIT COMMITTEE:

a. Composition:

As on 31.03.2007, the Audit Committee comprised of three non executive Directors namely:

Mr. Dinesh Jain	Chairman	- Independent and Non-Executive
Mr. Piyush Jain	Member	- Independent and Non-Executive
Mr. Jaydeep Kothary	Member	- Non Executive

Brief description of terms of reference:

- Review the financial reporting process and disclosure of its financial information
- Review with the management, Annual financial statements before submission to the Board
- Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
- Review the company's accounting and risk management policies
- Review the company's accounting and management reporting systems and updates the same from time to time
- Recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
- Review quarterly financial statement
- Review internal investigations made statutory/ Internal Auditors.
- Scope of Statutory/ Internal Audit
- Review fixed deposits/repayment systems etc.
- Any other applicable functions as described in Corporate Governance.
- Review related party transactions.



30th April, 2006, 30th June, 2006, 20th July, 2006, 31st July, 2006, 31st October, 2006, 31st January, 2007, 05th March, 2007, 27th March, 2007.

- b. Meeting: 8 Meetings were held during the financial year on 30/04/2006, 30/06/2006, 20/07/2006, 31/07/2006, 31/10/2006, 31/01/2007, 05/03/2007, and 27/03/2007, where all the members attended the said meetings. The meeting of 30th June, 2006 was also attended by the Statutory Auditors at the invitation of the Committee. The Committee has regularly took a look of complete accounting system followed by the Company, reviewed the overall compliances and all other related matters.

The Chairman of Audit Committee remained present in the Annual General Meeting to reply the shareholders questions.

REMUNERATION COMMITTEE:

Mr. Dinesh Jain	Chairman	- Independent and Non-Executive
Mr. Piyush Jain	Member	- Independent and Non-Executive
Mr. Jaydeep Kothary	Member	- Non Executive

Remuneration Committee of Mr. Dinesh Jain, Mr. Piyush Jain and Mr. Jaydeep Kothari is constituted for the purpose of considering remuneration of executive and non-executive directors. The company had not paid any remuneration to any non-executive directors.

Details of remuneration paid to Managing Director and whole time Director for the year:

As Mr. Sanjay Kothary has tendered his resignation and the same has been approved by the Board of Directors on 28th March, 2007, His remuneration was approved by the Board of Directors as recommended by the Remuneration committee. The aggregate value of salary and perquisites paid for the year ended on 31st March 2007 to Mr. Sanjay Kothary, Managing Director was Rs.3,24,000/-. The Company is not paying any sitting fees to any of the Directors.

5. SHAREHOLDERS GRIEVANCE COMMITTEE:

Mr. Piyush Jain, Director of the company was heading the committee. Mr. Jaydeep Kothari was designated as the Compliance officer of the Company. However, Miss. Urmi Shah has been appointed as the Company Secretary with effect from 26th April, 2007 and designated as Compliance Officer.

The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The company has not received any complaints during the year under report. There was no transfer pending for registration.

A. GENERAL BODY MEETING:

- a. Location and time where last three AGMs were held:

Year	Date and time	Place
2004	18/08/2004 at 10.30 a.m.	Registered Office
2005	30/09/2005 at 10.30 a.m.	Registered Office
2006	30/09/2006 at 10.30 a.m.	Registered Office

No special resolution was passed in the last Annual General Meeting. No Special resolution put through postal ballot last year.

Following agenda items needs approval by postal ballot in the ensuing Annual General Meeting.

- Change the Registered Office of the Company from Junagadh to Ahmedabad
- Disposal of Immoveable Property pursuant to Section 293(1) (a) of the Companies Act, 1956.
- Amendment in the Memorandum of Association of the Company by adding new Clause 50.

The consent of the members is required to be obtained by means of a Postal Ballot. Accordingly, the said resolutions and the explanatory statement alongwith Postal Ballot Forms are sent to all members for consideration of members on 04th August, 2007.

The Company has appointed Mrs. Rupal Patel, Practising Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the postal ballot forms and the results of the postal ballot will be announced at the Annual General Meeting to be held on 28th September, 2007.

b. Note on Director seeking re-appointment at the ensuing Annual General Meeting:

Mr. Dinesh Jain is a director retiring by rotation at the ensuing Annual General Meeting. He is a successful businessman having varied business interest and entities in the field of real estate and construction.

