KMF BUILDERS & DEVELOPERS LTD.

Regd. Office : 508, Golf Manor Nal Wind Tunnel Road, Murgesh Palya, Bangalore - 560017 Tel. : 080-41486142-43
Corp. Office : 4E/15, Ashoka Center 4th Floor, Jhandewalan Extension, New Delhi - 110055 Tel. : 011-45795060

CIN:L45203KA1995PLC017422 www.kmfbuilders.com

The Bombay Stock Exchange of India Ltd.
Phiroz Jeejeebhoy Tower
Dalal Street, Mumbai-400001
Fax No. 022-22723121/3719/2037

Sub: Annual Report under Regulation on 34(1)of the SEBI(Listing Obligation and Disclosure Requirements] Regulations 2015

REF:- Announcement 2333142

Dear Sir,

Pursuant to Regulation 34 (1) of the Listing Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2019-20. This is for your information and records.

Thanking you,
Yours faithfully

For KMF Builders & Developers Ltd.

Priyanka Behl
(Company Secretary & Compliance Officer)

25th

ANNUAL REPORT

2019-2020

KMF BUILDERS & DEVELOPERS LIMITED

BOARD OF DIRECTORS

1. Mr. Gorve Chadha - Chairman & Managing Director
2. Mrs. Kavita Chadha - Executive Director
3. Mr. Pradeep Kumar Malik - Chief Financial Officer
4. Mr. Shyam Sundar Mittra - Director (Till 14th August 2019)
5. Mr. Chirag Salaria - Director
6. Mr. Aniruddh Singh - Director
7. Mrs. Priyanka Behl – Company Secretary

REGD. OFFICE

No.508, Golf Manor Apartments
NAL Wind Tunnel Road
Murgeshpalya Bangalore-560017
CIN: - L45203KA1995PLC017422
Tel:+90(080)41486412, 25238007
Email: - kmfbuilders95@gmail.com

CORPORATE OFFICE

907 Vikram Tower Rajendera Place
Delhi-110008

AUDITORS

CS Nagendra & Co.
Chartered Accountants
Bangalore

Deepak Sadhu & Co
Company Secretaries
Bangalore

SHARE TRANSFER AGENT

Alankit Assignments Limited
RTA Division- KMF Builders and Developers Limited
2E/21, Jhandewalan Extn
New Delhi-110055
Ph No. 011-42541234
Email: - alankit@alankit.com

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NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty fifth Annual General Meeting of the Members of KMF Builders and Developers Limited (CIN: L45203KA1995PLC017423) will be held at Hotel SAI Renaissance, Opp. State Bank of India SAI Colony (Whitefield Rly Stn.) Kadugudi, Bangalore 560067 Karnataka, on Wednesday the 23rd day of December 2020 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, 2020, 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

Re-appointment of Mr. Gorve Chadha (DIN 06407884) as Managing Director

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 Section 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company and subject to the approval of the Members of the Company be and is hereby accorded to re-appoint Mr. Gorve Chadha as Managing Director of the Company for a period of 5 Years with effect from 22th December 2020 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Gorve Chadha.

Salary : Upto Rs. 12,00,000/- (Rupees Twelve Lakh Only) per annum with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the Salary, Allowances & Perquisites from time to time on the recommendation of the Nomination and Remuneration Committee within the limits of Rs. 12,00,000/- (Rupees Twelve Lakh Only).

B. Perquisites and Allowances: (i) Medical Re-imbursement/allowance: Re-imbursement of actual expenses for self and family as per rules of the Company.
(ii) Expenses in relation to use of Company car and telephone for official purpose.
(iii) Provision for driver/Allowance for driver's salary: As per rules of the Company. The total remuneration including Allowances & Perquisites shall not exceed the limits specified in Schedule V to the Act or the amount specified by the Central Government, as the case may be." C. Minimum Remuneration: Where in any financial year, the Company incurs a loss or its profits are inadequate, the Chairman and Managing Director shall be paid remuneration within the minimum remuneration specified in Schedule V of the Companies Act, 2013.

D. Other Terms: (i) He shall be entitled to reimbursement of entertainment expenses and other out of pocket expenses incurred in connection with the business of the Company. (ii) As long as he functions as a Managing Director, he shall not be paid any sitting fees to attend the meetings of the Board and /or Committees thereof. (iii) He shall be required to travel abroad for business promotion as and when required and all expenses incurred during such foreign travel will be governed by the Company's policy regarding foreign travel.
(iv). The Board of Directors in its absolute discretion to increase remuneration of appointee and review, alter or vary designation and other terms and conditions of appointment of the appointee, as mutually agreed with Mr. Gorve Chadha at the recommendation of Nomination and Remuneration Committee on annual basis or at such

time when recommended by the Nomination and Remuneration Committee.

