

KMF BUILDERS & DEVELOPERS LIMITED

CORPORATE GOVERNANCE REPORT

In terms of clause 49 of the Listing Agreement of the Stock exchanges, the Compliance Report on Corporate Governance is as reported below:

I. Company's philosophy on Corporate Governance

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

II. Corporate Governance Monitoring and Review Process at KMF Builders & Developers Ltd.:

KMF Builders & Developers Ltd. continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with statutory requirements in letter and spirit but also constantly endeavors to implement the best international practices of Corporate Governance, in the overall interest of all stakeholders.

1. Key Board activities during the year

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their main function is to ensure that long-term interests of the stakeholders are being served. The agenda for Board reviews / include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operation plans and capital allocation and budgets. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for future growth of the Company. Voluntary Corporate Governance Guidelines of the Ministry of Corporate Affairs, Government of India broadly outline a framework for corporate sector on important parameters like appointment of directors, guiding principles to remunerate directors, responsibilities of the Board, risk management, the enhanced role of Audit Committee and conduct of Secretarial Audit and Secretarial Standards as per guidelines of ICSI and Companies Act, 2013 (Act).

2. 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.

3. 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.

KMF BUILDERS & DEVELOPERS LIMITED

4. 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.

5. Familiarization Program of Independent Directors

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

6. Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992, a Securities Dealing Code 'KMFBuilder' and Developers 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.

7. Vigil Mechanism

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behaviour, 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.

KMF BUILDERS & DEVELOPERS LIMITED

8. Sexual Harassment Policy

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. Internal Complaints Committee set up for the purpose did not receive any complaints for redressal during the year.

III. 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 2014-15. 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 Mrs. Kavita Chadha as Executive Chairman, Mr. Gorve Chadha as Managing Director, Mr. Pradeep Kumar Malik as Whole time Director and Mr. Anil Rishiraj, Mr. Ravinder Kumar Sharma and Mr. Shyam Sunder Mittra as Non-Executive Independent Directors. During the year 2014-15, 05 (Five) meetings of the Board of Directors were held on 23rd May 2014, 30th May 2014, 14th August 2014, 14th November 2014 and on 12th February 2015. 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 31 March, 2015 have been made by the Directors as per Clause 49 (II) (D) of the listing agreement. Details of attendance of Directors at Board Meetings and at the last Annual General Meeting held on 29th September, 2014, with particulars of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31 March, 2015 are given below:

KMF BUILDERS & DEVELOPERS LIMITED

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	Non-Independent Executive Director	5	yes	-	-	-
Ms. Kavita Chadha (Chairperson) DIN03304018	Non-Independent Executive & Promoter Director	5	Yes	1	-	-
Mr. Pradeep Kumar Malik DIN 00755555	Whole time Executive and Promoter Director	5	Yes	-	-	-
Mr. Anil Rishiraj DIN02853310	Independent Non Executive Director	5	Yes	-	-	-
Mr. Ravinder Kumar Sharma DIN05101892	Independent Non Executive Director	5	Yes	-	-	-
Mr. Shyam Sunder Mitra DIN01174462	Independent Director Non Executive Director	5	Yes	1	-	-

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. Grove Chadha & Ms. Kavita Chadha, having relation of son and mother.

(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.kmfbuilders.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, 2015. The Annual Report of the Company contains a Certificate by the Managing Director in terms of Clause 49 of the listing agreement based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

IV. 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 under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of the four Directors, out of which three 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 29th September, 2014.

KMF BUILDERS & DEVELOPERS LIMITED

(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:
 - a. 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
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- 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;
- 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;

KMF BUILDERS & DEVELOPERS LIMITED

- 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:

The composition of the Committee is Mr. Ravinder Kumar Sharma, Chairman and Mr. Anil Rishiraj, Mr. Shyam Sunder Mittra and Mr. Pradeep Kumar Malik as members of the Committee. During the year, Four Audit Committee meetings were held on, 30th May 2014, 14th August 2014, 14th November, 2014 and on 12th February 2015.