7. DISCLOSURES:

a. Materially significant related party transactions:

The same are appropriately disclosed at Note No.8 of the Significant Accounting Policies and notes on accounts- schedules M of the Annual Accounts – Schedule M of the Annual Accounts of the Company.

b. During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

8. CEO/CFO CERTIFICATION:

Mr. Dakshesh Shah Managing Director issued a certificate to the Board as Prescribed under sub-clause V of clause 49 of the listing agreement. The said certificate was placed before the meeting of Board of Directors held on 9th June, 2007.

MEANS OF COMMUNICATIONS:

The half Yearly and quarterly results of the Company were published in English and vernacular daily newspaper named Western Times and are also regularly forwarded to the Mumbai Stock Exchange where the Company's share are listed. The Company has not considered it necessary to circulate half yearly results at the residence of shareholders as there is no significant up and down in the activities of the company having material impact on the shareholders interest.

Further the Company has not made any presentation to any financial institutional Investors/analysts or banks during the year.

The Management discussion and analysis forms part of the Annual Report.

10. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting: Date, Time and venue: 28th day of September 2007 at 10.30 a.m. at the Registered Office of the Company.

b. Financial Year: 1st April 2006 to 31st March 2007.

c. Financial Calendar:

- i. 1st quarterly results – last week of July, 2006.
- ii. 2nd quarter results – last week of October, 2006.
- iii. 3rd quarter results – last week of January, 2007.
- iv. 4th quarter results – last week of April, 2007.

d. Date of Book Closure: 19th September, 2007 to Friday, 28th September, 2007



- e. Dividend Payment Date: N.A.
- f. Listing of Equity Shares on Stock Exchanges: Mumbai Annual listing fees for the financial Year upto 31-03-2007 has been paid.
- g. Stock Code: Mumbai 531494
- h. Demat ISIN number: INE268H01010
- i. Market price data: The Company has nothing to report as no trade has been reported to take place.
- j. Performance of the Company's shares in comparison with broad-based indices as BSE's Sensex: The Company has nothing to report on the matter.
- k. Registered and Transfer Agent: Pinnacle Share Registry Private Limited, Naroda, Ahmedabad w.e.f. 01-04-02 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 21 days.
- m. Distribution of Shareholding as on 31.03.2007.

Share Holding of Nominal Value	Share No.	Holders % to total	Share In Rs.	Amount % to total
Up to 5,000	1213	48.46	543150	10.81
5,001 to 10,000	1181	47.18	828300	16.48
10,001 to 20,000	43	1.72	73100	1.45
20,001 to 30,000	12	0.48	29800	0.59
30,001 to 40,000	4	0.16	14400	0.29
40,001 to 50,000	7	0.28	34400	0.68
50,001 to 1,00,000	2	0.08	11500	0.23
1,00,001 & above	41	1.64	3490250	69.46
Total	2503	100.00	5024900	100.00

Shareholding pattern

Sr. No.	Category	No. shares held	shareholding
a.	Promoters and persons who may be deemed to be acting in concert including promoter/directors group Companies	2043500	40.67
b.	Other bodies corporate	36000	0.72
c.	Indian public	2945400	58.62
	TOTAL	5024900	100.00



Sr. No.	Name of Director	No. of Shares Held
1.	Mr. Bhanvarlal Jain	305000
2.	Mr. Sanjay Kothary	158250
3.	Mr. Jaydeep Kothary	—
4.	Mr. Devraj Chikhaliya	—
5.	Mr. Dinesh Jain	—
6.	Mr. Pravin Sojitra	79250
7.	Mr. Dakshesh Shah	—
8.	Mr. Ullas Shah	—
9.	Mrs. Sheetal Shah	—
10.	Mr. Samir Patel	—
11.	Mr. Prakashbhai Shah	—
12.	Mr. Hemish Patel	—
13.	Mr. Sunil Bohara	—
14.	Mr. Manubhai Shah	—

Dematerialization of shares: As on 31-03-07 Demat shares accounted for 0.41% (Nil Equity Shares) of total equity.

