

**26<sup>th</sup>**  
**ANNUAL REPORT**  
**2020-2021**



**KMF BUILDERS & DEVELOPERS LIMITED**

## **KMF BUILDERS AND DVELOPERS LIMITED**

### **BOARD OF DIRECTORS:**

- a) Managing Director : Mr. Gorve Chadha (DIN: 06407884)
- b) Independent Non-Executive Director : Mr. Chirag Salaria (DIN: 07145403)
- c) Independent Non-Executive Director : Mr. Mani Suresh Babu (DIN: 09220270)
- d) Independent Non-Executive Director : Mr. Aniruddh Singh \*(10.03.2021)
- e) Woman Director : Mrs. Kavita Chadha (DIN: 03304018)

### **KEY MANAGERIAL PERSONNEL:**

- a) Chief Financial Officer : Mr. Pradeep Kumar Malik
- b) Company Secretary : Ms. Priyanka Behl

### **AUDITORS**

M/s **CS Nagendra & Co.**  
Chartered Accountants  
: Bangalore

### **SECRETARIAL AUDITOR**

: Deepak Sadhu & Co  
Company Secretaries  
Bangalore

### **REGISTERED OFFICE**

: 508 Golf Manor NAL Wind  
Tunnel Road Murugesh Palaya  
Bangalore 560017

### **REGISTRAR & TRANSFER**

: Alankit Assignments Limited  
Anarkali Complex Jhandewalan  
Delhi-110055

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**NOTICE OF 26<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Twenty Sixth Annual General Meeting of the Members of KMF Builders and Developers Limited (CIN: L45203KA1995PLC017422) will be held at Hotel SAI Renaissance, Opp. State Bank of India SAI Colony (Whitefield Rly Stn.) Kadugudi, Bangalore 560067 Karnataka, on Monday the 20<sup>th</sup> day of September 2021 at 09.00 A.M for the transaction of the following businesses:-

**ORDINARY BUSINESS**

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2021, the Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors.
2. To appoint a Director in place of Mrs. Kavita Chadha (DIN: 03304018) who retires by rotation and, being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS**

**3. Appointment of Mr. Mani Suresh Babu (DIN: 09220270) as Non-Executive Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], **Mr. Mani Suresh Babu (DIN: 09220270)**, who was appointed as an Additional Non-Executive Independent Director of the Company by the Board of Directors of the Company and who holds office of the Additional Non-Executive Independent Director up to the conclusion of the Annual General Meeting and who is eligible for being appointed as Non- Executive Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Non-Executive Independent Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years commencing from June 30, 2021 to June 29, 2026.”

**4. Prior approval for Related Party Transactions**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) consent of the members be and is hereby accorded to the Board of Directors to enter into transactions, contracts and agreements with Related Parties of the Company at a maximum of Rs. 15 Lacs per transaction.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to determine the terms and conditions for the proposed transactions and all other matters arising out of or incidental thereto.

**FURTHER RESOLVED THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things that may be necessary, proper, desirable and expedient to give effect to the aforesaid resolution.”

Place: Delhi

Dated: 13-08-2021

By order of the Board of Directors

**Gorve Chadha**

**Sd/-**

(Chairman & Managing Director)

DIN: 06407884

**Details of Director seeking reappointment in Annual General Meeting fixed on 20<sup>th</sup> September 2021**

<b>Name of Director</b>	Mrs. Kavita Chadha (DIN: 03304018)
<b>Date of Birth</b>	23/06/1963
<b>Date of Appointment</b>	22/06/2007
<b>Expertise in specific functional areas</b>	Admin and Management
<b>Directorship in other Indian Public Limited Companies as on 31.03.2021</b>	1
<b>Chairman/Member of the Committees of the Board of other Indian Public Limited Companies as on 31.03.2021</b>	0
<b>No. of Shares held in the Company</b>	1080400
<b>Disclosure in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</b>	Given below:-





## **KMF BUILDERS & DEVELOPERS LIMITED**

**Details of Directors seeking appointment/ re-appointment at the Annual General Meeting scheduled to be held on September 20, 2021 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015**

Director's Name & Date of Birth	Brief Resume (Date of Appointment, Qualification, Expertise in specific functional area)	Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	Chairmanships / Memberships of Committees of other Public Companies	No. of shares held in the Company as on 31.03.2021	Relationship with Directors and Key Managerial Personnel
Mrs. Kavita Chadha  (DOB- 23.06.1963 )	Graduate by qualification and she joined the Company in 2010 as Director and later on she is working as Project Consultant. She has varied experience in all the major departments such as planning and project execution and had a significant role in formulating the long term business plan of the Company.	She is also the Director in KMF Securities Limited	-	10,80,400	Promoter of the Company, Mother of Mr. Gorge Chadha, Managing Director

### **NOTES:**

- i) **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on his behalf. A proxy need not be a Member of the Company.**
  - a. Proxies, in order to be effective, must be received at the 508 Golf Manor NAL wind tunnel road Murgeshpalya Bangalore 560017, not less than forty-eight hours before the commencement of the AGM i.e. by 09.00 a.m. on Monday the 20th day of September 2021
  - b. Corporate Members are required to send to register office a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote at the AGM.
- ii) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.
- iii) Route map of the AGM venue, pursuant to the Secretarial Standard on General Meetings, is also annexed.



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- iv) In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote-voting (facility to cast vote from a place other than the venue of the AGM) and also e-voting at the AGM venue, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of NSDL. The Board has appointed Mr. Deepak Sadhu practicing company secretary Deepak Sadhu & company, as the Scrutinizer for this purpose.
- v) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 13th September, 2021 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
- vi) Members may visit the Company's corporate website to view the Financial Statements or access information pertaining to the Company. Queries, if any, should be sent at least 10 days before the AGM to the Company Secretary at the Registered Office of the Company or Corporate Office of the Company 907 Vikram Tower Rajendra Place Delhi-110008.
- vii) Members are required to bring their admission slips to the AGM. KMF Builders and Developers Limited will not be in a position to provide duplicate admission slips or copies of the Report and Accounts at the AGM venue.

The procedure with respect to remote e-voting is provided below:-

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 17.09.2021 at 09:00 A.M. and ends on 19.09.2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 13.09.2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 13.09.2021.

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**







## **KMF BUILDERS & DEVELOPERS LIMITED**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li><li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL</li></ol>

	<p>for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

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Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****



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c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option



available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are





authorized to vote, to the Scrutinizer by e-mail to **deepakksadhu@gmail.com** with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **General Information**



- a) There will be one vote for every Client ID No. /registered Folio No .irrespective of the number of joint holders.
- b) **The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.** The declared Results, along with the Scrutinizer's Report, will be available forth with on the Company's website [www.kmfbuilders.com](http://www.kmfbuilders.com) under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to the BSE Limited where the Company's shares are listed.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No. 3: Appointment of Mr. Mani Suresh Babu (DIN: 09220270) as Non-Executive Independent Director of the Company**

Mr. Mani Suresh Babu was appointed as Additional Non-Executive Independent Directors on the Board of your Company pursuant to the provisions of section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 by the Board of Directors at their meeting held on 30th June 2021 respectively. They hold office as Additional Non-Executive Independent Directors of the Company up to the conclusion of the ensuing Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013.

Brief details of Mr. Mani Suresh Babu is mentioned below:

He has joined the company recently and is an independent director for the company. He has over 25 years of experience in purchase of raw materials in the manufacturing field. He is a graduate of commerce. He is having a total experience of almost 10 years in the field of construction.

Mr. Mani Suresh Babu does not hold any shares in the Company. Mr. Mani Suresh Babu would be entitled to sitting fees for attending the Meetings of the Board of Directors. He will not be entitled to any commission. No sitting fees paid to Mr. Mani Suresh Babu during the Financial Year 2020-21.

**Item No.4: Prior approval for Related Party Transactions**

In view of the provisions of Section 188 (1) of the Companies Act, 2013 and the rules made thereunder, the Audit Committee and Board of Directors have recommended the consent of shareholders to set the maximum limit per transaction that your company may enter with its related parties.

**KMF BUILDERS & DEVELOPERS LIMITED**

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014 are provided in the table appended below for the perusal of the members.

Sr. No.	Name of Related Party	Nature of relationship	Nature of transaction	Maximum expected value of per transactions (Rs.)
1	Gorve Chadha	Managing Director of the Company	Purchase/Sale of Units	15,00,000
2	Kavita Chadha	Mother of Managing Director of the Company	Purchase/Sale of Units Leasing of properties	15,00,000
3	Companies in which above mentioned parties are Directors, Partners, Sole Proprietors, etc.	Executive Director is interested	Financial Transactions such as Inter Corporate Deposit, Inter-Corporate Borrowings, etc	15,00,000

All the proposed transactions would be carried out as part of business requirements of the Company and are ensured to be on arm's length basis.

Members are hereby informed that pursuant to the second proviso of Section 188(1) of the Companies Act, 2013, no member of the Company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Except Mr. Gorve Chadha, Managing Director and Mrs. Kavita Chadha, Executive Director of the Company and mother of Mr. Gorve Chadha none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice. The special resolution as set out in Item no. 4 of this Notice of AGM is recommended by the Board for your approval.

By order of the Board of Directors

Place: Delhi

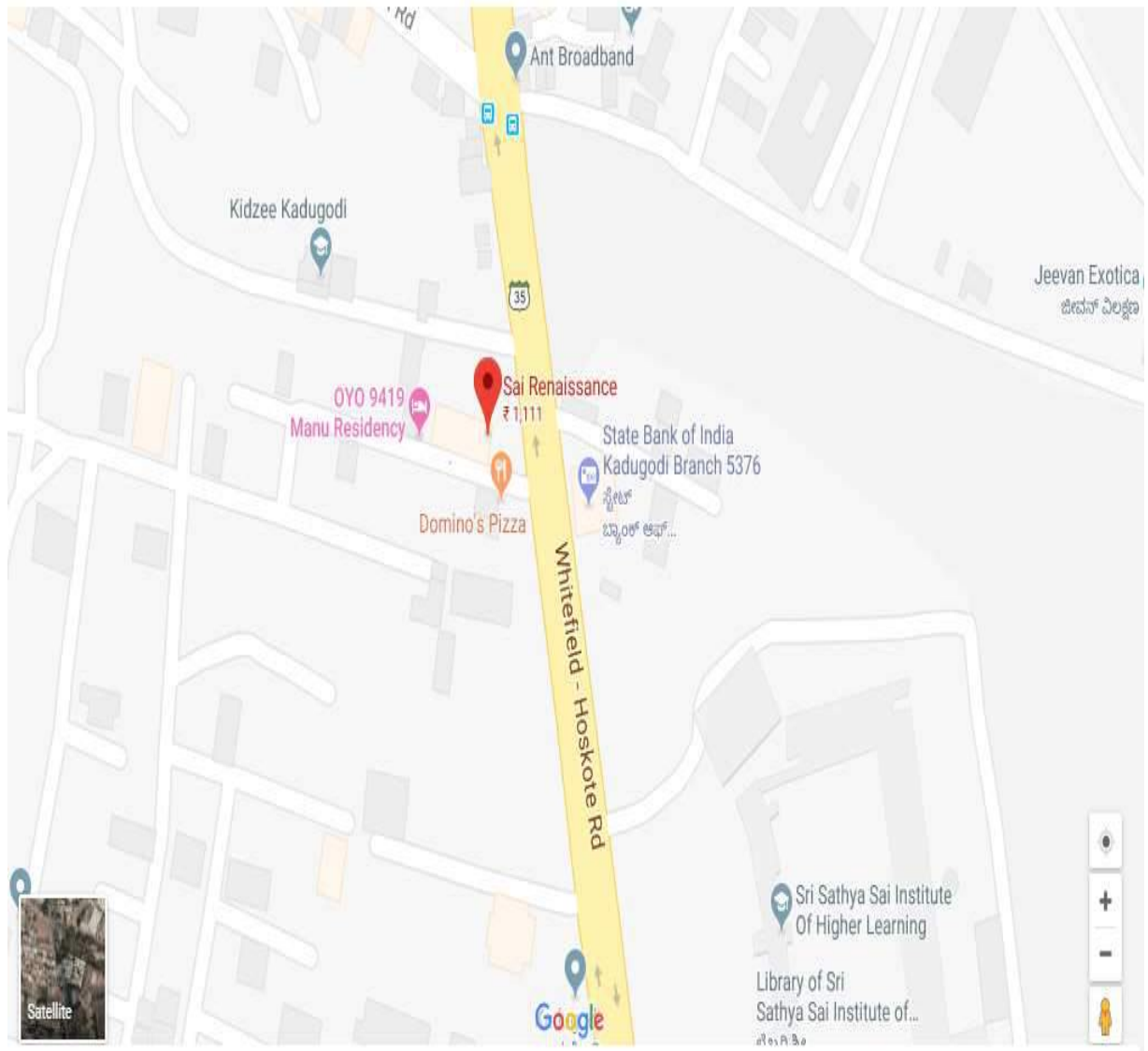
**Gorve Chadha**

Dated: 13-08-2021

(Chairman & Managing Director)  
DIN: 06407884



**Route map of the AGM venue**





**KMF BUILDERS & DEVELOPERS LIMITED**

**Reg. Office: No. 508, Golf Manor Apartments, Nal Wind Tunnel Road,  
Murgeshpalya, Bangalore-560017**

**CIN: L45203KA1995PLC017422 Tel.: 25238007, 41486142-43**

**Website: [www.kmfbuilders.com](http://www.kmfbuilders.com), E-mail: kmfbuilder95@gmail.com**

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id & Client Id / Regd. Folio No.*		No. of Shares	

Name(s) and address of the member in full

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I / we hereby record my / our presence at the 26<sup>th</sup> Annual General Meeting of the Company being held on Monday, 20<sup>th</sup> day of September, 2021 at 09:00 A.M at the Hotel SAI Renaissance, Opp. State Bank Of India SAI Colony, (Whitefield Rly.Stn.) Kadugudi, Bangaluru-560067

Please (P) in the box      MEMBER ☐      PROXY ☐

\*Applicable for member holding shares in physical form

Signature of Member / Proxy

Note :

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.