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 2015	Meetings attended
Mr. Ravinder Kumar Sharma	Independent Director	4	4
Mr. Anil Rishiraj	Independent Director	4	4
Mr. Shyam Sunder Mittra	Independent Director	4	4
Mr. Pradeep Kumar Malik	Whole Time 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.

Nomination and Remuneration Committee

(A) Constitution

The Nomination and Remuneration Committee comprises of Mr. Ravinder Kumar Sharma as Chairman of the Committee and Mr. Anil Rishiraj, Mr. Shyam Sunder Mittra and Ms. Kavita Chadha as Members of the Committee.

KMF BUILDERS & DEVELOPERS LIMITED

(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 laid 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 meetings of Nomination and Remuneration Committee were held on 15 July, 2014 and 7th November, 2014.

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 2015	Meetings attended
Mr. Ravinder Kumar Sharma	Independent Director	2	2
Mr. Anil Rishiraj	Independent Director	2	2
Mr. Shyam Sunder Mittra	Independent Director	2	2
Mrs. Kavita Chadha	Promoter 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 endeavours 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 2014-15 was Rs. 3, 00,000/- p.a.

(F) Remuneration to Non-Executive Directors

Mr. Ravinder Kumar Sharma, Mr. Anil Rishiraj and Mr. Shyam Sunder Mittra, 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.

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year under review.

KMF BUILDERS & DEVELOPERS LIMITED

Stakeholders Relationship Committee

(A) Composition, Members, its meetings and attendance

Stakeholders Relationship Committee comprises of Mr. Ravinder Kumar Sharma as Chairman with Mr. Anil Rishiraj, Mr. Shyam Sunder Mittra 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, four meetings of the Stakeholders Relationship Committee were held on 30th May 2014, 14th August 2014, 14th November, 2014 and on 12th February 2015.

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 2015	Meetings attended
Mr. Ravinder Kumar Sharma	Independent Director	4	4
Mr. Anil Rishiraj	Independent Director	4	4
Mr. Shyam SunderMittra	Independent Director	4	4
Mr. Pradeep Kumar Malik	Whole Time Director	4	4

(B) Name and Designation of the Compliance Officer

Ms. Megha Bata, 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 : 41537810-15

E-mail: kmfbuilders95@gmail.com

(c) Complaints received and redressed during the year 2014-15-

There was no complaint received during the year 2014-15 Pursuant to clause 47(c) of the Listing Agreement, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

V. 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. Ravinder Kumar Sharma, Mr. Anil Rishiraj and Mr. Shyam Sunder Mittra met on 29th March, 2015 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including Chairman of the Board.

VI. Subsidiary Company

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

VII. Disclosures

(I) The Statements containing the transactions with related parties were submitted periodically Audit Committee

(ii) There are no related party transaction that may have potential conflict with the interest of the Company at large.

KMF BUILDERS & DEVELOPERS LIMITED

- (iii) 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.
- (iv) 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.

(B) Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(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, Listing Agreement, 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 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 himself 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 Clause 41 and 49 II(E)(2) of the Listing Agreement.

(I) Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format. Pursuant to Clause 49 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

KMF BUILDERS & DEVELOPERS LIMITED

VII. 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
2011-2012	30.06.2012	508, Golf Manor, NAL Wind, Tunnel Road, Murgeshpalya, Bangalore-560017	10.30 a.m.	Yes - (i) Approval to make a follow on public issue of Equity Shares by issue of prospectus. (ii) Approval for alteration of Memorandum and Articles of Association of the Company.
2012-2013	23.09.2013	508, Golf Manor, NAL Wind, Tunnel Road, Murgeshpalya, Bangalore-560017	10.30 a.m.	Yes (i) Appointment Mr. Gorge Chadha as Managing Director of the Company who has not attained the age of 25 years. (ii) Appointment of Mrs. Kavita Chadha as a director to hold an office or place of profit under the Company as Project Consultant
2013-2014	29.09.2014	508, Golf Manor, NAL Wind, Tunnel Road, Murgeshpalya, Bangalore-560017	10.30 a.m.	Yes - Keeping records and register of the company from a place other than registered office of the Company.

Note: No postal ballots were used /invited for voting at these meetings.