Outstanding GDR / ADR / Warrants: Not Applicable

Address for communication:

1. Pinnacle Share Registry Pvt. Ltd. 2. Navkar Builders Limited,
Near Ashoka Mills, Naroda, 4th Floor, Nalanda Enclave,
Ahmedabad – 380025 Pritamnagar 1st sloppe,
Ellisbridge, Ahmedabad.

- n. Location of plants: The Company is engaged in the business of construction and and land development/ real estate.

Declaration of compliance with the code of conduct

All the Directors and senior management personal have, respectively, affirmed compliance with the code of conduct as approved and adopted by the Board of Directors.

For, NAVKAR BUILDERS LIMITED

Place : Junagadh
Date: 09/06/2007

Dakshesh Shah
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

During last two years with the stock exchange index going up, the industrial development and in particular in real estate industry, the market seems to be booming. Simultaneously, the cost of construction has also gone up due to changed construction norms.

OPPORTUNITIES, THREAT, OUTLOOK, RISKS AND CONCERNS

To en-cash the opportunities available, the management is considering the option of developing land area and plotting and sale it out after obtaining all permissions from appropriate authorities. There are good opportunities on hand and the company intends to make best efforts to explore and achieve the same.

SEGMENT WISE PERFORMANCE

The Company is operating only in one sector i.e. construction and land development and therefore the segment reporting and performance standard is not applicable to the Company.

INTERNAL CONTROL

The company has adequate internal control system commensurate with size of its operations. Adequate records and documents have been regularly maintained as required under applicable laws. The same further checked by regular inspection and checks.

FINANCIAL PERFORMANCE

The Company has earned a profit of Rs. 10, 17, 180/- after making provision of Rs. 2, 25, 032/- for depreciation. After taking into account the carried forward balance, the total profit carried to Balance Sheet is Rs. 37,26,324/-.

COMPLIANCE CERTIFICATE

To,
The Members,
Navkar Builders Ltd,
1, Trimurti Hospital Building,
Near S T Bus Stand,
Junagadh.

We have examined the compliance of Corporate Governance by Navkar Builders Ltd for the year ended on 31st March, 2007, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, J B Shah & Co.
Chartered Accountants

Place : Ahmedabad
Date : 09-06-2007

(Jasmin B. Shah)
Proprietor

Auditor's Report

To
The Members,
Navkar Builders Limited

1. We have audited the attached balance sheet of Navkar Builders Limited (The Company) as at March 31, 2007 and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2007, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2007;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Ahmedabad

Date: 09/06/2007

J B Shah & Co.
Chartered Accountants
Jasmin B. Shah
Proprietor
Membership No: 46238

**Annexure referred to in paragraph 3 of our report of even date**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by management in the previous year in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) There was substantial disposal of fixed assets during the year.
2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. As informed to us, the Company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. According to the information and explanations provided by management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
8. As far as we are aware, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (c) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures, and as per the information and explanations given by the management and relevant confirmations from applicable banks, we are of the opinion that the Company has not defaulted in repayment of dues a bank. The Company did not have any debentures outstanding during the year.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company does not deal or trade in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the Company has not accepted any term loan during the year.
17. According to the information and explanations given to us, the Company has not raised any short term or long term funds during the year.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For, J B Shah & Co.
Chartered Accountants