# KMF BUILDERS & DEVELOPERS LIMITED

## BOARD'S REPORT

### To the Members of KMF Builders and Developers Limited

Your Directors, with great pleasure present the 26th Annual Report together with the audited statement of accounts for the financial year ended 31st March, 2021

### 1. FINANCIAL RESULTS

PARTICULARS	(Fig in Rs.) 2020-21	(Fig in Rs.) 2019-20
Income	46,229,000	17,565,817
Expenses	41,988,263	15,442,702
Profit (before tax)	4,240,737	2,123,115
Tax Expense	7,38,288	6,62,966
Profit /(Loss ) for the period	35,02,449	14,60,149
Other Comprehensive income	0	0
<b>Total Period for the year</b>	<b>35,02,449</b>	<b>14,60,149</b>

### 2. COVID-19 IMPACT:

The outbreak of Corona virus (COVID-19) pandemic globally and in India has resulted in slow down of economic activities. The Company has evaluated the impact of this pandemic on its business operations during the year ended March 31, 2021. The pandemic has materially impacted revenues of the Company for the year ended March 31, 2021.

The extent to which the pandemic will impact Company's results will depend on future developments, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of global health pandemic may be different from that estimated as at the approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

### 3. DIVIDEND

In view of the business condition, during the year the Board of Directors of your Company regret their inability to recommend any dividend for the year ended on 31st March, 2021.

### 4. TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the Financial Year 2020-2021.

### 5. TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO IEPF

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend and Refund of Share application Money due for refund which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend/ unclaimed account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government and there provisions of Section 125 of the Companies Act, 2013. During the year, no amount was due for transfer to IEPF.

### 6. DEPOSITORY SYSTEM

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2021, 87.35% of the equity shares of the Company were held in dematerialized form.



## KMF BUILDERS & DEVELOPERS LIMITED

### 7. CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the Financial Year 2020-2021

### 7. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments that occurred subsequent to the end of the financial year till the date of this report, which affects the financial position of the Company.

### 8. CHANGE IN SHARE CAPITAL

There is no change in share capital structure of the Company during the financial Year 2020-2021

### 9. FIXED DEPOSITS

The company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under apply

### 9. HUMAN RESOURCES DEVELOPMENT

Many initiatives have been taken to support business through organizational efficiently, process change support and various employee engagement programs which has helped the Organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as functional capacities in order to meet future talent requirement.

The Company's HR process such as hiring and on-boarding, fair transparent on line performance evaluation and talent management process, state-of-the-art workmen development process and market assigned policies have been seen as benchmark practice in the Industry. The Employees are encouraged to express their views and are empowered to work independently. The Employees are given the opportunity to learn through various small project which make them look at initiatives from different perspectives and thus provide them with the platform to become result oriented. The Management of the Company enjoy cordial relation with its employees at all levels. The Board of Directors wish to place its highest appreciation for the contribution made by all the employees in achieving growth of the Company.

### 10. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

### 11. CORPORATE GOVERNANCE REPORT

The Company is committed to maintaining the highest standards of Corporate Governance and adhering to the corporate governance requirements as set out by Securities and Exchange Board of India. The report on Corporate Governance for the financial year ended March 31, 2021, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report. The requisite Certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed to this Report. Although this is not applicable to company

### 12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of operations, performance and future outlook of the Company is covered under a Annexure A which forms part of this report.

### 13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as





## KMF BUILDERS & DEVELOPERS LIMITED

at March 31, 2021 and of the profit of the Company for the year ended on March 31, 2021.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act and rules made thereunder, as amended, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts for financial year ended March 31, 2021 on a 'going concern' basis.

v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

vi. They have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

### 14. AUDITORS

#### STATUTORY AUDITORS

M/s C S Nagendra & Co, Chartered Accountants, (Firm Registration Number: 009486S) the Statutory Auditor of the Company were appointed in the 23rd Annual General Meeting of the company held on 24th September, 2018 from conclusion of the said meeting until the conclusion of 27th Annual General Meeting (subject to ratification of their appointment by the members at every Annual General Meeting) at such remuneration as may be fixed by the Board of Directors. The Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 have since been amended vide notification dated 7th May, 2018 of Ministry of Corporate Affairs and the requirement of ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting has been done away with. Accordingly, no ratification of Appointment of M/s C S Nagendra & Co Chartered Accountants, as the Statutory Auditors of the Company by the members is being sought in the ensuing Annual General Meeting.

During the year, the Statutory Auditors have confirmed that they satisfy the Independence Criteria required under the Companies Act, 2013 and Code of Ethics issued by the Institute of Chartered Accountants of India.

M/s. C S Nagendra & Co have provided their consent and eligibility certificate under section 141 of the Companies Act, 2013 to continue as the Statutory Auditors of the Company for the remaining period of their tenure.

#### SECRETARIAL AUDITOR

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, the Board appointed Mr. Deepak Sadhu, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report of the Company for the Financial Year 2020-2021 is annexed to this Report.

### 15. AUDITOR'S AND SECRETARIAL AUDITOR'S REPORT

There are no disqualifications, reservations or adverse remarks or disclaimers in the Auditors and Secretarial Auditors Report.

The Board further confirms that the Company has complied with all the provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India

### 16. FRAUD REPORTING:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act and Rules framed thereunder either to the Company or to the Central Government.

### 17. BOARD'S RESPONSE ON THE REMARKS MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS

There were no qualifications, reservations and adverse remarks made by the statutory auditors in their Audit Report and by the Company Secretary in practice in their Secretarial Audit report.





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### 18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in an Annexure-1 to this Report.

### 19. ANNUAL RETURN

In compliance with the provisions of section 134 (3)(a) of Companies Act, 2013, the extract of Annual Return of the company as per Sub-Section (3) of Section 92 of the act is available on the company website of the company [www.kmfbuilders.com](http://www.kmfbuilders.com)

### 19. DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### 20. DETAILS OF DIRECTORS OR KMP'S APPOINTMENT OR RESIGNATION DURING THE YEAR

There is a change during the year. With deep regret, we report the sad demise of our Independent Director, Mr. Aniruddh Singh, on March 11, 2021. Your Directors would like to place on record their highest gratitude and appreciation for the guidance given by Mr. Aniruddh Singh to the Board during his tenure as a director.

#### Retirement

Mr. Kavita Chadha, Director, retires by rotation and being eligible, has offered her for re-appointment. The Board recommends the same for your approval.

The brief resume of the Directors seeking appointment in the forthcoming Annual General Meeting, in Pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Annual General Meeting Notice.

### 26. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the Articles of Association of the Company and the provisions of the Section 152(6)(e) of the Companies Act, Mrs. Kavita Chadha (DIN: 03304018) will retire by rotation at the ensuing Annual General Meeting and being eligible, offered herself for re-appointment Mr. Gorge Chadha (DIN: 06407884) – Executive Chairman and Managing Director, Mr. Pradeep Kumar Malik - Chief Financial Officer and Ms. Priyanka Behl – Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as at the date of this Report. Mr. Chirag Salaria and Mr. Mani Suresh Babu are Non Executive Directors of the company.

### 21. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each Independent Director, in accordance with Section 149(7) of the Companies Act, 2013, that he met the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and the Regulation 16(1)(B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance, strategy, auditing, tax, risk advisory, financial services and infrastructure and real estate industry and they hold the highest standards of integrity.

In compliance with the rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the independent directors have registered themselves with the Indian Institute of Corporate Affairs. Since majority of the independent directors of the Company have served as directors or key managerial personnel in listed companies or in an unlisted public company having a paid-up share capital of Rs. 10 crore or more for a period not less than 10 years, they are not required to undertake the proficiency test as per rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.



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### CEO / CFO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The CEO / CFO certificate for the financial year 2020-21 has been submitted to the Board and the copy thereof is contained in Annual Report as Annexure B.

### 23. BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Board recognises the importance of a diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity.

### 24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, is appended as Annexure III to this Report

### 25. BOARD EVALUATION

The performance of the whole-time Director, KMP and Senior Management Personnel is evaluated at regular intervals (half yearly/ yearly) by the whole-time Directors/ Managing Director, as applicable. The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated, basis the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc., and suggestions given in this regard.

A separate meeting of the independent directors ("Annual ID meeting") was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman. Post the Annual ID meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the NRC with the Board's Chairman covering performance of the Board as a whole; performance of the non-independent directors and performance of the Board Chairman.

Some of the key criteria for performance evaluation are as follows –

Performance evaluation of Directors:

- ◆ Attendance at Board or Committee meetings
- ◆ Contribution at Board or Committee meetings
- ◆ Guidance/support to management outside Board/Committee meetings

Performance evaluation of Board and Committees:

- ◆ Degree of fulfilment of key responsibilities
- ◆ Board Structure and composition
- ◆ Effectiveness of Board Processes, information and functioning
- ◆ Board culture and dynamics
- ◆ Quality of relationship between Board and Management
- ◆ Efficacy of communication with external stakeholders

### 26. MEETINGS OF THE BOARD

A calendar of Meetings is prepared and circulated in advance to the Directors. The Board met six times during the financial year, the details of which are given in the Corporate Governance Report which is annexed and forms a part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 27. NUMBER OF MEETINGS OF THE BOARD:

The Board met 7 (Seven) times in the financial year ended July 31, 2020, September 15, 2021, November 29, 2020, December 17, 2020, February 12, 2021 March 02, 2021 and March 11, 2021



## **KMF BUILDERS & DEVELOPERS LIMITED**

### **28. COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee of the Company comprises of Independent and Executive members., Board Elect Mr. Chirag Salaria as Chairman on the place of Mr. Aniruddh Singh, and Mr. Pradeep Kumar Malik. The Board has accepted all recommendations made by the Audit Committee during the year.

The composition and other relevant details of other board level committees i.e. Nomination and Remuneration Committee and Stakeholders Relationship Committee are disclosed separately in the Corporate Governance Report which is annexed to and forms a part of this Report.

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### **29. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Mr. Gorge Chadha, Managing Director and forms part of the Annual Report.

### **30. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### **31. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statement.

### **32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction of material nature with any of the related parties which are in conflict with the interest of the Company. Related party disclosures are given in the notes to the financial statement.

### **33. SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE COMPANY'S GOING CONCERN STATUS AND OPERATIONS IN FUTURE**

During the period under review, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

### **34. ADEQUACY OF INTERNAL FINANCIAL CONTROL**

The Company had laid down guidelines, policies, procedures and structure to enable implementation of appropriate internal financial controls across the Company. These control processes enable and ensure the orderly and efficient conduct of company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation & disclosure of financial statements.

### **32. RISK MANAGEMENT**

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

### **33. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.



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### 34. DISCLOSURE ON THE NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3) (e) AND SECTION 178 (3)

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 forms part of this Annual Report.

### 35. VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. For details, please refer to the Corporate Governance Report attached to this Report.

### 38. CORPORATE SOCIAL RESPONSIBILITY:

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act. This is not applicable on our company.

### 39. DISCLOSURE UNDER SECTION 23 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of such complaints. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

### 40. PARTICULARS OF EMPLOYEES:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information required pursuant to Section 197 of the Companies Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is available for inspection by the Members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, whereupon a copy would be sent.

### 42. PARTICULARS OF REMUNERATION

The information required under Section 197(12) of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

(a) **ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

(Amount in Rs.)

S. No.	Name	Designation	CTC	Median Employee salary	Ratio
1.	Gorve Chadha	Managing Director	12,00,000	604000	1.9:1
2.	Pradeep Kumar Malik	CFO	4,00,00	604000	.66:1

(b) **the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;** -. There is no increase in the remuneration of Company Secretary.

(c) **the percentage increase in the median remuneration of employees in the financial year** - There was average in the median remuneration of employees in the financial year.

(d) **the number of permanent employees on the rolls of company:** There were 12 permanent employees on the rolls of Company as on March 31, 2021.

(e) **the explanation on the relationship between average increase in remuneration and company performance;** -



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**(F) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;**

Particulars	Amount (Rs.)
Remuneration of Key Managerial Personnel (KMP) during financial year 2020-2021 (aggregated)	15,48,000
Revenue from operations	46,22,9000
Remuneration (as % of revenue)	3.3%
Profit before tax (PBT)	42,40,737
Remuneration (as % of PBT)	36.5

**(g) variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year; -**

Particulars	Unit	As at 01st April 20	As at 31st Mar 21	Variation
Closing rate of share at BSE	Rs.	1.72	5.09	(82.5%)
EPS (Consolidated)	Rs.	0.12	0.29	-22.9

**(h) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration -**

There is no average increase in salaries of employees in 2020-2021 except managing director remuneration. There is no increase in the salary of Company secretary in the managerial remuneration for the financial year.