Means of Communication

The Company's website is a comprehensive reference on KMF builders's management, policies, 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 Samyuktha Karnataka (Bangalore edition)
Any website where displayed	Yes, the results are displayed on the Company's website www.kmfbuilders.com under Investor Centre - Disclosure Requirements Section
Whether it also displays official news releases	Yes

KMF BUILDERS & DEVELOPERS LIMITED

VIII. General Shareholder Information

Annual General Meeting:

- (i) **Date, time and Venue** : 30th day, September, 2015 at 10.30a.m.
508, Golf Manor, NAL Wind,
Tunnel Road, Murgeshpalya,
Bangalore-560017
- (ii) **Financial Year** : 1st April, 2014 to 31st March, 2015
- (iii) **Date of Book Closure:** : 22nd day of September, 2015 to 26th day of September 2015
(both days inclusive)
- (iv) **Dividend** : Nil
- (v) **Listing** : The Stock Exchanges on which the Company's shares
are listed:
BSE Limited DSE Limited (DSE has been de-recognised
during the year)
- (vi) **Stock Code** : BSE Limited-53178
DSE Limited (DSE has been de-recognised during the
year)

The ISIN of the Company for its shares : INE580H01026

Listing Fees for Bombay Stock Exchange Limited for 2015 - 2016 has been paid.

(vii) Market price information

- a. The reported high and low closing prices during the year ended 31 March, 2015 on the BSE, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below

Month	BSE		BSE SENSEX	
	High	Low	High	Low
2014-15				
April	2.37	2.37	22,939.31	22,197.51
May	2.48	2.48	25,375.63	22,277.04
June	2.94	2.94	25,735.87	24,270.20
July	2.98	2.98	26,300.17	24,892.00
August	2.91	2.91	26,674.38	25,232.82
September	2.69	2.69	27,354.99	26,220.49
October	2.33	2.33	27,894.32	25,910.77
November	2.33	2.33	28,822.37	27,739.56
December	2.33	2.33	28,809.64	28,097.12
January	2.31	2.31	29,844.16	26,776.12
February	2.31	2.31	29,560.32	28,044.49
March	2.52	2.52	30,024.74	27,248.45

- 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:

	1 st April 2014	31 st March 2015	% Change
Company Share Price (closing)	2.37	2.52	18.98%
SENSEX (closing)	22,446.44	27,957.49	24.55%

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, 2015

(a) Distribution of shareholding as on 31 March, 2015

No. of Equity shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of holding
1-100	99	12.283	2827	0.023
101- 500	240	29.777	65879	0.541
501-1000	156	19.355	130704	1.073
1001-5000	199	24.69	520964	4.277
5001-10000	39	4.839	283346	2.326
10001-20000	22	2.73	328313	2.695
20001-30000	7	0.868	174380	1.431
30001-40000	7	0.868	247598	2.032
40001-50000	3	0.372	133000	1.092
50001-100000	7	0.868	483989	3.973
100001-500000	22	2.73	6670800	54.759
500001-above	5	0.62	3140200	25.777
TOTAL		100.000	12182000	100.000

(x) Shareholding pattern as on 31stMarch, 2015

Category	No. of Shares held	% of issued share capital
Promoter	53,40,200	43.837
Mutual Funds & UTI	0	0
Financial institutions/Insurance Companies	0	0
FIs	0	0
NRIs/Foreign Nationals	0	0
Corporate Bodies	15,07,923	12.378
Indian Public & Others	533,3,877	43.785
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.

KMF BUILDERS & DEVELOPERS LIMITED

(xii) Top ten Shareholders as on 31st March, 2015

Category	Name	No. of Shares held	% of issued share capital
CORPORATE/ BODY CORPORATE	Manu Investment (P) Ltd.	8,23,800	6.76
INDIVIDUAL	Mr. Hitesh Ramji Javeri	3,80,000	3.12
CORPORATE / BODY CORPORATE	Anagram Securities Limited	3,39,000	2.78
INDIVIDUAL	Mrs. Sushma Batra	3,38,000	2.77
CORPORATE/ BODY CORPORATE	Mrs. Gitanjali Sabharwal	3,09,000	2.53
INDIVIDUAL	Mrs. Shashi Bhasin	2,93,400	2.40
CORPORATE / BODY CORPORATE	TMG Properties P Ltd.	2,80,000	2.30
INDIVIDUAL	Mrs. Harsha Hitesh Javeri	2,24,000	1.84
INDIVIDUAL	Mrs. Kamlesh Balchand shah	1,39,400	1.14
INDIVIDUAL	Mr. N. K Bhandari	1,26,800	1.04

