

NAVKAR CORPORATION LIMITED

CIN: L63000MH2008PLC187146

Registered Office: 205-206, J. K. Chambers, Sector – 17, Vashi, Navi Mumbai – 400703

Tel.: (022) 2766 8223 | **Website:** www.navkarcfs.com | **E-mail:** cs@navkarcfs.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the “**Act**”), if any, read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Regulations**”) that the resolutions appended below are proposed to be passed by way of Postal Ballot / E-voting. The Explanatory Statement pertaining to the said resolutions setting out the facts concerning item nos. 1 and 2 and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto along with a Postal Ballot Form (hereinafter referred to as ‘**the Form**’) for your consideration.

The Board of Directors of the Company, at its meeting held on January 15, 2016, has appointed Mr. Hemant Shetye, Practicing Company Secretary and partner of M/s. HS Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. on Friday, February 19, 2016. Any assent or dissent received after the said date will be treated as if the reply from the concerned member is not received.

In compliance with Regulation 44 of the Regulations and pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, to its Members to enable them to cast their votes electronically instead of dispatching the postal ballot form(s). Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions on the overleaf of the Form. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman and the results of the Postal Ballot will be announced by the Chairman or any other Director of the Company duly authorized on Saturday, February 20, 2016 at 5.00 p.m. at the Registered Office of the Company. The aforesaid result would be displayed at the Registered Office of the Company, intimated to BSE Limited and National Stock Exchange of India Limited where the Company’s equity shares are listed and displayed alongwith the Scrutinizer’s report on the Company’s website viz. www.navkarcfs.com, on the agency’s website i.e. Central Depository Services (India) Limited viz. www.cdslindia.com.

RESOLUTIONS:

Item No. 1

APPROVAL OF TRANSACTION FOR PURCHASE OF PROPERTY FROM MR. NEMICHAND MEHTA

To consider and, if thought fit, to give assent / dissent, to the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other provisions of applicable law, the consent of the members be and is

hereby accorded, approving and ratifying the transaction between the Company and Mr. Nemichand Mehta, Chief Executive Officer of the Company, for purchase of non-agriculture land admeasuring 77500 square meters situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat, for the Company's CFS purposes, for a lumpsum consideration of ₹38,75,00,000/- (Rupees Thirty Eight Crore Seventy Five Lac only).

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

Item No. 2

APPROVAL OF TRANSACTION FOR PURCHASE OF PROPERTY FROM ARIHANT INDUSTRIES

To consider and, if thought fit, to give assent / dissent, to the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other provisions of applicable law, the consent of the members be and is hereby accorded, approving and ratifying the transaction between the Company and Arihant Industries, a sole proprietorship firm of Mr. Nemichand Mehta, Chief Executive Officer of the Company, for purchase of non-agriculture land admeasuring 06 Hec. 07 Are 09 Sq. Mtr. situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat, for the Company's ICD and Warehousing purposes, for a lumpsum consideration of ₹30,35,45,000/- (Rupees Thirty Crore Thirty Five Lac Forty Five Thousand only).

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

By Order of the Board of Directors
For Navkar Corporation Limited

Place: Navi Mumbai
Date: January 15, 2016

Ekta Chuglani
Company Secretary

Registered Office:

205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400 703, India
CIN: L63000MH2008PLC187146
E-mail: cs@navkarcfs.com

NOTES:-

- (1) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in respect of all the businesses specified above is appended hereto.
- (2) In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility as an option to all the Members of the Company to exercise their right to vote. The Company has entered into an agreement with Central Depository Services (India) Limited for facilitating e-voting to enable the Members to cast their votes electronically. Please note that e-voting is optional.
- (3) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same by sending e-mail to cs@navkarcfs.com for receiving all communication including Annual Report, Notices, Circulars, etc. electronically and can also register their contact nos.
- (4) As per the Companies (Management and Administration) Rules, 2014, Notice of postal ballot (hereinafter referred to as '**Notice**') may be served on the Members through electronic transmission. Members who have registered

their e-mail IDs with depositories or with the Company are being sent the Notice alongwith Postal Ballot Form by e-mail and Members who have not registered their e-mail IDs will receive the Notice alongwith Postal Ballot Form through registered post / speed post / courier service. The Notice is being sent to all the members, whose names appeared in the Register of Members / Record of Depositories as on Friday, January 15, 2016.