**(i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration	12,00,000	40000	308000
Revenue	46229000	46229000	46229000
Remuneration (as % of revenue)	2.57	0.08	0.66
Profits before tax (PBT)	42,40,73	742,40,737	42,40,737
Remuneration (as % of PBT)	28.2	.94	7.26

**(j) The key parameters for any variable component of remuneration availed by the directors;**

There is no variable component in the remuneration availed by the Directors.

**(k) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;**

Managing Director is the highest paid Director. No employee received remuneration higher than the Managing Director.

**(l) Affirmation that the remuneration is as per the remuneration policy of the Company**

It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2021 is as per the Remuneration Policy of the Company.

### 39. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.



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### 40. LISTING

The Equity shares of your company were listed at Bombay Stock Exchange Limited and Delhi Stock Exchange Limited. However, the Delhi Stock Exchange Limited has been de-recognized as a Stock Exchange during the year, so, presently the Company is listed on Bombay Stock Exchange Limited only. The Company has paid listing fees to the Bombay Stock Exchange for the year 2020-2021.

### 41. STATUTORY DISCLOSURES

None of the Directors of your Company are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

### 42. APPRECIATION

Yours Directors wish to extend their appreciation to business associates for their support and contribution during the year. Yours Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

The Directors also acknowledge the hard work, dedication and commitment of the employees.

**By order of the Board of Directors**

Place: Delhi

Date: 13-08-2021

**Gorve Chadha**

**(Chairman & Managing Director)**

DIN: 06407884

Add: - U-2 Green Park Main Delhi-110016

### ANNEXURE- 1

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

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are as follows:

##### A. CONSERVATION OF ENERGY

Your Company being a real estate company, Form A for Conservation of Energy is not applicable to it.

##### B. TECHNOLOGY ABSORPTION

No such activity has taken place during the year under review.

##### C. FOREIGN EXCHANGE EARNING & OUTGO

**Fig in Rs.**

Total foreign exchange earnings ---NIL----

Total foreign exchange outgo ---NIL----

##### D. ENVIRONMENT

The Company is not involved in any type of activity hazardous to environment and does not discharge any trade effluents (solid, liquid or gaseous) causing pollution.

### ANNEXURE- II

#### EXTRACT OF ANNUAL RETURN

#### ANNEXURE III TO THE DIRECTORS' REPORT

#### NOMINATION & REMUNERATION POLICY (DIRECTORS, KMP & SENIOR MANAGEMENT)

##### INTRODUCTION

In pursuance of the Company's philosophy to consider its employees as its invaluable assets, to pay equitable

#### ANNUAL REPORT 2020-2021





## KMF BUILDERS & DEVELOPERS LIMITED

remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and, in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination & Remuneration Committee and approved by the Board of Directors

### OBJECTIVE

The objective and purpose of the Policy are as given below:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
3. To retain, motivate and promote talent and to ensure long term retention of talented managerial persons and create competitive advantage.

### DEFINITIONS

1. Board means Board of Directors of the Company.
2. Directors means Directors of the Company.
3. Committee means Nomination & Remuneration Committee of the Company as constituted or reconstituted by the Board.
4. Company means KMF Builders and Developers Limited
5. Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
6. Key Managerial Personnel (KMP) means  
Executive Chairman and / or Managing Director;  
ii. Chief Financial Officer;  
iii. Company Secretary;  
iv. Such other officer as may be prescribed under the applicable statutory provisions / regulations.  
v. Senior Management  
Senior Management means personnel of the Company occupying the position of Chief Officer, senior staff of the Company.

### POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

#### APPOINTMENT

1. The candidate for a position at Director, KMP or Senior Management level is met by the Head HR and the Director to whom the position reports into. The interview is targeted at assessing the candidate on his/ her functional & leadership capabilities and cultural fitment to the organization.
2. The MD assesses the shortlisted candidates.
3. The selected candidate's details and the proposed compensation is shared with the Nomination & Remuneration Committee for their review and suggestions. The same is shared with the Board at the next board meeting.

#### TERM/ TENURE

The tenure for Directors of Company shall be governed by the terms defined in the Companies Act, 2013. However, the tenure for other KMP and Senior Management Personnel will be governed by KMF HR policy.



# KMF BUILDERS & DEVELOPERS LIMITED

ANNEXURE -2

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

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

As on financial year ended on 31.03.2021

## I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45203KA1995PLC017422
2.	Registration Date	21.03.1995
3.	Name of the Company	<b>KMF BUILDERS AND DEVELOPERS LIMITED</b>
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	FLAT NO. 508, GOLF MANOR, NAL WIND TUNNEL ROAD, MURGESH PALYA, BANGALORE-560017, 25238007, 41486142-43
6.	Whether listed company (Yes/No)	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ALANKIT ASSIGNMENTS LIMITED , 205-208 ANARKALI COMPLEX JHANDEWALAN EXTENSION NEW DELHI -110055 TEL: 011-42541234 EMAIL: <a href="mailto:alankit@alankit.com">alankit@alankit.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	DEVELOPMENT AND CONSTRUCTION OF PROPOERTIES	410	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES The Company has no holding, subsidiary and associates companies as defined under the Companies Act, 2013.

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [01.04.2020]				No. of Shares held at the end of the year [31.03.2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4082700	0	4082700	33.514	4082700	0	4082700	33.514	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1793100	0	1793100	14.7	1793100	0	1793100	14.7	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A)(1)</b>	<b>5875800</b>	<b>0</b>	<b>5875800</b>	<b>48.23</b>	<b>5875800</b>	<b>0</b>	<b>5875800</b>	<b>48.23</b>	<b>0</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0





## KMF BUILDERS & DEVELOPERS LIMITED

d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A)(2)</b>					0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	<b>5875800</b>	<b>0</b>	<b>5875800</b>	<b>48.23</b>	<b>5875800</b>	<b>0</b>	<b>5875800</b>	<b>48.23</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1958757	343800	2302557	18.90	1179185	343800	1522985	12.50	(3.86 )
ii) Overseas	0	0	0	0					
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	884119	642600	1526719	12.53	581866	574400	1156266	9.49	(3.04 )
ii) Individual shareholders holding nominal share capital in excess of Rs 2akh	1922524	554400	2476924	20.33	3004349	622600	3626949	29.77	9.44
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>47,65,400</b>	<b>15,40,800</b>	<b>6306200</b>	<b>51.77</b>	<b>47,65,400</b>	<b>15,40,800</b>	<b>6306200</b>	<b>51.77</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>47,65,400</b>	<b>15,40,800</b>	<b>6306200</b>	<b>51.77</b>	<b>47,65,400</b>	<b>15,40,800</b>	<b>6306200</b>	<b>51.77</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>10,641,200</b>	<b>15,40,800</b>	<b>1,21,82,000</b>	<b>100</b>	<b>10,641,200</b>	<b>15,40,800</b>	<b>1,21,82,000</b>	<b>100</b>	<b>0</b>



## KMF BUILDERS & DEVELOPERS LIMITED

### B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Gorge Chadha	1159000	9.719	0	1159000	9.719	0	0
2	Ms. Manisha Chadha	992100	8.14	0	992100	8.14	0	0
3	Mr. Pradeep Kumar Malik	4,20,200	3.449	0	4,20,200	3.449	0	0
4	Mrs. Satyawati Chadha	4,31,000	3.54	0	4,31,000	3.54	0	0
5	Mrs. Kavita Chadha	10,80,400	8.87	0	10,80,400	8.87	0	0
6	M/s. KMF Securities Ltd.	1793100	14.7	0	17,93,100	14.7	0	0

### C) Change in Promoters' Shareholding including Increase / Decrease in each of the Promoters Shareholding during the year specifying the reasons for increase / decrease (please specify, if there is no change)

S. No.	Name of the Shareholders	Shareholding at the beginning of the year as on 01.04.2020		Shareholding at the end of the year as on 31.03.2021		% change in shareholding during the year	Reason for Change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1.	Mr. Gorge Chadha	1159000	9.719	1159000	9.719	0	No change
2.	Ms. Manisha Chadha	992100	8.14	992100	8.14	0	No change
3.	Mr. Pradeep Kumar Malik	4,20,200	3.449	4,20,200	3.449	0	No change
4.	Mrs. Satyawati Chadha	4,31,000	3.54	4,31,000	3.54	0	No change
5.	Mrs. Kavita Chadha	10,80,400	8.87	10,80,400	8.87	0	No change
8.	M/s. KMF Securities Ltd.	1793100	14.7	17,93,100	14.7	0	No change

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

Name of the Shareholders	Shareholding at the beginning of the year as on 01.04.2020		Change in Shareholding during the year		Shareholding at the end of the year as on 31.03.2021	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mohit Sansanwal	460002	3.77	350000	2.87	810002	6.65
KMT properties private limited	1006259	8.26	1200	.009	1007459	8.269
Raman Sashidharan Nair	0	0	594096	4.87	594096	4.87
Surender /kumar HUF	938900	7.71	(938900)	(7.71)	0	0
Hitesh Ramji Javeri	3,80,000	3.12	0	0	3,80,000	3.12
Anagram Securities Limited	3,39,000	2.78	0	0	3,39,000	2.78
Anashusain Shaikh	0	0	0	0	225229	1.84
Rasiklal Kasalchnad Shah	138800	1.13	0	0	138800	1.13
Kamlesh Balchand Shah	139400	1.15	0	0	139400	1.15
Harsha Hitesh Javeri	2,24,000	1.84	0	0	2,24,000	1.84



## KMF BUILDERS & DEVELOPERS LIMITED

### E) Shareholding of Directors and Key Managerial Personnel including Date wise Increase / Decrease in Directors Shareholding during the year specifying the reasons for increase / decrease (please specify, if there is no change)

Name	Shareholding		Date	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year		Reason for Change
	No. of Shares at the beginning (01.04.2020)/ end of the year (31.03.2021)	% of total shares of the company			No. of shares	% of total shares of the company	
Mr. Gorge Chadha	11,59,000	9.5	01.04.2020	-			Nil movement during the year
					11,59,000	9.5	
	11,59,000	9.5	31.03.2021				
Mrs. Kavita Chadha	10,80,400	8.87	01.04.2020	-			Nil movement during the year
					10,80,400	8.87	
	10,80,400	8.87	31.03.2021				
Mr. Pradeep Kumar Malik	4,20,200	3.45	01.04.2020				Nil movement during the year
				-			
	4,20,200	3.45	31.03.2021		4,20,200	3.45	
Mr. Chirag Salaria	0	0	01.04.2020				Nil movement during the year
				-			
	0	0	31.03.2021		0	0	
Mr. Aniruddh Singh*	0	0	01.04.2020				Nil movement during the year
				-			
	0	0	31.03.2021		0	0	
Ms. Priyanka Behl	0	0	01.04.2020				Nil movement during the year
				-			
	0	0	31.03.2021		0	0	

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Mr. Grove Chadha	Mr. Pradeep Kumar Malik	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000	40,000	12,40,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission		-	-
	- as % of profit		-	-
	Others, specify...		-	-
5	Others, please specify		-	-
	Total (A)	12,00,000	40,000	12,40,000/-
	Ceiling as per the Act	-	-	-



## KMF BUILDERS & DEVELOPERS LIMITED

### B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		CHIRAG SALARIA	ANIRUDDH SINGH*		
1	Independent Directors	-	-	-	
	Fee for attending board committee meetings	-	-	-	
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (1)	-	-	-	
2	Other Non-Executive Directors	-	-	-	
	Fee for attending board committee meetings	-	-	-	
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (2)	-	-	-	
	Total (B)=(1+2)	-	-	-	
	Total Managerial Remuneration	-	-	-	
	Overall Ceiling as per the Act	-	-	-	

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

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total (Rs.)
1	Gross salary	3,08,000	3,08,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Others, please specify	-	-
	Total	3,08,000	3,08,000

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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



# KMF BUILDERS & DEVELOPERS LIMITED

Form No. MR-3

## SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED: **31.03.2021**

To:

The Members,

**KMF BUILDERS & DEVELOPERS LIMITED,  
Bangalore**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KMF BUILDERS & DEVELOPERS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on March 31, 2021 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings: There were no FEMA provisions applicable during the Audit period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

**I have also examined compliance with the applicable clauses of the following:**

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.

b. SEBI (Listing Obligations and Disclosure Requirements) 2015 for the year ended 31<sup>st</sup> March 2021 with Bombay

**ANNUAL REPORT 2020-2021**



## KMF BUILDERS & DEVELOPERS LIMITED

Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I have not examined compliance by the Company with:**

a. Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

**I further report that:**

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. Disclosures towards LODR regulations, policies have not been updated in the website of the company.

Certificate as per regulation 40(9) as per LODR submitted to stock exchange on 10<sup>th</sup> December 2020 for the half year ending 30<sup>th</sup> September 2020 instead of 30<sup>th</sup> October 2020.