"RESOLVED FURTHER THAT Ms. Priyanka Behl, Company Secretary, be and are hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to signand execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution."

By order of the Board of Directors
Gorve Chadha
(Chairman & Managing Director)
DIN: 06407884

Place: Delhi
Dated: 29-11-2020

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.

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 Wednesday 23rd December , 2020.

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.

(iv) In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies(Managementandadministration)Rules,2014,theResolutionsforconsiderationatthisAGMwillbetransactedthroughremotee-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 16th December, 2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the CompanyorintheRegisterofBeneficialOwnersmaintainedbytheDepositoriesasonthecut-offdatewillbeentitled 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 Rajendera 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:-
Step 1: Login to NSDL e-voting website
a) Launch internet browser by typing the URL: https://www.evoting.nsdl.com/and click on 'Shareholder-Login'

b) Insert your user ID & password on the login window and also insert the verification code as shown on the screen.

For Members holding shares in demat account with NSDL.	8 character DP ID followed by 8 digit Client ID. For example, if your DPID is IN300*** and ClientID is 12******, then your user ID is IN300***12******.
For Members holding shares in demat account with CDSL.	16 digit Beneficiary ID. For example, if your Beneficiary ID is 12**********, then your user ID is 12**********.
For Members holding shares in certificate form.	Electronic Voting Event Number (EVEN) followed by your folio number registered with the Company. For example, if the EVEN is 101456 and your folio number is 01/12***, then your user ID is 1014560112***.

- **Password:**

(i) If you are already registered with NSDL for remote e-voting ,you should use your existing password for login.

(ii) If you are using NSDL e-voting system for the first time, you would need to use your 'initial password' for login, which has been communicated to you by the Company.

(iii) If you are unable to retrieve or have not received the 'initial password', or have forgotten your password:

► Click on **'Forgot User Details / Password?',** if holding shares in dematerialized form,or
► Click on **'Physical User Reset Password?',** if holding shares in certificate form.

You may also send an e-mail requesting for password at evoting@nsdl.co.in, mentioning your name, PAN, registered address and your demat account number / folio number.
a) Agree to the terms and conditions by clicking the box.
b) Click on **'Login'.** Home page of remote e-voting opens.

If you are registered for NSDL e-services 'IDEAS', you can login at https://www.eservices.nsdl.com/with your existing IDEAS login and click on e-voting to proceed to Step 2 to cast your vote.

Step 2: Cast your vote on NSDL e-voting website
a) Click on 'e-voting: **Active Evoting Cycles'** and select the EVEN of KMFBUILDERS AND DEVELOPERS Limited.
b) Now you are ready for remote e-voting as **'Cast Vote'** page opens.
c) Cast your vote by selecting appropriate option and click on **'Submit'**. Thereafter click on **'Confirm'** when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.
d) Thereafter the message **'Vote cast successfully'** will be displayed.

Other Instructions
a) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorization to the

Scrutinizer through e-mail at **deepak@deepaksadhu.com** with a copy marked to NSDL's e-mail ID **evoting@nsdl.co.in.**

b) Those who become Members of the Company after dispatch of the Notice but on or before 16th December, 2020 (cut-off date) may write to NSDL at evoting@nsdl.co.in or to the Company at kmfbuilders95@gmail.comrequesting for user ID and password. On receipt of user ID and password, the steps stated above under 'Step 2: Cast your vote on NSDL e-voting website' should be followed for casting of vote.

c) In case of any query / grievance, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website www.evoting.nsdl.com or contact:

(i) Ms. Pallavi Mhatre Manager, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 at telephone nos.1800-222-990 (toll free) 011-23353815/817 or at e-mail ID pallavim@nsdl.co.in;

d) Ms. Priyanka Behl Company Secretary at telephone number 01145636075 or at e-mail ID Priyanka@kmfbuilders.com

You may also send your queries to the e-mail ID Priyanka@kmfbuilders.com

Remote e-voting will commence at 9.00 a.m. on 20thDecember, 2020 and will end at 5.00 p.m. on 22nd December, 2020, when remote e-voting will be blocked by NSDL.

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 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

Annexed to the Notice convening the Twenty Fifth Annual General Meeting to be held on Wednesday, 23rd December, 2020.