- (5) The Notice alongwith Postal Ballot Form shall also be available on the Company's website viz. www.navkarcfs.com and on the agency's website i.e. Central Depository Services (India) Limited viz. www.cdslindia.com.
- (6) The voting shall be reckoned in proportion to the value of shares registered in the Member's name to the total paid up share capital of the Company as on Friday, January 15, 2016 and a person who is not a Member as on that date should treat this Notice for information purposes only.
- (7) A Member cannot exercise his vote by proxy on postal ballot.
- (8) Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed and signed, in the enclosed self-addressed business reply envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours viz. Friday, the 19th day of February, 2016. If any postal ballot is received after close of working hours on Friday, the 19th day of February, 2016 it will be considered that no reply from the member has been received.
- (9) The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, at 5.00 pm on Saturday the 20th day of February, 2016 at the registered office and will also be displayed on the website of the Company, besides being communicated to the Stock Exchanges and Central Depository Services (India) Limited on the said date.
- (10) The date of declaration of results of the postal ballot, i.e. Saturday, the 20th day of February, 2016, shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
- (11) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 a.m. and 1.00 p.m. from the date hereof upto Friday, February 19, 2016.
- (12) Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
- (13) Kindly note that Members can opt for only one mode of voting i.e. either by way of physical Postal Ballot or e-voting. If a Member opts for e-voting, then such Member shall not be entitled to vote in physical Postal Ballot and vice versa. In the event any Member casts his vote by both physical Postal Ballot and e-voting, then the vote cast by such Member in e-voting shall prevail and the voting done through physical Postal Ballot shall be treated as invalid.
- (14) Members who wish to avail physical / duplicate copies of the Postal Ballot Notice / Form shall be provided same upon request to be sent to the Company at cs@navkarcfs.com or Company Secretary, Navkar Corporation Limited, 205-206, 2nd Floor, J. K. Chambers, Sector – 17, Vashi, Navi Mumbai – 400703.
- (15) Members having any grievances connected with the e-voting or postal ballot can contact Link Intime India Private Limited, Registrar and Share Transfer Agent, at C 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 (Contact details Tel.: 022-40430200, Fax No: 022- 6171 5400 email: ncl.ipo@linkintime.co.in).
- (16) The instructions for members for voting electronically are as under:-
 - (a) In case of members receiving e-mail:**
 - i) Open the e-mail which contains your user ID and password (this will be your PAN/Sequence No.) for e-voting. Please note that the password is an initial password.
 - ii) Log on to the e-voting website www.evotingindia.com
 - iii) Now click on "Shareholders" tab to cast your votes.

- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User-ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting.	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • 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 the member id / folio number in the Dividend Bank details field as mentioned above. 	

- vii) After entering these details appropriately, click on “SUBMIT” tab.
- viii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach ‘Password Change’ menu wherein they are required to mandatorily change 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 resolution of the Company or 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.
- ix) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
- x) For members holding shares in physical form, the password and default number can be used only for e-voting on the resolution contained in this Notice.
- xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Enter the number of equity shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution to be passed by Postal Ballot.
- xiv) 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.

- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(b) In case of members receiving Postal Ballot Form by Post:

- (i) Initial password and other details are provided as below at the bottom of Postal Ballot Form:

USER ID	SEQUENCE NO.

- (ii) Please follow all steps from Sl no. (ii) to Sl no. (xviii) above, to cast vote.

- (c) Members are requested to register their e-mail id with Registrar and Transfer Agent (R&TA), being Link Intime India Private Limited at C 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
- (d) The voting period ends at 5.00 pm on Friday, February 19, 2016. The e-voting module will be disabled by CDSL for voting thereafter.
- (e) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (f) Voting can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorized person.
- (g) Shareholders holding shares either in physical form or in dematerialized form may cast their vote electronically.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item Nos. 1 and 2

The Company is in the process of establishing a fully-integrated logistics park, with the intention to provide warehousing and other value added services including cold storage facility for perishable goods, a container maintenance, repair, servicing and cleaning yard, an empty container yard, and garage facility with a workshop for maintenance of vehicles and required land for the same. Therefore, the Company had entered into a lease agreement with Mr. Nemichand Mehta the owner of one of the abovestated parcels of land, for a term of 10 years with effect from February 15, 2015. The Company has been in possession of these parcels since February 15, 2015 and has undertaken initial development activities. The Company currently expects that the development activities will be completed by September 2016.

The Company wishes to highlight to its members that considering the nature of the business of the Company and the long gestation period of the activities proposed to be carried out on the aforementioned land, it is important to ensure continuous and long-term availability of land for the Company to realize the return on the investment made in the development of such land. The Board of Directors of your Company (the "Board") believes that this will also help the Company in building long-term relationships with various trade counterparties availing the Company's services as it intends to use such land parcels for servicing various ancillary requirements of such trade counterparties and it may undertake the necessary capital expenditure for the development of such land. In light of the above, the Board considered it to be beneficial for the Company to purchase the land from Mr. Nemichand Mehta and the adjacent parcel of land from Arihant Industries.

The transaction mentioned in Item No.1 of the Notice is i.e. purchase of non -agriculture land admeasuring 77500 square meters situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat by the Company from Mr. Nemichand Mehta, Chief Executive Officer of the Company, for a lumpsum consideration of ₹ 38,75,00,000/- (Rupees Thirty Eight Crore Seventy Five Lac only).

The transaction mentioned in Item No.2 of the Notice is i.e. purchase of non -agriculture land admeasuring 06 Hec. 07 Are 09 Sq. Mtr. situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat by the Company from Arihant Industries, a sole proprietorship firm of Mr. Nemichand Mehta, for a lumpsum consideration of ₹ 30,35,45,000/- (Rupees Thirty Crore Thirty Five Lac Forty Five Thousand only).