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

**I further report that during the audit period, there were no instances of:**

a. There was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **DEEPAK SADHU & CO,**  
**COMPANY SECRETARIES**



**(Deepak Sadhu)**

Proprietor

ACS: **39541**; CP No: **14992**  
Bangalore

Date: **13 August 2021**  
UDIN: **A039541C000781535**



## KMF BUILDERS & DEVELOPERS LIMITED

To  
The Members,  
**KMEF BUILDERS & DEVELOPERS LIMITED**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in these secretarial records. I believe that the processes and practices, I followed, provide are as on able basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **DEEPAK SADHU & CO,**  
**COMPANY SECRETARIES**



**(Deepak Sadhu)**  
Proprietor

ACS: **39541**; CP No: **14992**  
Bangalore

Date: **13 August 2021**  
UDIN: **A039541C000781535**



## KMF BUILDERS & DEVELOPERS LIMITED

### **CORPORATE GOVERNANCE REPORT**

“Corporate Governance is concerned with maintaining the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society.” - A Report Your Directors present the Company's Report on Corporate Governance in compliance with Regulation 34(3) read with part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### **PREVENTION OF INSIDER TRADING:**

The Company has adopted a code of conduct for Prevention of Insider Trading with a view to regulate trading in securities by Directors and designated employees of the Company. The Code of conduct require pre-disclosure for dealing in the Company's Shares and prohibit the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when trading windows is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed the compliance of the Code

### **HUMAN RESOURCES DEVELOPMENT:**

Many initiatives have been taken to support business through organizational efficiently, process change support and various employee engagement program which has helped the Organization to achieve higher productivity level. A significant efforts has also been undertaken to develop leadership as well as technical / functional capacities in order to meet future talent requirement.

The Company's HR process such as hiring and on-boarding, fair transparent on line performance evaluation and talent management process, state-of-the-art workmen development process and market assigned policies have been seen as benchmark practice in the Industry. The Employees are encouraged to express their views and are empowered to work independently. The Employees are given the opportunity to learn through various small project which make them look at initiatives from different perspectives and thus provide them with the platform to become result oriented. The Management of the Company enjoy cordial relation with its employees at all levels. The Board of Directors wish to place its highest appreciation for the contribution made by all the employees in achieving growth of the Company

### **Role of the Company Secretary in Overall Governance Process**

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. She ensures that all relevant information, details and documents are made available to the directors for effective decision making at the meetings. She is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the company and regulatory authorities. All the Directors of the Company have access to the services of the Company Secretary.

### **Selection and Appointment of New Directors on the Board**

Considering the requirements of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered.

### **Selection criteria of Board Members**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. Board members are expected to possess expertise, leadership skills required to manage and guide a high growth. The members are not related to any Executive or Independent Director.

### **Familiarization Program of Independent Director**

The Independent directors of KMF are eminent personalities having wide experience in the field of business,





## KMF BUILDERS & DEVELOPERS LIMITED

finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management on business and performance updates of the Company, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

### **Prevention of Insider Trading**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992, a Securities Dealing Code 'KMF Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' for prevention of insider trading is in place. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. The aforesaid Code is available at the website of the Company [www.kmfbuilders.com](http://www.kmfbuilders.com).

### **Vigil Mechanism**

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Vigil Mechanism Policy' uploaded at the website of the Company.

### **Disclosure Policy**

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the Listing Regulations, which is available on our website. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

### **Policy for Preservation of Documents**

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

### **Board of Directors**

#### **(A) Composition of Board**

The present Board of the Company consists of three Executive Director including one woman director and three Non-Executive Directors. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints.

All directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company.

#### **(B) Non-Executive Directors' compensation and disclosures**

The Non-Executive Directors are not paid any compensation. No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2020-2021



## KMF BUILDERS & DEVELOPERS LIMITED

Independent Directors are not serving as Independent Directors in more than seven listed companies. None of Directors of the Company hold the position as whole Time Director in company itself nor serve as Independent Director in more than three listed companies.

### (C) Performance evaluation of Independent Directors:

The Nomination and Remuneration Committee evaluates the performance of Independent Directors. The evaluation mechanism of Independent Directors is detailed in Directors Report.

### (D) Other provisions as to Board and Committees

The Board comprises of Mr. Gorve Chadha, Chairman & Managing Director; Mrs. Kavita Chadha as Executive Director; Mr. Pradeep Kumar Malik as CFO and Mr. Chirag Salaria, Mr. Aniruddh Singh\* and Mr. Mani Suresh Babu as Non-Executive Independent Directors. & Ms. Priyanka Behl appoint as Company secretary.

During the year 2020-2021, 7 (Seven) meetings of the Board of Directors were held on 31st July 2020, 15th September 2020, 29th November 2020, 17th December 2020, 12<sup>th</sup> February 2021, 02nd March, 2021 and 11th March, 2021. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2021 have been made by the Directors as per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. Details of attendance of Directors at Board Meetings and at the last Annual General Meeting held on 23<sup>rd</sup> December, 2020, with particulars of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31<sup>st</sup> March, 2021 are given below:-

Name	Category	Attendance		No. of Directorships in other public companies	No. of Committees and positions held in other public companies	
		Board Meetings	Last AGM		Member	Chairman
Mr. Gorve Chadha (MD) DIN 06407884	Executive & Managing Director	7	Yes	-	-	-
Ms. Kavita Chadha DIN 03304018	Executive Director & Promoter	7	No	1	-	-
Mr. Pradeep Kumar Malik DIN 00755555	CFO & Promoter	7	Yes	-	-	-
Mr. Chirag Salaria DIN 07504249	Independent & Non Executive Director	7	No	-	-	-
Mr. Aniruddh Singh DIN:02961295	Independent & Non Executive Director	6	yes	-	-	-

Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 of Companies Act, 2013 / Section 25 of the Companies Act, 1956 and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit, Stakeholders Relationship and Nomination and Remuneration Committees of public limited companies.

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board. None of the Directors are related to each other as on date except Mr. Gorve Chadha and Ms. Kavita Chadha, having relation of son and mother.



## KMF BUILDERS & DEVELOPERS LIMITED

### **(E) Code of Conduct**

(i) The Board of Directors has laid down Code of Conduct for Non-Executive Directors, Independent Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - [www.kmfbuilers.com](http://www.kmfbuilers.com).

(ii) The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31 March, 2021. The Annual Report of the Company contains a Certificate by the Managing Director in terms of Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

### **I. Board Committees**

#### **Audit Committee**

##### **(A) Qualified and Independent Audit Committee**

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the Audit Committee. Its functioning is as under:

(i) The Audit Committee presently consists of the three Directors, out of which two are Independent Non-Executive Directors;

(ii) All members of the Committee are financially literate and having the requisite financial management expertise;

(iii) The Chairman of the Audit Committee is an Independent Director;

(iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 23<sup>rd</sup> September, 2019.

##### **(B) Terms of reference**

- ◆ The roles and responsibilities of the Audit Committee include inter-alia:
- ◆ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ◆ Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ◆ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ◆ Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- ◆ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
- ◆ Changes, if any, in accounting policies and practices and reasons for the same
- ◆ Major accounting entries involving estimates based on the exercise of judgment by management
- ◆ Significant adjustments made in the financial statements arising out of audit findings
- ◆ Compliance with listing and other legal requirements relating to financial statements
- ◆ Disclosure of any related party transactions
- ◆ Qualifications in the draft audit report
- ◆ Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- ◆ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ◆ Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ◆ Approval or any subsequent modification of transactions of the company with related parties;
- ◆ Scrutiny of inter-corporate loans and investments;
- ◆ Valuation of undertakings or assets of the company, wherever it is necessary;



## KMF BUILDERS & DEVELOPERS LIMITED

- ◆ Evaluation of internal financial controls and risk management systems;
- ◆ Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ◆ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- ◆ Discussion with internal auditors of any significant findings and follow up there on;
- ◆ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ◆ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ◆ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ◆ To review the functioning of the Whistle Blower mechanism;
- ◆ Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- ◆ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- ◆ The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:
  - ◆ Management discussion and analysis of financial condition and results of operations;
  - ◆ Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - ◆ Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - ◆ Internal audit reports relating to internal control weaknesses; and
- ◆ The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- ◆ The powers of the Audit Committee includes:
  - ◆ To investigate any activity within its terms of reference.
  - ◆ To seek information from any employee.
  - ◆ To obtain outside legal or other professional advice.
  - ◆ To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **(C) Composition, names of Members and Chairperson, its meetings and attendance:**

Mr. Chirag Salaria elect as Chairman. He with Mr. Aniruddh Singh and Mr. Pradeep Kumar Malik as members of the Committee. During the year, four Audit Committee meetings were held on 31st July 2020, 15th September 2020, 29th November 2020, and 12th February 2021

The composition of the Audit Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Category	Meetings held during FY 2020-2021	Meetings attended
Mr. Chirag Salaria	Independent Director	4	4
Mr. Aniruddh Singh	Independent Director	4	4
Mr. Pradeep Kumar Malik	Executive Director	4	4

The Committee meetings are attended by invitation by the Managing Director, CFO, the representatives of Statutory Auditors and representatives of the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.



## KMF BUILDERS & DEVELOPERS LIMITED

### Nomination and Remuneration Committee

#### (A) Constitution

Mr. Chirag Salaria elect as Chairman. He with Mr. Aniruddh Singh\* and Mrs. Kavita Chadha as members of the Committee.

#### (B) Terms of reference

- Terms of reference of the Nomination and Remuneration Committee include:
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Formulate a Remuneration Policy as specified under Section 178 of the Companies Act, 2013, from time to time.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### (C) Meetings and attendance during the year:

During the year, two 31st July 2020 and 17<sup>th</sup> December 2020 meeting of Nomination and Remuneration Committee were held on 31st March, 2021. The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Category	Meetings held during FY 2020-2021	Meetings attended
Mr. Aniruddh Singh	Independent Director	2	2
Mr. Chirag Salaria	Independent Director	2	2
Mrs. Kavita Chadha	Executive Director	2	2

#### (D) Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

#### (E) Remuneration to Managing Director

Mr. Gorge Chadha is the Managing Director ("MD") of the Company. The salary, benefits and perquisites paid to Mr. Gorge Chadha, MD during the year 2020-2021 was Rs. 12, 00,000/- p.a.

#### (F) Remuneration to Non-Executive Directors

Mr. Chirag Salaria, and Mr. Aniruddh Singh\* the Non-Executive Directors, are not paid any sitting fee for attending the Board/Committee Meetings. Nothing was paid to the Non-Executive Directors during the year under review. The Non-Executive Directors have disclosed that they do not hold any shares in the Company. There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year under review.

\*\* Mr. Aniruddh Singh demise on 10<sup>th</sup> March 2021

#### Stakeholders Relationship Committee



## KMF BUILDERS & DEVELOPERS LIMITED

### **(A) Composition, Members, its meetings and attendance**

Stakeholders Relationship Committee comprises of Mr. Chirag Salaria elect as Chairman, Mr. Aniruddh Singh and Mr. Pradeep Kumar Malik as members of the Committee.

The Committee is set up to consider & resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend.

During the year, one meeting of the Stakeholders Relationship Committee was held on 29<sup>th</sup> November, 2020.

\* Mr. Aniruddh Singh demise on 10<sup>th</sup> March 2021.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Category	Meetings held during FY 2020-2021	Meetings attended
Mr. Chirag Salaria	Independent Director	1	1
Mr. Aniruddh Singh*	Independent Director	1	1
Mr. Pradeep Kumar Malik	Executive Director	1	1

\* Mr. Aniruddh Singh demise on 10th March 2021.

### **(B) Name and Designation of the Compliance Officer**

Ms. Priyanka Behl, Company Secretary has been designated as Compliance Officer of the Company in line with the requirement of Listing Agreement with the Stock Exchanges and can be contacted at:

Tel: 011-45636075

E-mail: Priyanka@kmfbuilder.com

### **(C) Complaints received and redressed during the year 2020-2021**

There was no complaint received during the year 2020-2021. Pursuant to regulation 40(9) of SEBI (Listing and Obligations Requirement) Regulation 2020, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchange within stipulated time.

#### **I. Independent Directors Meeting**

Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors Mr. Chirag Salaria and Mr. Aniruddh Singh\* met on 02.03.2021 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including Chairman of the Board.

\* Mr. Aniruddh Singh demise on 10th March 2021.

#### **II. Subsidiary Company**

The Company does not have any Indian and/or foreign Subsidiary Company.

### **VII. Disclosures**

#### **(A) Basis of related party transactions**

- ▶ The statements containing the transactions with related parties were submitted periodically to the Audit Committee.
- ▶ There are no related party transactions that may have potential conflict with the interest of the Company at large.
- ▶ There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.

There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years. As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The abridged policy on Related Party Transactions is available on the Company's website.





## KMF BUILDERS & DEVELOPERS LIMITED

### **B) Disclosure of Accounting Treatment**

The financial statements of the Company for the year ended March 31, 2021, are the first financials prepared in compliance with Ind AS recognition and measurement principles. The date of transition to Ind AS is April 1, 2017. The financial statements upto the year ended March 31, 2018, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, and other relevant provisions of the Act, considered as the "Previous GAAP". The financial statements for the year ended March 31, 2021, have been restated in accordance with the Ind AS recognition and measurement principles.

### **(C) Board Disclosures - Risk Management**

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

### **(D) Proceeds from public issues, right issues, preferential issues etc.**

The Company did not have any of the above issues during the year under review.

### **(E) Secretarial Audit Report**

The Company has obtained Secretarial Audit Report from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, SEBI (LODR) Regulation 2015, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the Annual Secretarial Audit Report is annexed elsewhere.

### **(F) Management Discussion and Analysis Report**

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

### **(G) Shareholders**

(i) The quarterly results and presentations made by the Company to analysts are put on the Company's website [www.kmfbuilders.com](http://www.kmfbuilders.com) under the Disclosure Requirements Section.

(ii) The Company has also sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant.

(iii) Mrs. Kavita Chadha is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment as Executive Director.

### **(H) CEO and CFO Certification**

The Managing Director and CFO of the Company give quarterly/annual certification on financial reporting and internal controls to the Board in terms of regulation 17(8) and 33(2) of the SEBI (Listing Obligation and Requirement) Regulation 2015.