As you are aware, provisions of schedule V has become applicable to all companies, wherein for drawing remuneration of more than prescribed limits under section 197 of the Companies Act, 2013, conditions of schedule V is to be complied with. The Board at the meeting held on 29thNovember 2020, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Gorve Chadha as a Managing Director of the Company, as set out in the Resolution relating to his re-appointment, on the following remuneration:-

(I) Basic / Consolidated Salary – Rs. 1, 00,000/- per month.

(II) Performance Bonus – Not exceeding 300% of Basic / Consolidated Salary, payable annually for each financial year, as may be determined by the Board.

(III) Perquisites – In addition to the aforesaid Basic / Consolidated Salary and Performance Bonus, Mr. Gorve Chadha shall be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, Marketing of the Company's products and services etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to ` 15,00,000/- per annum, for the purposes of which limit perquisites shall be valued as per the provisions of the Income-tax Act and the Rules thereunder, wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost.

RE-IMBURSEMENT OF EXPENSES, COSTS ETC:
Mr. Gorve Chadha shall be entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by them for the purpose of or on behalf of the Company.
Additional information in respect of Mr. Gorve Chadha , pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'
None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.
Other Terms: (i) He shall be entitled to reimbursement of entertainment expenses and other out of pocket expenses incurred in connection with the business of the Company.

(ii) As long as he functions as a Whole Time Director, he shall not be paid any sitting fees to attend the meetings of te Board and /or Committees thereof.

Total Revenue	Rs. 17565817
Profit before Tax	Rs.2123115
Profit after Tax	Rs. 1460149

General information

4.	Financial performance based on given indicators	As on 31st March, 2020: Total Revenue Rs. 17565817 Profit before Tax Rs.2123115 Profit after Tax Rs. 1460149
5.	Foreign investment or collaboration, if any	Not applicable

Information about the appointee

1.	Background details	Mr. Gorve Chadha has Graduate in Business Economics from GDGWI University. His father was the founder promoter of our Company.
2.	Past remuneration	For the period 2019-20 :- Aggregate value of salary: Rs. 9,28,000/-
3.	Job profile and his suitability	Mr. Gorve Chadha is the Chairman and Managing Director of the Company aving overall experience of 10 years. He has been instrumental in strategic planning and business development of our Company. He is responsible for the overall management and supervision of the business of our Company.

4.	Remuneration proposed	Salary : Upto Rs. 12,00,000/- (Rupees Twelve Lacs Only) per annum. Perquisites and Allowances: Medical Re-imbursement/allowance: Re-imbursement of actual expenses for self and family as per rules of the Company. Expenses in relation to use of Company car and telephone for official purpose. Provision for driver/Allowance for driver's salary: As per rules of the Company.
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and in person	The proposed remuneration is commensurate with size and nature of the business of the company and big responsibility Mr. Gorve Chadha is carrying. The remunerations do differ from company to company in the industry depending on their respective operations.

Other information

1.	Reasons of loss or inadequate profits	Since past few years retail industry is going through rough phase. However the Company is growing slowly and gradually but the profits are still not adequate While the pandemic outbreak could temporarily disrupt the sector, there are certain greenshoots in this adverse situation.
2.	Steps taken or proposed to be taken improvement	Focus has been placed on promotion and marketing of products for so as to increase the sales turnover of the company and efforts are being made to reduce overheads and fixed costs as compared to variable costs and this will result into increase in profits of the company.

He will not be liable to retire by rotation during his term of office as Chairman and Managing Director