The aforementioned transactions were consummated pursuant to sale deeds dated November 26, 2015 and the consideration for the purchase was paid from internal accrual of cash from operating activities. No part of the Net Proceeds of the Initial Public Offer of the Company was or will be utilized towards payment of consideration for land to Mr. Nemichand Mehta and/or Arihant Industries, in relation to the above transactions.

Section 188 of the Companies Act, 2013 (the "Act") read with relevant rules framed thereunder state that no company shall enter into transactions with a related party as defined under Section 2(76) of the Act except with the consent of the Board and members of the Company, where such transaction(s) is either not (a) in ordinary course of business; or (b) on an arm's length basis and exceeds the limit prescribed under Section 188(1) of the Companies Act, 2013 and rules framed thereunder.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations") provides that all material related party transactions as defined therein shall require approval of the members through a resolution.

The transactions mentioned in the proposed resolutions are not in ordinary course of business and are 'material related party transactions' under the Act and the Regulations, which require approval of the members by Ordinary Resolutions. Pursuant to its initial public offer, the Company got listed on the BSE Limited and on the National Stock Exchange of India Limited on September 9, 2015. The Regulations, as notified on September 2, 2015, came into force on December 1, 2015, except for Regulation 23(4), dealing with the related party transactions, which came into force on the date of notification of the Regulations. Due to an inadvertent error, such approval of the shareholders was not obtained at the

time when these transactions were consummated. In light of the above and the Related Party Transaction Policy of the Company, the Board seeks approval and ratification of the members on the proposed resolutions provided in the Notice.

The Board has also received letters, both dated January 15, 2016, from Mr. Nemichand Mehta and Arihant Industries, stating that in the event that the approval of the shareholders is not obtained as set out herein, they will take all necessary steps to reverse these transactions and return the consideration paid along with interest at applicable market rates to the Company.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014:

Sr. No.	Particulars	Details
1	Name of Related Party	Mr. Nemichand Mehta Arihant Industries
2	Name of Director or Key Managerial Personnel who is related, if any	Mr. Nemichand Mehta Mr. Shantilal Mehta Mr. Jayesh Mehta
3	Nature of Relation	Related Parties are Key Managerial Personnel, Relative of Directors and Firm in which Relative of Directors is a Proprietor.
4	Nature, material terms, monetary value and particulars of the contract or arrangement	The transaction with Mr. Nemichand Mehta involves purchase by Company for its CFS purposes from Mr. Nemichand Mehta Non-agriculture land admeasuring 77500 square meters situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat for a lumpsum consideration of ₹38,75,00,000/- (Rupees Thirty Eight Crore Seventy Five Lac only) by a Sale Deed of Immovable Property. The transaction with Arihant Industries involves purchase by Company for ICD and Warehousing purposes from Arihant Industries Non-agriculture land admeasuring 06 Hec. 07 Are 09 Sq. Mtr. situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat for a lumpsum consideration of ₹30,35,45,000/- (Rupees Thirty Crore Thirty Five Lac Forty Five Thousand only) by a Deed of Sale.
5	Any other relevant information or fact important for the members to make decision on the proposed transaction	-

Additionally, for reasons similar to those mentioned above, the wholly owned subsidiary of the Company, Navkar Terminals Limited has purchased non -agriculture land admeasuring 62321 square meters situated in Village - Tumb, Taluka – Umargaon, Dist.- Valsad in State Gujarat by the Company from Mr. Nemichand Mehta, Chief Executive Officer of the Company, for a lumpsum consideration of ₹18,66,80,000/- (Rupees Eighteen Crore Sixty Six Lac eighty Thousand only), which was previously occupied by the Company under the aforementioned lease agreement with Mr. Nemichand Mehta.

As per Regulation 23 of the Regulations, all entities falling within the definition of related parties shall abstain from voting on the Ordinary Resolutions and accordingly, all related parties who are shareholders, i.e. Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh Nemichand Mehta, Mrs. Shailaja Nemichand Mehta, Mr. Kunthukumar S Mehta, Mrs. Sairabai J Mehta, Mrs. Kamalbai S Mehta, Mrs. Seema Mehta and Sidhhartha Corporation Private Limited shall not vote on the Ordinary Resolutions.

The Board recommends the Resolution as set out in Item Nos. 1 and 2 of the accompanying notice for the approval of members of the Company as Ordinary Resolutions.

Except Mr. Shantilal Mehta, Mr. Nemichand Mehta and Mr. Jayesh Mehta, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said resolution except to the extent of their shareholding, if any.

As required under first proviso of Section 102 of the Companies Act, 2013, the proposed resolutions do not relate to or affect any other company.

By Order of the Board of Directors
For Navkar Corporation Limited

Place: Mumbai
Date: January 15, 2016

Ekta Chuglani
Company Secretary

Registered Office:

205-206, J. K. Chambers,
Sector 17, Vashi,
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