### **(I) Certificate on Corporate Governance**

The quarterly compliance report has been submitted to the Stock Exchange where the Company's equity shares are listed in the requisite format. Pursuant to Listing Regulations, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

## **IV. General Body Meetings**

### **Location and time of General Meetings held in the last 3 years:**

Year	Date	Venue of Meeting	Time	Whether any Special Resolution passed in previous AGM
2017-18	24.09.2018	Hotel SAI Renaissance Opp. SBI SAI Colony kadugudi Bangalore 560067	09.00am	Yes Revision in the remuneration of Mr. Gorge Chadha as Managing Director
2018-19	23.09.2019	Hotel SAI Renaissance Opp. SBI SAI Colony kadugudi Bangalore 560067	09.00am	Yes Related Party Transaction
2020-2021	23.12.2020	Hotel SAI Renaissance Opp. SBI SAI Colony kadugudi Bangalore 560067	09.00am	Reappointment of Managing Director



## KMF BUILDERS & DEVELOPERS LIMITED

### Means of Communication

The Company's website is a comprehensive reference on KMF's management, policies, and corporate governance and investor relations. The section on Investors serves to inform the shareholders, by giving complete financial details, Shareholding Patterns, information relating to Stock Exchanges and Registrars & Share Transfer Agents. The Company interacts with the shareholders through the multiple channels of communication such as Annual Report and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

Quarterly report sent to each household of Shareholders	The results of the Company are published in the newspapers
Quarterly results and in which newspaper normally published in.	Results are published in The Financial express (all editions) and in Vishwani (Bangalore edition)
Any website where displayed	Yes, the results are displayed on the Company's website <a href="http://www.kmfbuilders.com">www.kmfbuilders.com</a> under Investor Centre - Disclosure Requirements Section
Whether it also displays official news releases	Yes

### IV. General Shareholder Information

#### Annual General Meeting:

- (i) **Date, time and Venue** : 13<sup>th</sup> September, 2021 at 09:00AM.  
(ii) **Financial Year** : 1st April to 31st March  
(iii) **Date of Book Closure** : 12<sup>th</sup> September, 2021 to 16<sup>th</sup> September, 2021 (both days inclusive)  
(iv) **Dividend** : Nil  
(v) **Listing**

The Stock Exchanges on which the Company's shares are listed:

BSE Limited

#### (vi) Stock Code

BSE Limited-53178

The ISIN of the Company for its shares: INE580H01026

Listing Fees for Bombay Stock Exchange Limited for 2021-22 has been paid.



#### b. Performance in comparison to BSE Sensex

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	1st April 2020	31st March 2021	% Change
Company Share Price (closing)	1.52	2.71	
SENSEX (closing)	36636.81	50,136.81	(11.12%)





## KMF BUILDERS & DEVELOPERS LIMITED

### (viii) Registrars and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents –  
M/s Alankit Assignments Limited quoting their Folio Number, Client ID and DP ID at the following address:

M/s Alankit Assignments Limited  
205-208, Anarkali Complex  
Jhandewalan Extension  
New Delhi 110055  
Tel: 91 -11-42541234  
Fax: 91 -11-235552001  
Email: info@alankit.Com

### (ix) Shareholding as on 31 March, 2021

#### (a) Distribution of shareholding as on 31 March, 2021

No. of Equity shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of holding
1-500	445	50.11	74272	0.61
501- 1000	158	17.79	133003	1.09
1001-2000	103	11.60	176159	1.45
2001-3000	33	3.72	87041	0.71
3001-4000	32	3.60	120006	0.99
4001-5000	27	3.04	124373	1.02
5001-10000	31	3.49	227860	1.87
10001-9999999	59	6.64	11239286	92.26
<b>TOTAL</b>	<b>888</b>	<b>100.00</b>	<b>12182000</b>	<b>100.00</b>

#### (x) Shareholding pattern as on 31<sup>st</sup> March, 2021

Category	No. of Shares held	% of issued share capital
Promoter	58,75800	48.23
Mutual Funds & UTI	0	0
Financial institutions/Insurance Companies	0	0
FII's	0	0
NRI's/Foreign Nationals	0	0
Corporate Bodies	23,02,557	18.90
Indian Public & Others	40,03,643	32.87
Total	1,21,82,000	100

### (xi) Capital of the Company

The authorized and paid-up capital of your Company is Rs. 20,00,00,000/- and Rs. 60,910,000/- respectively.

#### (xii) Top ten Shareholders as on 31<sup>st</sup> March, 2021

Category	Name	No. of Shares held	% of issued share capital
CORPORATE / BODY CORPORATE	KMT Properties Private Limited	1007459	8.27
CORPORATE / BODY CORPORATE	Anagram Securities Limited	3,39,000	2.78
INDIVIDUAL	Mr. Hitesh Ramji Javeri	3,80,000	3.12
INDIVIDUAL	Mr. Mohit Sansanwal	810002	6.65
INDIVIDUAL	Raman Sashidharan Nair	594096	4.87
INDIVIDUAL	Anashusain Shaikh	225229	1.84
INDIVIDUAL	Mrs. Harsha Hitesh Javeri	2,24,000	1.84
INDIVIDUAL	Mrs. Kamlesh Balchand Shah	1,39,400	1.14
INDIVIDUAL	Mr. Rasiklal Kaslchand Shah	1,38,800	1.13
INDIVIDUAL	Mr. Dinesh Chhabildas Shah	1,17,000	0.95
HUF	M/S Shah Dineshchandra Chhabildas	1,18,000	0.96



## KMF BUILDERS & DEVELOPERS LIMITED

### **(xiii) Dematerialisation of shares and liquidity**

As on 31st March, 2021, a total of 1,06,41,200 equity shares have been dematerialized by approx. 87.35% of the total share Capital. The Company's shares can be traded only in dematerialized form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories. Equity shares are actively traded in BSE.

### **(ix) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

### **(xv) Plant locations**

The Company is not a manufacturing unit and thus not having any Plant.

### **(xvi) Address for correspondence**

**Ms. Priyanka Behl**

The Company Secretary

KMF Builders & Developers Limited

907 Vikram Tower Rajendera Place

Tel.:011-45636075

Fax:41537810

Email:kmfbuilders95@gmail.com

### **Reconciliation of Share Capital**

As stipulated by SEBI, a qualified Practising Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

## **X. Details of mandatory requirement of Listing Regulations**

Particulars	Regulation No	Complied Status
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Complied with
Board composition	17(1)	Complied with
Meeting of Board of directors	17(2)	Complied with
Review of Compliance Report	17(3)	Complied with
Plans for orderly succession for appointments	17(4)	Complied with
Code of Conduct	17(5)	Complied with
Fees/compensation	17(6)	Complied with
Minimum Information	17(7)	Complied with
Compliance Certificate	17(8)	Complied with
Risk Assessment & Management	17(9)	Complied with
Performance Evaluation of Independent Director	17(10)	Complied with
Composition of Audit Committee	18(1)	Complied with
Meeting of Audit Committee	18(2)	Complied with
Composition of Nomination & Remuneration Committee	19(1) & (2)	Complied with
Composition of Stakeholder Relationship Committee	20(1) & (2)	Complied with
Vigil Mechanism	22	Complied with
Policy for related party Transaction	23(1), (5), (6), (7) & (8)	Complied with
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Complied (if any )
Approval for material related party transactions	23(4)	Complied (if any )
Maximum Directorship & Tenure	25(1) & (2)	Complied with
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	NA



## KMF BUILDERS & DEVELOPERS LIMITED

### Auditor's Certificate on Corporate Governance

To  
The Members of  
KMF Builders & Developers Ltd  
508, Golf Manor, NAL Wind  
Tunnel Road, Murgeshpalya,  
Bangalore-560017

We have examined the compliance of conditions of Corporate Governance by KMF Builders and Developers Limited (hereinafter referred as "Company") for the Financial year ended March 31, 2021 as prescribed under Regulations 15 under chapter IV (Obligations of Listed Entity which has listed its specified securities) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Non Applicability of regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

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. This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

**For CS Nagendra & Co.  
Chartered Accountants**

Place : Bangalore  
Dated : 13.08.2021

CA CS Nagendra  
Proprietor- ICAI Reg. No. 027390

### CODE OF CONDUCT

#### **FOR**

#### **BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

#### **ANNUAL DECLARATION**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company – [www.kmfbuilders.com](http://www.kmfbuilders.com).

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2021.

**For KMF Builders & Developers Ltd.**

**Sd/-  
Gorve Chadha  
Managing Director**



# KMF BUILDERS & DEVELOPERS LIMITED

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### REAL ESTATE SECTOR

Real Estate Industry The Indian real estate sector has been trying to get back on its feet and come to terms with multiple reforms and changes brought in by demonitization, RERA, GST, IBC, NBFC crisis and subvention scheme ban. While it was tough task for sector to align itself with these new regulations, the measures have been instrumental to bring transparency, accountability and fiscal discipline over last few years. Over reliance on NBFC funding led to severe funding issues after the IL&FS default, wherein RBI had asked NBFC's to bring down their exposure to real estate sector. The share of NBFC loans to real estate plunged to 46% of total credit to real estate sector in 2018-19, is expected to further come down. According to industry estimates, 90% of workforce employed in real estate and construction sector is engaged in the core construction activities, while the rest 10% is involved in other ancillary activities. Since majority of workers are immigrants, labor shortage could possibly pose a major challenge for sector post COVID 19 lockdown. The recent liquidity crisis has worsened the situation for smaller players which were anyway finding it difficult to adhere to new norms laid by RERA leading to new wave of consolidation. Larger established players with strong access to funding are expected to gain market share. Also, the current situation is expected to open up a lot of business development opportunities for well capitalized developers.

**The consolidation phase is likely to get accelerated further with the COVID19 outbreak and many weak players may cease to exist**

### RESIDENTIAL REAL ESTATE MARKET

The Indian residential sector has been grappling with subdued demand for the past few years and the recent developments (ongoing impact of COVID19) have made things even more difficult for the sector. While certain measures such as the consecutive rate cuts by the RBI, the reduction of GST rates to 1% for affordable housing and 5% for others and the setting up of an Alternative Investment Fund (AIF) have helped home-buyer sentiments, they've had little impact on the sales for the sector.

### BANGALORE

In 2019, while the sales momentum was slow due to lack of clarity on the new GST rates for under-construction projects; the sales recovered in the 2019 period. Bangalore has managed to record robust sales which were up 10% in CY2019. In terms of sales volumes growth, Bangalore has been the top performer amongst the cities under consideration. The improved buyer sentiment along with steady demand has resulted in higher launches in Cy2019.

COVID19 Impact on Residential Real Estate COVID-19 has severely hit residential real estate business and the sector has come to a standstill in the short term. While the sector was coming out of the woods after the liquidity crisis and subsequent fallouts of sales, the pandemic outbreak could further impact residential sector.

Drop in new launches and slump in sales volumes amidst the current COVID-19 outbreak, the sector is likely to witness major disruptions due to construction delays and financing issues. Also, many prospective customers could consider postponing their decisions either to stay away from the project sites or in the expectations of a price correction

### OPPORTUNITIES

#### OPPORTUNITIES CONSOLIDATION

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. Your Company's well accepted brand,



## KMF BUILDERS & DEVELOPERS LIMITED

contemporary architecture, well designed projects in strategic locations, strong balance sheet and stable financial performance even in testing times make it a preferred choice for customers and shareholders. Your Company is ideally placed to further strengthen its development potential by acquiring new land parcels.

### **DIGITAL REAL ESTATE SALES**

With the rapidly evolving marketing landscape, digital marketing tools have emerged as important tools for real estate companies to amplify their sales and reach out to customers globally. With a sharp focus on building consumer experience and connection through digital means, established brands will be ahead of the curve, giving a competitive edge to their business. Social media platforms can be extensively used to promote listings, maintain relationships with existing customers and find new prospects. The recent lockdown due to COVID19 has forced real estate companies to focus much more on digital marketing and online platforms.

### **MONETARY EASING**

The real estate sector performance is closely linked to the country's economic fundamentals and monetary policies. The Reserve Bank of India cut its benchmark repo rate by 250 bps since February 2019 to 4.0%, which is the lowest ever repo rate in its attempt to support the slowing economy from further deterioration due to COVID19. Monetary easing initiatives are expected to provide an impetus to housing demand once the economy revives and encourage home buyers and real estate developers.

### **THREATS & CHALLENGES**

Regulatory Hurdles Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector. This NBFC crisis has further deteriorated the liquidity situation for smaller developers like us who had to resort to alternative funding in absence of long term loans from banks. While established developers with lean balance sheets continue to have funding access, many developers are facing significant liquidity pressure.

### **OUTLOOK**

As the real estate sector continues to tackle the existing issues created by the aftershocks of liquidity crisis and resulting disruption of COVID 19, we see an opportunity for well established players in the industry. The start of FY 2022 may be muted due to the lockdown and subsequent impact on economy, but we believe our strong project pipeline and healthy balance sheet will help maintain operational performance going ahead. The pace of consolidation in sector is also expected to accelerate further we expect to gain market share. Also, amidst COVID 19, and prevailing liquidity crunch, the visibility on business development is getting stronger. Our focus on our core markets, strong brand and existing portfolio leaves us on strong foot to take advantage of this opportunity.