Place : Ahmedabad
Date : 09-06-2007

(Jasmin B. Shah)
Proprietor



BALANCE SHEET AS AT 31ST MARCH, 2007

		Rupees	
Schedule	Schedule	31/03/2007	31/03/2006
1. Shareholders' Funds			
Share Capital	A	45,613,500	45,613,500
Reserves and Surplus	B	4,001,324	2,984,144
		49,614,824	48,597,644
2. Deferred Tax Liability		-	771,603
TOTAL		49,614,824	49,369,247
II. APPLICATION OF FUNDS			
1. Fixed Assets	C		
Gross Block		-	6,905,380
Less :- Depreciation		-	3,106,333
Net Block		-	3,799,047
2. Investments	D	500	500
3. Current Assets, Loans and Advances	E		
Cash and Bank Balances		12,464,743	8,004,721
Loans and Advances		37,539,581	37,991,815
		50,004,324	45,996,536
Less : Current Liabilities and Provisions	F		
Current Liabilities		390,000	426,836
Provisions		-	-
		390,000	426,836
Net Current Assets		49,614,324	45,569,700
TOTAL		49,614,824	49,369,247
Significant Accounting Policies and Notes to Accounts	M		
The schedules referred to above and the notes to accounts form an integral part of the Balance Sheet			
As per our report of even date		For and on behalf of the Board of Directors	
FOR J. B. SHAH & CO.			
CHARTERED ACCOUNTANTS			
JASMIN B. SHAH	DIRECTOR	DIRECTOR	
PROPRIETOR			
M. NO. 46238			
PLACE : AHMEDABAD	PLACE : AHMEDABAD		
DATED : 09.06.2007	DATED : 09.06.2007		

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007.

Particulars	Schedule	31/3/2007	31/3/2006
I. INCOME			
Sales/Income from Operations		1,809,764	929,000
Other Income	G	1,820,865	945,208
TOTAL		3,630,629	1,874,208
EXPENDITURE			
Operating Expenses	H	992,610	443,512
Administrative and Selling Expenses	I	1,313,165	432,882
Employees' Remuneration and Benefits	J	513,040	493,221
Financial Charges	K	15,409	31,585
Depreciation	C	225,032	331,364
Preliminary Expenses Written Off.		-	25,841
TOTAL		3,059,256	1,758,405
PROFIT BEFORE TAX		571,373	115,803
Current Tax		200,000	60,500
Deferred Tax		(771,603)	(22,188)
Fringe Benefit Tax		6,210	4,000
Earlier Year		119,586	-
NET PROFIT		1,017,180	73,491
Balance Brought Forward		2,709,144	2,635,653
Surplus Carried to Balance Sheet		3,726,324	2,709,144
Earnings Per Share (in Rs.)			
Basic (Nominal Value of shares Rs.10)			
(Previous Year Rs.10)		0.22	0.02
Significant Accounting Policies and Notes to Accounts	L		

The schedules referred to above and the notes to accounts form an integral part of the Balance Sheet

As per our report of even date
For and on behalf of the Board of Directors

FOR J. B. SHAH & CO.
CHARTERED ACCOUNTANTS

JASMIN B. SHAH
PROPRIETOR
M. NO. 46238

DIRECTOR

DIRECTOR

PLACE : AHMEDABAD
DATED : 09.06.2007

PLACE : AHMEDABAD
DATED : 09.06.2007



SCHEDULE ATTACHED TO & FORMING PART OF BALANCE-SHEET

Particulars	31/03/2007	31/03/2006
SCHEDULE- A : SHARE CAPITAL		
Authorised 6,000,000 Equity Shares of Rs. 10 each	60,000,000	60,000,000
	<u>60,000,000</u>	<u>60,000,000</u>
Issued, Subscribed Equity		
5,024,900 Equity Shares of Rs. 10 each fully paid up	50,249,000	50,249,000
Less Allotment Money Due	<u>4,635,500</u>	<u>4,635,500</u>
	<u>45,613,500</u>	<u>45,613,500</u>
SCHEDULE- B : RESERVES AND SURPLUS		
General Reserve	275,000	275,000
Profit and Loss Account	<u>3,726,324</u>	<u>2,709,144</u>
	<u>4,001,324</u>	<u>2,984,144</u>

	As at 01.04.06	Add. for the Year	Ded. for the Year	As at 31.03.07	As at 01.04.06	Add. for the Year	Ded. for the Year	As at 31.03.07	As at 31.03.07	As at 31.03.06
Office Building	3,004,836	468,000	3,472,836	-	931,419	44,897	976,316	-	-	2,073,417
Plant & Machinery	1,695,256	-	1,695,256	-	853,737	73,814	927,551	-	-	841,519
Computer-	210,300	-	210,300	-	210,300	-	210,300	-	-	-
Furniture & Fixtures	1,343,260	-	1,343,260	-	796,105	77,943	874,048	-	-	547,155
Office Equipments	651,728	45,172	696,900	-	314,773	28,377	343,150	-	-	336,955
TOTAL	6,905,380	513,172	7,418,552	-	3,106,334	225,032	#####	-	-	3,799,046
PREVIOUS YEAR	7,450,485	-	545,105	6,905,380	3,099,875	331,364	324,905	3,106,334	3,799,046	4,350,610