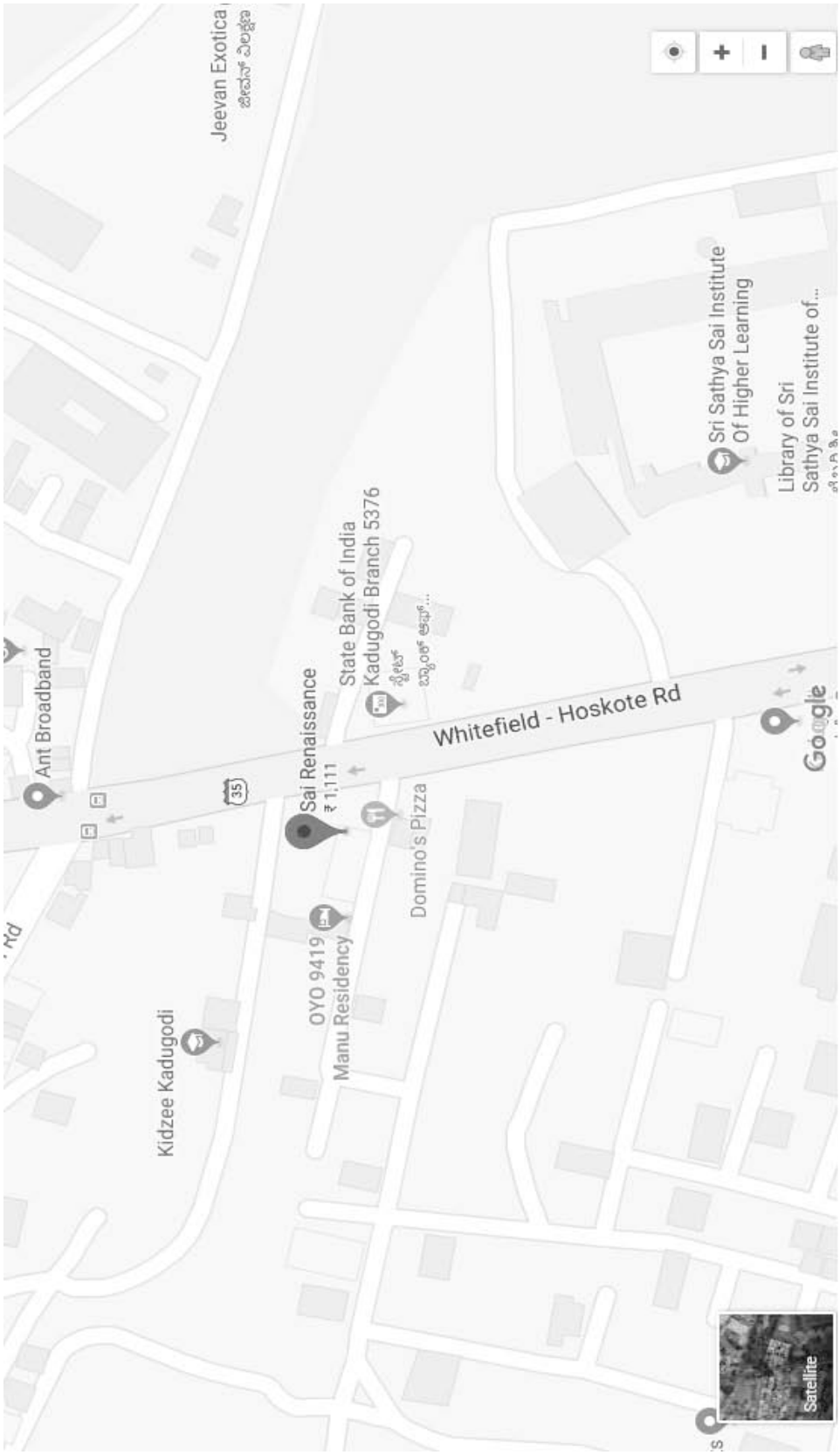
The members are requested to approve the resolution. The Board recommends these Resolutions for your approval.

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting scheduled to be held on December 23, 2020 (Pursuant to Regulation36(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 31.03.2020	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 a 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 and KMT Properties PVT Ltd.	-	10,80,400	Promoter of the Company, Mother of Mr. Gorve Chadha, Managing Director

By order of the Board of Directors
Gorve Chadha
(Chairman & Managing Director)
DIN: 06407884

Place: Delhi
Dated: 29-11-2020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Ant Broadband
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Whitefield - Hoskote Rd
Google
Domino's Pizza
OYO 9419 Manu Residency
Kidzee Kadugodi
35
Satellite

BOARD'S REPORT

To the Members of KMF Builders and Developers Limited

Your Directors, with great pleasure present the 25th Annual Report together with the audited statement of accounts for the financial year ended 31st March, 2020

1. FINANCIAL RESULTS

PARTICULARS	(Fig in Rs.) 2019-20	(Fig in Rs.) 2018-19
Income	17,565,817	40,083,082
Expenses	15,442,702	36,243,918
Profit (before tax)	2,123,115	38,39,164
Tax Expense	6,62,966	8,75,963
Profit /(Loss) for the period	14,60,149	29,63,201
Other Comprehensive income	0	(1,01,811)
Total Period for the year	**14,60,149**	**28,61,390**

2. FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:

The Company witnessed an uptick in residential real estate demand compared to the year before. However, the outbreak of Covid-19 pandemic is expected to adversely impact the sector performance in the first half of FY21. The most significant impact of Covid-19 is expected to be the reverse migration of workers which will impact construction activities across the country.