## KMF BUILDERS & DEVELOPERS LIMITED

**DEEPAK SADHU**  
MBA (Finance), A.C.S.



**DEEPAK SADHU & Co**  
COMPANY SECRETARIES

COMPANY SECRETARY  
560078 CP No: 14992, ACS No: 39541  
MOBILE: 9115731257 / 9886096664

No.450, 9" cross, JP Nagar,  
2<sup>nd</sup> phase, Bangalore -

Web: www.deepaksadhu.com  
E-mail: deepaksadhu@gmail.com

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS** **(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).**

To: The Members,  
**KMF BUILDERS AND DEVELOPERS LIMITED**  
Bangalore

Date: 13<sup>th</sup> August 2021

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KMF BUILDERS AND DEVELOPERS LIMITED having CIN L45203KA1995PLC017422 and having registered office at FLAT NO.508, GOLF MANOR APARTMENTS, NAL WIND TUNNEL ROAD, MURUGESH PALYA, BANGALORE KA 560017 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN	NAME	DESIGNATION	DATE OF APPOINTMENT
03304018	KAVITA CHADHA	Director	21/10/2010
06407884	GORVE CHADHA	Managing Director	14/10/2012
07504249	CHIRAG SALARIA	Director	02/05/2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DEEPAK SADHU & CO**  
**COMPANY SECRETARIES**



**DEEPAK SADHU**  
MEMBERSHIP NUMBER: 39541  
COP: 14992

UDIN: A039541C000781425



# KMF BUILDERS & DEVELOPERS LIMITED



**C S Nagendra & Co**  
Chartered Accountants

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## Independent Auditor's Report

**To the Members of,  
M/s. KMF Builders and Developers Limited  
Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of **M/s. KMF Builders and Developers Limited.**, which comprise the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss, statement of changes in Equity, statement of Cash Flow for the year then ended, and Notes to financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, changes in equity, its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have described below to be the Key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditors Response
1.	<b>Revenue Recognition of Construction Contracts</b>	<b>Principal Audit Response</b>
	The Company follows/recognises revenue based on IND AS – 115.	<p>Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows.</p> <ul style="list-style-type: none"> <li>- Evaluated the design of the internal controls relating to implementation of the new revenue accounting standard.</li> <li>- Obtained listing of all the contracts as on</li> </ul>





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		31.03.2021. Identified the contracts that are not completed contracts for which handover of units not done and Partial occupancy certificate received as on 28.03.2018.
2.	<p><b>Carrying Values of Inventories (Construction work in progress and Stock in trade)</b></p> <p>There is a Risk that the valuation of inventory may be misstated as it involves the determination at cost and estimated total construction cost of completion of the projects which is an area of Judgement. Refer Notes to the Standalone Financial statements.</p>	<p><b>Principal Audit procedures</b></p> <p>We assessed the Company's Process for the valuation of inventories.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>◆ Evaluated the design of the internal controls relating to the valuation of inventories.</li> <li>◆ Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these- controls. Selected a sample of project specific inventories and performed the procedures around:</li> <li>◆ Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the company's assessment of NRV for the project specific inventories.</li> <li>◆ The expected net amounts to be realized from the sale of inventory in the-ordinary course of business.</li> </ul>
3.	<p><b>Investment in Shares</b></p> <p><b>Refer Notes to Accounts 1(j) to the standalone financial statement</b></p>	<p>The Investment in Shares reflecting in the Company Balance sheet is held in the name of the Director 'Kavita Chadha' as on 31.03.2021 vide Board Resolution dated 29.05.2019 to hold in the name of the Director.</p>



**Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated any form of assurance conclusion thereon.
- If, based on the work we have performed, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a



## KMF BUILDERS & DEVELOPERS LIMITED



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material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the stand alone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet and the Statement of Profit and Loss, the statement of cash flow and statement of changes in equity dealt with by this Report are in agreement with the books of account;



## KMF BUILDERS & DEVELOPERS LIMITED



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- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the adequacy of the “internal financial controls over financial reporting of the company with reference to financial statements” reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure-A”. Our report expresses an unmodified opinion of the adequacy and Operating effectiveness of the company’s Internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
    - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iv. There has been no amount in transferring amount required to be transferred, to the Investor Education and Protection fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For C S Nagendra & Co.,  
Chartered Accountants,  
Firm Reg No.9486S

CA C S Nagendra  
Proprietor

ICAI Reg. No. 27390

UDIN: 21027390AAAAAM5037

PLACE : Bangalore

DATE : 13.8.2021

### Annexure “A” to the Independent Auditor's Report.

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of KMF Builders and Developers Limited of even date)

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



## KMF BUILDERS & DEVELOPERS LIMITED



**C S Nagendra & Co**  
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We have audited the internal financial controls over financial reporting of **M/s.KMF Builders and Developers Limited**, (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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



## KMF BUILDERS & DEVELOPERS LIMITED



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### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

According to the information and explanations given to us, the company has not introduced Internal Audit system for the year.

In our opinion, to the best of our information and according to the explanations given to us, except for the effect of the matter described in the above paragraph, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For C S Nagendra & Co.,  
Chartered Accountants,  
Firm Reg No.9486S

CA C S Nagendra  
Proprietor  
ICAI Reg. No. 27390  
UDIN: 21027390AAAAAM5037

PLACE : Bangalore  
DATE : 13.08.2021

### **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KMF Builders and Developers Limited of even date)

i) In respect of Company's Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- b) The fixed assets (Property, Plant and Equipment) were physically verified during the year by the Management in accordance with a regular programmed of verification which, in our opinion, provides for physical verification of all the fixed assets (Property, Plant and Equipment) at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) With Respect to Immovable properties of Land that are freehold, according to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deed/Registered sale deed provided to us, we report that the title deeds, comprising all the immovable properties of land & buildings which are free hold, are held in the name of Company as at the balance sheet date. According to the information and explanation given to us, the company does not have any leasehold land and leased/freehold



## KMF BUILDERS & DEVELOPERS LIMITED



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Building other than administrative block and Project facilities, temporary constructed at the project sites and capitalized as Building.

- ii) In our opinion and according to the information and Explanations given to us, having regard to the nature of Inventory, the physical verification by way of verification of title deeds, site visits by the management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi) The maintenance of the cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Thus, reporting under Clause 3(vi) of the order is not applicable to the Company.
- vii) According to the information and explanations given to us, in respect of statutory dues;
  - a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Goods & Service tax, Cess and any other statutory dues with the appropriate authorities. **The provisions of Employees state insurance and Excise duty are not applicable to the operations of the company.**
  - b) There were no undisputed amounts payable in respect of provident fund, Employee's State Insurance, Income tax, sales tax, Goods & Service tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
  - c) There are no dues of Income- Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods & Service Tax which have not been deposited as on 31<sup>st</sup> March, 2021 on account of disputes except as given below:
  - iv) In Our opinion and according to the information and explanations given to us, the Company has not defaulted any loans or borrowings to any financial institutions, banks, Government, or debenture holders during the year. The Company has not taken any loans or borrowings from financial institutions and government.
  - v) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order





## KMF BUILDERS & DEVELOPERS LIMITED



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are not applicable to the Company.

- vi) To the best of our knowledge and according to the Information and explanations given to us, no fraud by the company or no material fraud on the company by its officers or employees has been noticed or reported during the year.
- vii) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- viii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- ix) In our opinion and according to the information and explanations given to us, the company is in compliance with section 177 and 188 of Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Financial Statements as required by the applicable accounting standards.
- x) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xi) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order and section 192 of the companies Act, 2013 are not applicable to the Company.
- xii) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For C S Nagendra & Co.,  
Chartered Accountants,  
Firm Reg No.9486S

CA C S Nagendra  
Proprietor  
ICAI Reg. No. 27390  
UDIN: 21027390AAAAAM5037

PLACE : Bangalore  
DATE : 13.08.2021



# KMF BUILDERS & DEVELOPERS LIMITED

KMF Builders and Developers Limited STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021			
	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit/(loss) Before Tax</b>	4,240,737	2,123,115
	<b>Adjustments for:</b>		
	Depreciation	793,139	859,425
	Adjustment for Reserves	-	-
	Other Income	-	-
	Loss on sale of Asset	287,432	-
	Interest & Finance Charges	(273,510)	(602,736)
	<b>Operating Profit before Working Capital Changes</b>	<b>5,047,798</b>	<b>2,379,804</b>
	<b>Adjustments for:</b>		
	Decrease/(Increase) in Receivables	500,000	-
	Decrease/(Increase) in Current Tax Assets	(336,561)	-
	Decrease/(Increase) in Inventories	23,117,997	(6,046,029)
	Increase/(Decrease) in Other Current Assets	1,317,993	(249,671)
	Increase/(Decrease) in Payables	258,158	(137,245)
	Increase/(Decrease) in Short term Borrowings	-	(115,000)
	Increase/(Decrease) in other current liabilities	2,554,420	383,188
	Increase/(Decrease) in short term provisions	363,719	777,169
	<b>Cash generated from operations</b>	<b>32,823,523</b>	<b>(3,007,784)</b>
	Income Tax paid	808,778	697,769
	Comprehensive Income/Expense	-	-
	<b>Net Cash flow from Operating activities</b>	<b>32,014,745</b>	<b>(3,705,553)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(9,322)	(5,244,150)
	Long term Capital Gain	-	-
	Interest Income	542,417	712,498
	Sale of Fixed Asset	234,461	483,510
	(Decrease)/Increase other non-current assets	-	-
	<b>Net Cash used in Investing activities</b>	<b>767,556</b>	<b>(4,048,142)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Long term Borrowings	(1,743,278)	4,308,002
	Increase in Share Capital	-	-
	Interest paid	(268,907)	(109,762)
	<b>Net Cash used in financing activities</b>	<b>(2,012,185)</b>	<b>4,198,240</b>
	<b>Net change in cash &amp; Cash Equivalents(A+B+C)</b>	<b>30,770,116</b>	<b>(3,555,455)</b>
	Cash and Cash equivalents at Beginning of the year	11,185,838	14,741,294
	Cash and Cash equivalents at the end of the year	41,955,954	11,185,838
	<b>Net change in cash &amp; Cash Equivalents</b>	<b>30,770,116</b>	<b>(3,555,455)</b>
	<b>Note:</b>		
	1.Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard 7		
	<b>For and on behalf of Board of Directors</b>	<b>As per our report of even date</b>	
	<b>M/S. KMF Builders and Developers Limited</b>	<b>For C S Nagendra &amp; Co</b>	
		<b>Chartered Accountants</b>	
		<b>Firm Regn No: 009486S</b>	
	<b>Kavita Chadha</b>	<b>Gorve Chadha</b>	<b>Priyanka Behl</b>
	<b>Director</b>	<b>Managing Director</b>	<b>Company Secretary</b>
	<b>DIN: 03304018</b>	<b>DIN: 06407884</b>	<b>ICSI Reg No:44723</b>
	<b>Place: Bangalore</b>		<b>ICAI Reg No:027390</b>
	<b>Date: 13.08.2021</b>		<b>UDIN: 21027390AAAAAM5037</b>





## KMF BUILDERS & DEVELOPERS LIMITED

KMF Builders and Developers Limited				
Balance Sheet as at 31st March, 2021				
	Particulars	Note No.	As at 31.03.2021	Amounts (in Rs) As at 31.03.2020
	1	2	3	4
	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	39,87,966	52,93,676
	(b) Capital Work-in-Progress		-	-
	(c) Deferred Tax Assets (Net)	3	5,04,070	4,33,580
	(d) Other Non-Current Assets	4	21,66,888	21,66,888
	(d) Other Current Assets	9	99,23,694	1,12,41,687
	<b>Total Assets</b>		<b>21,02,04,580</b>	<b>20,52,69,112</b>
	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share Capital	10	6,09,10,000	6,09,10,000
	(b) Other Equity	11	5,48,67,051	5,13,64,601
	<b>Liabilities</b>			
2	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12	52,74,584	70,17,862
	(b) Provisions		-	-
	(c) Deferred Tax Liabilities (Net)		-	-
3	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade Payables	13	76,80,789	74,22,631
	(iii) Other Financial Liabilities		-	-
	(b) Other current liabilities	14	7,98,16,204	7,72,61,784
	(c) Provisions	15	16,55,954	12,92,235
	(d) Current Tax Liabilities (Net)		-	-
	<b>Total Equity and Liabilities</b>		<b>21,02,04,580</b>	<b>20,52,69,112</b>
	<i>See accompanying notes to the financial statements</i>			
	<b>For and on behalf of Board of Directors</b>		<b>As per our report of even date</b>	
	<b>M/S. KMF Builders and Developers Limited</b>		<b>For C S Nagendra &amp; Co</b>	
			<b>Chartered Accountants</b>	
			<b>Firm Regn No: 009486S</b>	
	<b>Kavita Chadha</b>	<b>Gorve Chadha</b>	<b>Priyanka Behl</b>	<b>CA C S Nagendra</b>
	<b>Director</b>	<b>Managing Director</b>	<b>Company Secretary</b>	<b>Proprietor</b>
	<b>DIN: 03304018</b>	<b>DIN: 06407884</b>	<b>ICSI Reg No:44723</b>	<b>ICAI Reg No:027390</b>
	Place: Bangalore			
	Date: 13.08.2021		UDIN: 21027390AAAAAM5037	