(xiii) Dematerialisation of shares and liquidity

As on 31st March, 2015, a total of 1,06,08,200 equity shares have been dematerialised by approx. 87% of the total share Capital. The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialise 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

The Company Secretary
KMF Builders & Developers
Limited 1008, Vikram tower
Rajendera Place
Tel.:41537810-15
Fax:41537810
Email:kmfbuilders 95@gmail.com

I.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.

S. No.	Particulars	Clause No.	Compliance Status
I.	Board of Directors	49 II	
	(A) Composition of Board	49(IIA)	Complied with
	(B) Independent Directors	49 (IIB)	Complied with
	(C) Non - executive Directors' Compensation & Disclosures	49 (IIC)	Complied with
	(D) Other Provisions as to Board and Committees	49 (IID)	Complied with
	(E) Code of Conduct	49 (IIE)	Complied with
	(F) Whistle Blower Policy	49 (IIF)	Complied with

KMF BUILDERS & DEVELOPERS LIMITED

	(A) Qualified & Independent Audit Committee	49 (IIIA)	Complied with
	(B) Meeting of Audit Committee	49 (IIIB)	Complied with
	(C) Powers of Audit Committee	49 (IIIC)	Complied with
	(D) Role of Audit Committee	49 (IIID)	Complied with
	(E) Review of Information by Audit Committee	49 (IIIE)	Complied with
III.	Nomination and Remuneration Committee	49 (IV)	Complied with
IV.	Subsidiary Companies	49 (III)	Not Applicable
V.	Risk Management	49 (VI)	Complied with
VI.	Related Party Transactions	49 (VII)	Complied with
VII.	Disclosures	49 (VIII)	Complied with
	(A) Related Party Transactions	49 (VIII A)	Complied with
	(B) Disclosure of Accounting Treatment	49 (VIII B)	Complied with
	(C) Remuneration of Directors	49 (VIII C)	Complied with
	(D) Management	49 (VIII D)	Complied with
	(E) Shareholders	49 (VIII E)	Complied with
	(F) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (VIII F)	Not Applicable
VIII.	CEO/CFO Certification	49 (IX)	Complied with
IX.	Report on Corporate Governance	49 (X)	Complied with
X	Compliance	49 (XI)	Complied with

CERTIFICATE UNDER CLAUSE 49 of LISTING AGREEMENT

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 & Developers Ltd ("the Company") for the year ended 31stMarch, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that no investor grievance(s) is pending for a period exceeding one month against the Company as per the records maintained by the Company except one shareholder,

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

For B.Sreenivasa & Co.

Chartered Accountants

CABSreenivasa Setty (Proprietor)

ICAI Reg. No. 205645

Place : Bangalore

Dated: 14.08.2015

KMF BUILDERS & DEVELOPERS LIMITED

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.

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, 2015. **For KMF Builders & Developers Ltd.**

Gorve Chadha
Managing Director

Certification by CEO/CFO

The Board of Directors
KMF Builders & Developers Ltd.
508, Golf Manor, NAL Wind,
Tunnel Road, Murgeshpalya,
Bangalore-560017

Ref: Certification by CEO/CFO for Financial Year 2014-15

We, the undersigned, in our respective capacities as Chief Financial Officer of KMF Builders & Developers Ltd “the Company” to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year 2014-15 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken and/or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee, wherever applicable, the following:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For KMF Builders & Developers Ltd.

Place: Bangalore
Date: 14.08.2015

Pradeep Kumar Malik
CFO

Gorve Chadha
Managing Director

ANNUAL REPORT 2014-2015

KMF BUILDERS & DEVELOPERS LIMITED