SCHEDULE - D : INVESTMENTS**LONG TERM INVESTMENTS (At Cost)****UNQUOTED****TRADE INVESTMENTS**

50 Shares of Rs. 10 Each of MMC Bank

Total - Investments

500	500
<u>500</u>	<u>500</u>

SCHEDULE- E :**CURRENT ASSETS, LOANS AND ADVANCES****CURRENT ASSETS****(a) CASH AND BANK BALANCES**

Cash on hand

148

12,062

Balances with Scheduled Banks

in Current Accounts

238,185

5,774,800

in Term Deposit Accounts

12,226,410

2,217,859

12,464,7438,004,721**(b) LOANS AND ADVANCES**

(Unsecured, considered good)

Deposits

6,250

Advances recoverable in cash or in kind or for value to be received

37,450,657

37,856,628

Advance Taxes (Net of Provisions)

88,924

128,937

37,539,58137,991,815



SCHEDULE ATTACHED TO & FORMING PART OF BALANCE-SHEET

Particulars	31/03/2007	31/03/2006
SCHEDULE-F: CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors	390,000	332,242
Other Current Liabilities	-	94,593
	<u>390,000</u>	<u>426,836</u>
Provisions For Taxation	-	-
	<u>390,000</u>	<u>426,836</u>
SCHEDULE - G : OTHER INCOME		
Interest Received		
From Bank	732,824	864,776
From others	1,086,985	80,137
Miscellaneous Income	1,056	295
	<u>1,820,865</u>	<u>945,208</u>
SCHEDULE - H : OPERATING EXPENSES		
Consumption of Raw Materials :		
Opening Stock	-	-
Add :- Purchases	295,695	126,322
	295,695	126,322
Less : - Closing Stock	-	-
(A)	295,695	126,322
Sub Contracting Charges (B)	306,815	151,473
Site Expenses (C)	390,100	165,717
(D) = (A)+(B)+(C)	<u>992,610</u>	<u>443,512</u>
SCHEDULE - I : ADMINISTRATIVE AND SELLING EXPENSES		
Rates and Taxes	29,942	29,942
Repairs and maintenance Expenses	21,126	17,614
Advertisement and Sales Promotion	8,738	28,723
Travelling, Conveyance and Vehicle Expenses	35,052	62,489
Communication Expenses	71,383	46,718
Auditors' Remuneration and expenses	30,000	33,672
Legal and Professional Expenses	37,254	35,450
Charity and Donations	2,291	5,004
Printing & Stationery	32,697	39,679
Loss on sale of assets	887,186	-
Other Selling and Administrative Expenses	157,496	133,591
	<u>1,313,165</u>	<u>432,882</u>
SCHEDULE-J:EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, Wages, Allowances and Bonus	512,369	492,320
Staff Welfare Expenses	671	901
	<u>513,040</u>	<u>493,221</u>
SCHEDULE - K : FINANCIAL CHARGES		
Bank Interest	-	7,468
Bank Charges	15,409	24,117
	<u>15,409</u>	<u>31,585</u>

Schedule : L

SCHEDULE L: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**1. Significant Accounting Policies****a) Basis of accounting**

The financial statements have been prepared on the historical cost convention to comply in all material respects, with the mandatory accounting standards issued by The Institute of Chartered Accountants of India ('ICAI'), generally accepted accounting principles, and provisions of Companies Act, 1956 ('the Act') following mercantile system of accounting as adopted consistently by the Company. Accounting policies not referred to otherwise, are consistent with generally accepted accounting principles.

b) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated.

c) Revenue Recognition

Revenue from the Construction contracts is recognised as per bills raised for various projects as per the terms of the contract with the parties.