## KMF BUILDERS & DEVELOPERS LIMITED

KMF Builders and Developers Limited					
Statement of Changes in Equity for the year ended 31.03.2021					
A. Equity Share Capital					
Authorised equity share capital					
Particulars				Number of shares	Amount (Rs)
As at 1st April 2020				20,00,00,000	1,00,00,00,000
Increase during the financial year 2020-21				-	-
As at 31st March 2021				20,00,00,000	1,00,00,00,000
Subscribed and Paid up share capital					
Particulars			Note No	Number of shares	Amount
As at 1st April 2020			10	1,21,82,000	6,09,10,000
Increase during the financial year 2020-21				-	-
As at 31st March 2021				1,21,82,000	6,09,10,000
		Securities Premium Reserve/Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 31st March 2020		68,21,500	-	4,30,82,952	4,94,68,160
Changes in accounting policy or prior period errors		-	-	-	-
Restated balance at the beginning of the reporting period		-	-	-	-
Current Year Profit/ Loss		-	-	35,02,449	35,02,449
Other Comprehensive Income				-	-
Any other change (to be specified)		-	-	-	-
Balance at the 31st March 2021		68,21,500	-	4,65,85,401	5,34,06,901



# KMF BUILDERS & DEVELOPERS LIMITED

## KMF Builders and Developers Limited Statement of Profit and Loss for the year ended 31st March 2021

Amounts (in Rs)

	Particulars	Note No.	For the Year ended 31st March 2021	For the Year ended 31st March 2020
I	Revenue From Operations	16	46,229,000	17,565,817
II	Other Income		-	-
III	Total Income (I+II)		<b>46,229,000</b>	<b>17,565,817</b>
IV	<b>EXPENSES</b>			
	Cost of Materials Consumed	17	30,986,030	199,804
	Employee Benefits Expense	18	3,454,180	4,105,166
	Finance Costs	19	-273,510	-602,736
	Depreciation and Amortization Expense	2	793,139	859,425
	Other Expenses	20	7,028,424	10,881,043
	<b>Total Expenses (IV)</b>		<b>41,988,263</b>	<b>15,442,702</b>
V	Profit/(Loss) Before Tax (III-IV)		4,240,737	2,123,115
VI	<b>Tax Expense:</b>			
	(1) Current Tax		808,778	697,769
	(2) Deferred Tax		-70,490	-34,803
	(3) Tax of Earlier Years		-	-
	(4) MAT Credit Entitlement		-	-
VII	Profit (Loss) for the Period (V-VI)		3,502,449	1,460,149
VIII	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to Profit/Loss			
	-Additional Depreciation due to change in estimate		-	-
	(ii) Income tax relating to above			
	-Deferred Tax on above		-	-
	(i) Items that will be reclassified to Profit/Loss		-	-
	(ii) Income tax relating to above		-	-
IX	Other Comprehensive Income for the Period		-	-
X	Total Income for the Period (VII+IX)		3,502,449	1,460,149
X	Earnings per Equity Share	22		
	(1) Basic		0.29	0.12
	(2) Diluted		0.29	0.12

See accompanying notes to the financial statements

For and on behalf of Board of Directors		As per our report of even date	
M/S. KMF Builders and Developers Limited		For C S Nagendra & Co	
		Chartered Accountants	
		Firm Regn No: 009486S	
SD/-		SD/-	
Kavita Chadha	Gorve Chadha	Priyanka Behl	CA C S Nagendra
Director	Managing Director	Company Secretary	Proprietor
DIN: 03304018	DIN: 06407884	ICSI Reg No:44723	ICAI Reg No:027390
Place: Bangalore		UDIN: 21027390AAAAAM5037	
Date:13.08.2021			



# KMF BUILDERS & DEVELOPERS LIMITED

KMF BUILDERS AND DEVELOPERS LIMITED  
No.508, Golf Manor Apartments, NAL Wind Tunnel Road, Murugesapalya, Bangalore-560 017  
Property, Plant and Equipment SCHEDULE - 2  
FY.2020-21

Sl. No.	Description	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK		
		As on 01.04.2020	Additions during the year	Deletions during the year	Total As on 31.03.2021	As on 01/04/2020 31.03.2016	For the year	Less out asset/Asset Written off	Dep written off during the year	Upto 31.03.2021	As on 31.03.2021	As on 31.03.2020
1	OFFICE BUILDING	2,78,272.00	-	-	2,78,272.00	1,48,412.00	9,275.73	-	-	1,57,687.73	1,20,584.27	1,29,860.00
2	BOREWELL & TUBEWELL	-	-	-	-	-	-	-	-	-	-	-
3	D.G. SET	-	-	-	-	-	-	-	-	-	-	-
4	FIRE FIGHTING EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-
5	LIFT	-	-	-	-	-	-	-	-	-	-	-
6	AIR CONDITIONER	-	-	-	-	-	-	-	-	-	-	-
7	VIBRATOR	-	-	-	-	-	-	-	-	-	-	-
8	BOILER	-	-	-	-	-	-	-	-	-	-	-
9	ROAD ROLLER	-	-	-	-	-	-	-	-	-	-	-
10	DIESEL ENGINE	-	-	-	-	-	-	-	-	-	-	-
11	INVERTOR	-	-	-	-	-	-	-	-	-	-	-
12	MIXTURE	-	-	-	-	-	-	-	-	-	-	-
13	PLANT & MACHINERY	84,583.00	-	-	84,583.00	45,110.87	5,638.87	-	-	50,749.74	33,833.26	39,472.13
14	OFFICE EQUIPMENT	53,168.00	-	-	53,168.00	49,368.00	3,800.00	-	-	53,168.00	-	3,800.00
15	REFRIGERATOR	-	-	-	-	-	-	-	-	-	-	-
16	FURNITURE & FIXTURES	1,05,210.00	-	-	1,05,210.00	96,810.00	8,400.00	-	-	1,05,210.00	-	8,400.00
17	CYCLE	-	-	-	-	-	-	-	-	-	-	-
18	MOTOR VEHICLE - I	4,35,754.00	-	-	4,35,754.00	4,35,754.00	1,07,398.38	-	-	5,43,152.38	-1,07,398.38	-
19	MOTOR VEHICLE - II	61,03,337.00	-	8,57,812.00	52,45,525.00	9,91,193.13	6,55,518.75	-	3,35,919.24	13,10,792.64	39,34,732.36	51,12,143.87
20	COMPUTERS	-	9,322.00	-	9,322.00	-	3,107.33	-	-	3,107.33	6,214.67	-
21	UPS	-	-	-	-	-	-	-	-	-	-	-
22	AUTO LEVEL	-	-	-	-	-	-	-	-	-	-	-
23	LAPTOP	-	-	-	-	-	-	-	-	-	-	-
	Total (Current Year)	70,60,324.00	9,322.00	8,57,812.00	62,11,834.00	17,66,648.00	7,93,139.06	-	3,35,919.24	22,23,867.82	39,87,966.18	52,93,676.00
	Total (F.Y.2019-20)	22,99,684.00	52,44,150.00	4,83,510.00	70,60,324.00	9,07,223.00	8,59,425.00	-	-	17,66,648.00	52,93,676.00	13,92,461.00

Notes: Useful Life taken as per companies act 2013  
There is a charge on Vehicle.

84,583.40



# KMF BUILDERS & DEVELOPERS LIMITED

## KMF BUILDERS AND DEVELOPERS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH,  
2021

### Schedule-21

#### **Significant accounting policies:**

##### **a) Basis of Preparation and Presentation of Financial Statements**

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified by the Ministry of corporate Affairs pursuant to section 133 of the companies Act, 2013 ("Act") , the companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable provisions of the Act.

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity have been prepared and presented in the format prescribed in the Division II of the Schedule III to the Companies Act, 2013. Statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to the items in the Balance Sheet and Statement of Profit and Loss Account are presented by way of notes forming part of financial statements.

The Company has considered a period of twelve months as the operating cycle for classification of assets and liabilities as current and non-current.

##### **Basis of Measurement**

These financial statements have been prepared based on accrual and going concern principles following the historical cost conventions except for those financial assets and liabilities that are measured at fair value.

##### **b) Key Estimates & Assumptions**

In preparing these Ind AS compliant financial statements, the Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and a continuous evaluation is done on the estimation and judgments based on historical experience and other factors.

##### **c) Inventories**

Value of inventories are measured at Cost.

Cost Comprises of Land, Development Rights, Materials, Services, and other expenses attributable to the Project. Cost of Construction / development (including cost of land) incurred is charged to the standalone statement of profit & loss Proportionate to area sold and the balance cost is carried over under inventories as WIP.

##### **d) Revenue recognition**

Revenue from Construction activity is recognized to the extent that it is probable that the economic benefits will flow from the customer, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of Consideration.

Revenue from Construction Activity is recognised at a point in time when significant risks & rewards are transferred to the customer i.e, When the control of residential flats is transferred to the Customers.

Cost of Construction/Development includes all cost directly related to the project and other expenditure as identified by the management which are reasonably allocable to the project.

##### **e) Property, Plant and Equipment(PPE)**

###### **Recognition and Measurement**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the



## KMF BUILDERS & DEVELOPERS LIMITED

Company and the cost of the item can be measured reliably. PPE other than freehold land is stated at original cost including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use, net of tax/duty credits availed, if any, after deducting rebates and trade discounts, less accumulated depreciation and accumulated impairment losses, if any. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE

### Depreciation & Amortization

Depreciation is provided using the Straight Line Method (SLM) as per the useful life of the assets estimated by the management. Depreciation on Addition/Deletion of PPE made during the year is provided on Prorate basis from/up to date of addition/deletion. The useful life of assets estimated by the management is same as prescribed in scheduled II of the Act, except in respect of the following category of asset given below-Where the life is different than that of schedule II to the Act.

The following are the useful lives of the various classes of the property, plant and equipment

Class description	Useful life
AIR CONDITIONER	5
AUTO LEVEL	5
BOILER	5
BOREWELL & TUBEWELL	5
COMPUTERS	3
CYCLE	10
D G SET	5
DIESEL ENGINE	15
FIRE FIGHTING EQUIPMENT	5
FURNITURE & FIXTURES	10
INVERTOR	5
LIFT	15
MACHINERY A/C	15
MOTOR VEHICLE	8
MIXTURE	15
OFFICE BUILDING	30
REFRIGERATOR	5
ROAD ROLLER	10
UPS	5
VIBRATOR	5
LAPTOP	3
OFFICE EQUIPMENT	5

### **f) Share Capital**

Ordinary shares are classified as equity. Costs directly attributable to issuance of new ordinary shares are charged to profit and loss account on the basis of predetermined period in equal proportions.

### **g) Taxes on Income**

Current tax is the expected income tax payable/recoverable in respect of the taxable profit/(tax loss) for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying values of assets and liabilities for financial reporting purposes and the amount used for tax purposes.



## KMF BUILDERS & DEVELOPERS LIMITED

### h) Employee benefits

#### Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### Long term obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are accounted on accrual basis.

#### Post employment benefits:

The entity operates the Gratuity scheme as defined benefit plan and the obligations for these benefits are recognised as per the Actuarial Valuation.

### Actuarial Measurement of Gratuity

<i>Net Asset/ Liability Recognised in the Balance Sheet</i>	<b>31-03-2021</b>	<b>31-03-2020</b>
Present value of Defined Benefits Obligation At Beginning (Opening)	8,14,903	5,15,066
Current Service Cost	-	-
Interest Cost	-	-
Acturial (Gains) / Loss	88,750	2,99,837
Benefits Paid	-	-
Present value of Defined Benefits Obligation at the end (Closing)	<b>9,03,653</b>	<b>8,14,903</b>

### i) Provisions and Contingent Liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability, using a current pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the obligation. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in the notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the best estimates.

### j) Investments

Investment consist of the following :

#### **NON Current Investment : -**

Investment carried at Ammortised Cost :-



# KMF BUILDERS & DEVELOPERS LIMITED

Sch DEFERRED TAX CALCULATION:

KMF Builders and Developers Limited

Tax Rate 25%+4%

Timing differences as at 31-03-21 is given below:				
Particulars	As per Books	As per I T Act	Difference	Tax Liability/(Asset) to be recognised
<b>1. Fixed Assets</b>				
Written down value (excluding land)	39,87,966	59,26,699	(19,38,733)	(5,04,071)
<b>2. Deferred Revenue to extent not written off</b>				
Technical Knowhow (1 Installment)			-	-
Preliminary Expenditure (3 Installments)			-	-
<b>3. Expenses Disallowed under I T Act, eligible for claim in year of payment</b>				
Provision for Gratuity	-		-	-
Entry Tax	-		-	-
<b>4. Unabsorbed loss eligible for set off in subsequent years</b>				
Unabsorbed Depreciation				
<b>5. Others</b>				
Tax Credit u/s 115 JAA				
A Y 2006-07) not considered				
Total				
<b>Summary - as at 31st March 2020</b>				
Deferred Liability				
- Depreciation				(5,04,070)
Deferred Asset				
- Expenditure				-
- Unabsorbed Depreciation				-
- Business Loss				-
- Tax Credit u/s 115 JAA not considered as all of it lapsed by A Y 2005-06				-
<b>Net Liability</b>				<b>(5,04,070)</b>

Deferred tax Asset as on 01.04.20 (4,33,580)

Deferred tax Asset as on 31.03.21 (5,04,070)

Net difference charged to profit & loss a/c (70,490)

Deferred tax asset as on 01.04.2019	(3,98,777)
Deferred tax asset as on 31.03.2020	(4,33,580)
Net Difference charges to P&L Account	(34,803)





# KMF BUILDERS & DEVELOPERS LIMITED

Sch

## Non Current Investments

Non Current investments		
	Rs	
Particulars	As at 31st March 2021	As at 31st March 2020
<b>Trade Investments</b>	-	-
<b>Other Investments</b>		
Investments in shares	21,66,887.86	21,66,887.86
Investment in property	-	-
Investment partnership firms	-	-
	<b>21,66,887.86</b>	<b>21,66,887.86</b>