This is expected to cause project execution delays and working capital issues for us. While the start of FY21 may be muted due to the lockdown and its subsequent toll on economic activity, we believe customers would eventually return to the market in the second half of the financial year to partially mitigate the demand impact in earlier quarters. While we do expect the demand to catch up within the year, we believe the customers would expect relaxed payment plans. We also expect some increase in customer outstanding owing to the pessimistic liquidity environment.

While the industry at large may be adversely impacted by this pandemic and the recovery phase slowdown, Your Company has been working on making the supply chain more efficient as lockdown restrictions are eased. These measures will not only help the Company in tiding over the impact of Covid-19 but also make it more efficient in the long term. We believe that government reforms will lead to improved governance in the sector, increase transparency and bring about consolidation amongst real estate players. Our running project is "Purab Manor" at Bangalore. Yours Directors are quite hopeful for the success of the project as well and will earn excellent earning out of it

3. DIVIDEND

Your Directors do not recommend any dividend for the Financial Year 2019-2020.

4. TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the Financial Year 2019-2020.

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 dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2020, 87.35% of the equity shares of the Company were held in dematerialised form.

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 2019-2020

8. 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.

9. CHANGE IN SHARE CAPITAL

There is no change in share capital structure of the Company during the financial Year 2019-2020.

10. HUMAN RESOURCES DEVELOPMENT

The Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. KMF's people centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspirations during the year.

Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees. The Company's progressive workforce policies and benefits, various employee engagement and welfare initiatives have addressed stress management, promoted work life balance.

11. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company.

12. 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, 2020, 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

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis forms a part of this annual report and is annexed to this report.

14. 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, 2020, 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 at March 31, 2020 and of the profit of the Company for the year ended on March 31, 2020.

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, 2020 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.

15. AUDITORS

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the rules made thereunder it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013 ,M/s C S Nagendra & Co. Firm of Chartered Accountants (FRN 009486S) was appointed as the statutory auditors of the Company. M/s C S Nagendra & Co will hold office for a period of five years consecutive years from the conclusion of the 23rd Annual General Meeting of the Company till the conclusion of the 27th Annual General Meeting to be held in 2023 The requirement for the annual ratification of auditors appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

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 2019-2020 is annexed to this Report.

INTERNAL AUDITOR
The Company has appointed Ms. Jaya Monga as Internal Auditor of the Company for the Financial Year 2019-2020.

16. 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

17. 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.

18. 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.

19. 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-I to this Report.

20. 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 (Annexure-III)

21. 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.

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

There is a change during the year. The Board approves the resignation of Mr. Shyam Sunder Mittra (DIN: 01174462) w.e.f 14.08.2019 as Director of the Company.

Retirement

Mr. Kavita Chadha, Director, retires by rotation and being eligible, has offered herself 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.

23. 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. Gorve 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. Aniruddh Singh and Mr. Chirag Salaria are Non Executive Directors of the company

24. 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.

25. 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.

26.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

27.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

28. 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.

29. NUMBER OF MEETINGS OF THE BOARD:

The Board met 6 (Six) times in the financial year ended March 31, 2020 on May 29, 2019, Jully 30th, 2019, August 14, 2019, November 14, 2019 and February 14, 2020 and March 10,2020.

30. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company comprises of Independent and Executive members. , Board Elect Mr. Aniruddh Singh as Chairman on the place of Mr. Shyam Sunder Mittra , Mr. Chirag Salaria, 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.
*Mr. Shyam Sunder Mittra give resign from the post of Director w.e.f 14th August,2019

31. 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. Gorve Chadha, Managing Director and forms part of the Annual Report.

32. 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.

33. 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.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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.

39. 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.

40. 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.

41. 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 .

42. 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.

43.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.

44. 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	6,10,000	1.9:1
2.	Pradeep Kumar Malik	CFO	4,00,000	6,10,000	0.65:1

(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 increase 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, 2020.

(e) the explanation on the relationship between average increase in remuneration and company performance; - There is average increase in the remuneration of employees in the last financial year.

(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 2019-2020 (aggregated)	19,28,000
Revenue from operations	1,75,65,817
Remuneration (as % of revenue)10.97%Profit before tax (PBT)	21,23,115
Remuneration (as % of PBT)	90.8

(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 31st Mar 2020	As at 31st Mar 19	Variation
Closing rate of share at BSE	Rs.	1.45	1.72	(82.5%)
EPS (Consolidated)	Rs.	0.10	0.23	-22.9
Market Capitalization	Rs.	17,663,900	20,953,040	(18.62%)

(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 2019-2020 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	4,00,000	3,08,000
Revenue	17,565,817	17,565,817	17,565,817
Remuneration (as % of revenue)	6.83	2.27	1.75
Profits before tax (PBT)	14,60,149	14,60,149	14,60,149
Remuneration (as % of PBT)	82.18	27.39	21.09

(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, 2020 is as per the Remuneration Policy of the Company.