Interest Income is recognised on time proportion basis.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

The carrying amounts of the assets belonging to each cash-generating unit ('CGU') are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying amounts exceed the recoverable amount of the assets' CGU, assets are written down to their recoverable amount.

e) Depreciation

Depreciation on fixed assets is provided on at the rates for Straight Line prescribed by Schedule XIV of the Companies Act, 1956.

f) Inventories

Inventories of raw materials and work in progress are valued at the lower of the cost and estimated net realisable value.

The cost of work-in-progress includes the cost of material, labour and other direct overheads.

g) Investments

Long Term Investments are carried at cost.

h) Retirement and other employee benefits

Retirement and other employee related benefits are provided for as and when paid.

i) 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 revenue.

**j) Income Tax**

Tax expense for a year comprises of current tax, deferred tax and fringe benefit tax. Current tax is measured after taking into consideration, the deductions and exemptions admissible under the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

k) Earnings Per Share

Basic earnings per share is 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.

l) Segment Reporting

The business of the Company is only construction and hence its operating only in one business segment. Again the Company operates only under one geographical segment. So the disclosures in pursuant to Accounting Standard (AS-17) issued by the ICAI are not applicable to the Company.

2. On the basis of the details and data available with the Company, There are no dues for payment to small-scale industrial undertaking outstanding as at the balance sheet date.
3. The balance of sundry creditors and loans and advances are subject to confirmations.
4. Figures have been rounded off to the nearest rupee and previous year's figures have been regrouped, rearranged and reclassified wherever necessary to confirm with current year's figures.
5. In opinion of the directors, contingent liability not provided is Rs. Nil. (Previous Year Rs. Nil)
6. Break up of the accumulated Deferred Tax Liability is given below :-

Particulars	Deferred Tax Liability as at March 31, 2006	During the Year 2006-07	Deferred Tax Liability as at March 31, 2007
Deferred Tax Liability:			
Depreciation on Fixed Assets	771,603	(7,71,603)	Nil
Total Deferred Tax Liability	771,603	(7,71,603)	Nil

7. Directors Remuneration Paid during the year is Rs. 324,000 (Rs. 378,000)
8. Related Party Transactions:

1. Related Parties as identified by the Company and relied by Auditors:

i. Key Managerial Personnel:

- a. Sanjay B Kothary (Retired on 28/03/2007)
- b. Jaydeep B Kothary (Retired on 28/03/2007)

ii. Transactions carried out with related parties referred in i above:

Particulars	2006-07	2005-06
As Salaries	345,200	378,000
Total	345,200	378,000



PARTICULARS	April 1, 2006 to March 31, 2007	April 1, 2005 to March 31, 2006
Net Profit attributable to equity shareholders Numerator for computation of basic and diluted EPS](a)	10,17,180	73,491
Weighted average number of equity shares in calculating basic EPS [Denominator for computation of basic & diluted EPS] (b)	4,561,350	4,561,350
Basic Earning per share of face value of Rs. 10/- each (a/b)	0.22	0.02

10. Additional information pursuant to the provisions of paragraphs 3, 4B, 4C, 4D of part II of the Schedule VI of the Companies Act, 1956.

a) Auditors' Remuneration and Expenses

Particulars	2006-07	2005-06
As Statutory and Tax Auditors	25,000	28,060
As Consultants	5,000	5,612
Total	30,000	33,672

- a) As the Company is into the Execution of infrastructure Projects, it is not practicable to give other details pursuant to paragraphs 3, 4B, 4C, 4D of part II of the Schedule VI of the Companies Act, 1956.
- b) During the year, there were no imports of raw materials, stores and spares or capital goods and there was no remittance in foreign currency on account of dividends. Also, there was no earning in foreign currency.