Sch

## Inventory

Inventories		
	Rs	
Particulars	As at 31st March 2021	As at 31st March 2020
Closing Stock - WIP	14,89,00,850.14	17,20,18,846.87
	<b>14,89,00,850.14</b>	<b>17,20,18,846.87</b>

Note: Refer note 1(e) on significant accounting policy for disclosure of mode of valuation of inventories

Sch

## Trade Receivables (Current)

Trade Receivables		
	Rs	
Particulars	As at 31st March 2021	As at 31st March 2020
i) Unsecured, Considered good ( Period Exceeding six months)		
- Laxmi Vilas Bank - Receivable	-	5,00,000.00
- Mandalal	24,13,466.00	24,13,466.00
	24,13,466.00	29,13,466.00
ii) Debts due by Private Companies	-	-
Less: Allowance for bad and doubtful debts	-	-
	<b>24,13,466.00</b>	<b>29,13,466.00</b>

Sch

## Cash and Cash Equivalents

Cash and Cash Equivalents		
	Rs	
Particulars	As at 31st March 2021	As at 31st March 2020
<b>Cash and cash equivalents</b>		
Cash on hand	20,57,683.24	19,61,490.24
Demand drafts in hand	-	-
Balances with banks		
- in current accounts	3,44,80,625.04	92,24,348.04
Fixed deposits	54,17,646.00	-
	<b>4,19,55,954.28</b>	<b>1,11,85,838.28</b>



## KMF BUILDERS & DEVELOPERS LIMITED

Sch

### Current Tax Assets (Net)

Current Tax Assets		
		Rs
Particulars	As at 31st March 2021	As at 31st March 2020
TDS and Advance tax	3,51,690.50	15,130.00
	<b>3,51,690.50</b>	<b>15,130.00</b>

Sch

### Other Current Assets

#### 9a Related Party Balances

Intercompany Debt		
		Rs
Particulars	As at 31st March 2021	As at 31st March 2020
KMF Group	69,10,600.00	69,10,600.00
KMF Securities Ltd	6,50,000.00	6,50,000.00
	<b>75,60,600.00</b>	<b>75,60,600.00</b>

#### 9b Other Current Assets

Other Current assets		
		Rs
Particulars	As at 31st March 2021	As at 31st March 2020
Advances for Materials & Service	-10,51,844.00	-10,51,844.00
Loans and Advances	22,77,685.83	27,24,594.95
	<b>12,25,841.83</b>	<b>16,72,750.95</b>

#### 9c Deposits

Deposits		
		Rs
Particulars	As at 31st March 2021	As at 31st March 2020
Rent Deposit	4,05,866.00	10,05,866.00
Security & Other Deposit	2,76,597.21	2,76,597.21
Staff Advances	1,30,000.00	1,30,000.00
Electricity Deposit	1,00,100.00	1,00,100.00
FD With BOB - New	-	59,929.00
Electircal Security Deposit	1,05,060.00	1,05,060.00
Prepaid Insurance	1,04,629.08	4,670.00
Sales Tax deposit	15,000.00	15,000.00
Fixed Deposit -(BOB) - Bamk Guarant	-	3,11,114.00
	<b>11,37,252.29</b>	<b>20,08,336.21</b>



## KMF BUILDERS & DEVELOPERS LIMITED

### Schedule 10 Equity Share Capital

#### Equity Share Capital

<b>i) Authorised share capital</b>		
20,00,00,000(40,00,000) Equity shares of Rs. 5/- each	20,00,00,000	20,00,00,000
	<b>20,00,00,000</b>	<b>20,00,00,000</b>
<b>ii) Issued, subscribed &amp; fully paid share capital</b>		
6,09,10,000(1,21,82,000) Equity shares of Rs. 5/- each	6,09,10,000	6,09,10,000
	<b>6,09,10,000</b>	<b>6,09,10,000</b>

The Company has one class of equity shares having a par value of Rs.5/-. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. The dividend, if any, is proposed by the Board is subject to approval by the Share Holders.

#### Details of share holders holding more than 5% shares

Name of the Share Holder	31-03-2021		%age
	No. of shares	%age	
<b>Reconciliation of no. of shares</b>			<b>31-03-2020</b>
Shares outstanding as at the beginning of the year			1,21,82,000
Less : Brought-back			-
Add : Issued			-
Shares outstanding as at the end of the year			1,21,82,000

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### Schedule 11 Other Equity

Particulars	As at 31st March 2021	As at 31st March 2020
<b>a) Capital Reserve</b>		
Opening Balance	68,21,500	68,21,500
Additions/Deletions since last Balance Sheet	-	-
	<b>68,21,500</b>	<b>68,21,500</b>
<b>b) Retained Earnings</b>		
Opening balance i.e. Statement of Profit & Loss	4,45,43,102	4,30,82,953
Less :- Reversal of Retained Earnings due to change in accounting policy	-	-
Profit/(Loss) for the period	35,02,449	14,60,149
	4,80,45,551	4,45,43,102
	<b>5,48,67,051</b>	<b>5,13,64,602</b>



# KMF BUILDERS & DEVELOPERS LIMITED

## Schedule - 12 Borrowings

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Borrowings (Non Current)</b>		
<b>Secured Loans</b>		
a) Vehicle loan From ICICI Bank	-	-
Less: Current Maturities	-	-
(Repayable in -- EMI of Rs.----- P.m. including interest commencing from-----Secured against vehicle.)	-	-
b) Vehicle loan From ICICI Bank	-	9,15,411
Less: Current Maturities	-	1,91,998
(Repayable in -- EMI of Rs.----- P.m. including interest commencing from-----Secured against vehicle.)		
c) Vehicle loan From Bank of Baroda	41,94,035	45,00,000
Less: Current Maturities	-	-
(Repayable in -- EMI of Rs.----- P.m. including interest commencing from-----Secured against vehicle.)	41,94,035	45,00,000
<b>Unsecured Loans</b>		
a) Loans from related parties*		
Intercompany Loans	-	-
From Other Related Parties	10,80,549	17,94,449
	10,80,549	17,94,449
Add: Loan taken during the year	-	-
Less: Current Maturities	-	-
	10,80,549	17,94,449
<b>Total Borrowings</b>	<b>52,74,584</b>	<b>70,17,862</b>

Short term Borrowings		
		Rs
Particulars	As at 31st March 2021	As at 31st March 2020
Gourav Chadha		
Kavitha Chadha		
Manisha Chadha		
	-	-



# KMF BUILDERS & DEVELOPERS LIMITED

## Schedule 13 Trade Payables

Trade Payables			Rs
Particulars	As at 31st March 2021	As at 31st March 2020	
Creditors for Goods	-	-	
Creditors for Services	49,34,948	47,90,868	
Creditors for Others	27,45,841	26,31,763	
	<b>76,80,789</b>	<b>74,22,631</b>	

## Schedule 14 Other Current Liabilities

Other Current Liabilities			Rs
Particulars	As at 31st March 2021	As at 31st March 2020	
Advance Received from Customers	7,93,28,377	7,68,10,341	
Other Statutory Liabilities	1,17,519	1,53,922	
Outstanding Expenses Payable	3,70,308	2,97,520	
	<b>7,98,16,204</b>	<b>7,72,61,783</b>	

## Schedule 15 Provisions (Current)

Provisions (Current)			Rs
Particulars	As at 31st March 2021	As at 31st March 2020	
Provision for Gratuity	9,03,653	8,14,903	
Provision for Income Tax	7,52,301	4,77,332	
	<b>16,55,954</b>	<b>12,92,235</b>	



## KMF BUILDERS & DEVELOPERS LIMITED

### KMF Builders and Developers Limited Notes on accounts

16	<b>Revenue from operations</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>
	Sales		
	- Sales(Flats)	4,62,29,000	1,75,60,000
	- Other Income	-	5,817
		<b>4,62,29,000</b>	<b>1,75,65,817</b>

17	<b>Other income</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended31 March 2021</b>	<b>For the year ended31 March 2020</b>
	Other Income	-	-
		-	-
		-	-

17	<b>Cost of Material Consumed</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended31 March 2021</b>	<b>For the year ended31 March 2020</b>
	<b>Raw Material Consumed:</b>		
	Opening Stock	17,20,18,847	16,59,72,817
	Add: Purchases (material)	26,50,846	19,64,341
	Other direct Expendit	52,17,187	42,81,493
		17,98,86,880	17,22,18,651
	Less: Closing Stock- WIP	14,89,00,850	17,20,18,847
	<b>TOTAL</b>	<b>3,09,86,030</b>	<b>1,99,804</b>

18	<b>Employee benefits expense</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended31 March 2021</b>	<b>For the year ended31 March 2020</b>
	Salaries and wages	32,19,685	36,86,334
	Gratuity Account	88,750	2,99,837
	Staff welfare expenses	1,45,745	1,18,995
		34,54,180	41,05,166
			-



## KMF BUILDERS & DEVELOPERS LIMITED

19	<b>Net Finance costs</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended31 March 2021</b>	<b>For the year ended31 March 2020</b>
	<b>Finance Expenses</b>		
	Interest expenses	2,56,264	71,282
	Bank and other processing charge	12,643	38,480
	Less:	2,68,907	1,09,762
	<b>Finance Income:</b>		
	Bank Interest	5,42,417	7,12,498
		<b>-2,73,510</b>	<b>-6,02,736</b>

20	<b>Other expenses:</b>		<b>Rs</b>
	<b>Particulars</b>	<b>For the year ended31 March 2021</b>	<b>For the year ended31 March 2020</b>
	Audit fees	1,10,000	1,00,000
	Travel and conveyance	1,08,517	2,89,681
	Repairs and maintenance	4,33,120	5,15,480
	Legal and professional charges	7,37,000	17,14,600
	Sales tax paid		49,400
	Rent rates and taxes	20,65,730	23,05,643
	Insurance	36,454	55,365
	Loss on Sale of fixed assets	2,87,432	-
	Electricity Charges	2,36,442	2,13,672
	Communication costs	80,032	1,07,354
	Postage and Courier	77,873	66,771
	Printing and stationery	60,896	76,900
	Advertising and sales promotion	4,16,812	2,58,640
	Interest and Late fees	4,134	4,234
	Round Off	592	10,382
	Stock Exchange Annual Listing Fees	3,10,000	3,00,000
	Water Expenses	7,087	8,563
	Meeting Expenses	34,300	1,76,792
	Newspaper & periodicals		7,077
	Registration and Renewals	42,410	82,854
	Loading and Unloading Charges		9,000
	Commission Paid	5,30,000	35,000
	Conveyance Expenses	3,61,780	4,95,147
	Entertainment Expenses	57,450	2,69,901
	Golf Manor-Annual Maintenance Charge	96,624	77,299
	ROC Fee	52,707	12,139
	Office Expenses	2,56,507	7,26,655
	Accounting Charges	46,800	46,800
	Annual Listing Fees	57,735	55,000
	Bad debts	5,00,000	-
	Business Promotion Expenses		6,10,693
	Compensation Paid	19,990	22,00,000
		<b>70,28,424</b>	<b>1,08,81,043</b>



# KMF BUILDERS & DEVELOPERS LIMITED

Form No. MGT-11

## Proxy Form

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

CIN:	L45203KA1995PLC017422
Name of the company:	KMF Builders & Developers Limited
Registered office:	Flat No. 508, Golf Manor Apartments, NAL Wind Tunnel Road, Murgeshpalya, Bangalore – 560017

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

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

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

or failing him/her

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

or failing him/her

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 20<sup>th</sup> day of September, 2021 at 09:00 a.m. at Hotel Sai Renaissance Opposite SBI Bank , SAI Colony (Whitefield railway station) Kadugudi Bengaluru-560067 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description of Resolutions	Assent	Dissent
<b>ORDINARY BUSINESS</b>			
1.	Adoption of Audited Statement of Profit and Loss Account for the year ended March 31, 2021 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.		
2.	Appointment of a Director in place of Mrs. Kavita Chadha, who retires by rotation and, being eligible, offers herself for re-appointment.		
<b>SPECIAL BUSINESS</b>			
3.	Appointment of Mr. Mani Suresh Babu		

Signed this..... day of..... 2021

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as a proxy. However, such person shall not act as proxy for any other shareholders.



**KMF BUILDERS & DEVELOPERS LIMITED**

**Reg. Office: No. 508, Golf Manor Apartments, Nal Wind Tunnel Road,  
Murgeshpalya, Bangalore-560017**

**CIN: L45203KA1995PLC017422 Tel.: 25238007, 41486142-43**

**Website: [www.kmfbuilders.com](http://www.kmfbuilders.com), E-mail: kmfbuilder95@gmail.com**

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id & Client Id / Regd. Folio No.*		No. of Shares	

Name(s) and address of the member in full

\_\_\_\_\_  
\_\_\_\_\_

I / we hereby record my / our presence at the 26th Annual General Meeting of the Company being held on Monday, 20<sup>th</sup> day of September, 2021 at 09:00 A.M at the Hotel SAI Renaissance, Opp. State Bank Of India SAI Colony, (Whitefield Rly.Stn.) Kadugudi, Bangaluru-560067

Please (P) in the box      MEMBER ☐      PROXY ☐

\*Applicable for member holding shares in physical form

Signature of Member / Proxy

Note :

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.