Schedules 'A' to 'L'

FOR J. B. SHAH & CO.
CHARTERED ACCOUNTANTS

JASMIN B. SHAH
PROPRIETOR
M. NO. 46238

DIRECTOR

DIRECTOR

PLACE : AHMEDABAD
DATED : 09.06.2007

PLACE : AHMEDABAD
DATED : 09.06.2007



CASH FLOW

31-03-2006

31-03-2005

A. CASH FLOW FROM OPERATING ACTIVITIES

Profit Before Tax		571,373		115,803
Adjustments for				
Depreciation	225,032		331,364	
Preliminary Expenditures Written off	-		25,841	
Loss on sale of Fixed assets	887,186		-	
Interest Income	(1,819,809)		(944,913)	
	(707,591)	(707,591)	(587,708)	(587,708)
Operating Profit before Working Capital Changes		(136,218)		(471,905)
Adjustments for				
Decrease / (Increase) in Loans and Advances	412,221		(5,399,265)	
(Decrease)/Increase in Current Liabilities & Provisions	(36,836)		(117,474)	
	375,385	375,385	(5,516,739)	(5,516,739)
Cash Generated from Operations			239,167	(5,988,644)
Direct Taxes Paid (net of refunds)		(285,782)		(228,497)
Net Cash Flow from Operating Activities (A)		(46,615)		(6,217,141)

B. CASH FLOW FROM INVESTING ACTIVITIES

(Purchase)/Sale of Fixed Assets	2,686,828		220,200	
Interest Received	1,819,809		944,913	
	4,506,637		1,165,113	
Net Cash Flow from Investing Activities (B)		4,506,637		1,165,113

C. CASH FLOW FROM FINANCING ACTIVITIES

Increase/(Decrease) in Share Capital	-		4,000	
	-		4,000	
Net Cash Flow from Financing Activities (C)		-		4,000

D. NET INCREASE IN CASH AND CASH EQUIVALENTS

(D) = (A+B+C)		4,460,022		(5,048,028)
Opening Balance of Cash and Cash Equivalents		8,004,721		13,052,749
Closing Balance of Cash and Cash Equivalents		12,464,743		8,004,721
Notes		4,460,022		

1 The figures in brackets represent outflows.

2 Previous periods' figures have been regrouped / reclassified, wherever necessary.

The schedules referred to above and the notes to accounts form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

FOR J. B. SHAH & CO.
CHARTERED ACCOUNTANTSJASMIN B. SHAH
PROPRIETOR
M. NO. 46238

DIRECTOR

DIRECTOR

PLACE : AHMEDABAD
DATED : 09.06.2007PLACE : AHMEDABAD
DATED : 09.06.2007



AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of Navkar Builders Limited derived from the financial statements for the year ended March 31, 2007 and March 31, 2006 and we found the same to be drawn in accordance with the requirements of Clause 32 of the listing agreement with the Stock Exchange

Place : Ahmedabad.

Date 09.06.2007

NAVKA BUILDERS LIMITED

PROXY FORM

Members Folio No. _____

DP ID _____

Client ID _____

I/We _____ of _____
being a Member/Members of Navkar Builders Limited, hereby appoint
_____ or failing him
_____ of _____ or failing
him _____ of _____ as my/our Proxy to attend and vote
for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held
on 27th day of September 2007 at any adjournment there of.

Signed this _____ Day of _____ 2007.

Signed by the said _____

of _____

Affix
Rs. 1/-
Revenue
Stampe

Note : If a member is unable to attend the Meeting, he may sign this form and send it to
the Company's Registered Office at : 1, Trimurti Hospital Building, Nr. S. T. Bus stand, Junagadh-
362001, so as to reach them not less than 48 hours before the Meeting

-----TERE HERE-----

NAVKA BUILDERS LIMITED

1, Trimurti Hospital Building, Nr. S. T. Bus stand, Junagadh-362001

ATTENDANCE SLIP

I hereby record my presence at the 15th Annual General Meeting convened at
1, Trimurti Hospital Building, Nr. S. T. Bus stand, Junagadh-362001, on 27th September'2007.

Members Folio No. _____

DP ID _____

Client ID _____

Name of the Member attending the Meeting

In case of proxy, Name of Proxy

(Signature of Member/Proxy)
(To be signed at the time of
handing over the slip)

Note : Members/Joint members are requested to bring the attendance slip with them.

Book Post.

To, _____

If undelivered Please return to :
NAVKAR BUILDERS LIMITED
1, Trimurti Hospital Building,
Nr. S. T. Bus stand,
Junagadh-362001