45. 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.

46. 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.

47. 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.

48. 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
Gorve Chadha
(Chairman & Managing Director)
DIN: 06407884
Add: - U-2 Green Park Main Delhi-110016

Place: Delhi
Date:29-11-2020

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 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 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.

3The 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.

ANNEXURE- III

EXTRACT OF ANNUAL RETURN

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 31.03.2020

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45203KA1995PLC017422
2.	Registration Date	21.03.1995
3.	Name of the Company	**KMF BUILDERS AND DEVELOPERS LIMITED**
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, MURGESHPALYA, 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: alankit@alankit.com

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 [01.04.2019]				No. of Shares held at the end of the year [31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
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
Sub-Total (A)(1)	**5875800**	**0**	**5875800**	**48.23**	**5875800**	**0**	**5875800**	**48.23**	**0**
(2) Foreign									
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
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
Sub-Total (A)(2)					0	0	0	0	0
Total shareholding of Promoter (A)	**5875800**	**0**	**5875800**	**48.23**	**5875800**	**0**	**5875800**	**48.23**	**0**
B. Public Shareholding									
1. Institutions									
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) FIIs	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
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1958757	343800	2302557	18.90	1958757	343800	2302557	18.90	(5.09)
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	884119	642600	1526719	12.53	884119	642600	1526719	12.53	(0.12)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1922524	554400	2476924	20.33	1922524	554400	2476924	20.33	0.21
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
Sub-total (B)(2):-	**47,65,400**	**15,40,800**	**6306200**	**51.77**	**47,65,400**	**15,40,800**	**6306200**	**51.77**	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**47,65,400**	**15,40,800**	**6306200**	**51.77**	**47,65,400**	**15,40,800**	**6306200**	**51.77**	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**10,641,200**	**15,40,800**	**1,21,82,000**	**100**	**10,641,200**	**15,40,800**	**1,21,82,000**	**100**	0

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		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	% Change
1	Mr. Gorve 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	1793100	14.7	0	0

C) **Change in Promoters' Shareholding includingIncrease / 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 01.04.2019		Shareholding at the end of the year as on 31.03.2020		% 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. Gorve 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	4,20,200	3.449	4,20,200	3.449	0	No change
	Malik						
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
6.	M/s. KMF Securities Ltd.	1793100	14.7	1793100	14.7	0	No change

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

S. No.	Name of the Shareholders	Shareholding at the beginning of the year as on 01.04.2019		Change in Shareholding during the year		Shareholding at the end of the year as on 31.03.2020	
		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
1.	Mr. Mohit Sansanwal	460002	3.77	0	0	460002	3.77
2.	Kmt properties private limited	931259	7.64	+75000	0.62	1006259	8.26
3	M/s Surender /kumar HUF	838118	6.88	+100782	0.83	938900	7.71
4.	Mr. Hitesh Ramji Javeri	3,80,000	3.12	-	-	3,80,000	3.12
5.	M/S Anagram Securities Limited	3,39,000	2.78	-	-	3,39,000	2.78
6.	Mr.Rasiklal Kasalchnad Shah	138800	1.13	-	-	138800	1.13
7.	Mrs.Kamlesh Balchand Shah	139400	1.15	-	-	139400	1.15
8.	Mr.Sushant Gupta	175982	1.44	-175982	-1.44	0	0
9.	Mrs. Harsha Hitesh Javeri	2,24,000	1.84	-	-	2,24,000	1.84

E) Shareholding of Directors and Key Managerial Personnel includingDate 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 (01.04.2019)/ end of the year (31.03.2020)	% of total shares of the company			No. of shares	% of total shares of the company	
Mr. Gorve Chadha	1159000	9.5	01.04.2019	-			Nil movement during the year
					1159000	9.5	
	1159000	9.5	31.03.2020				
Mrs. Kavita Chadha	10,80,400	8.87	01.04.2019	-			Nil movement during the year
					10,80,400	8.87	
	10,80,400	8.87	31.03.2020				
Mr. Pradeep Kumar Malik	4,20,200	3.45	01.04.2019				Nil movement during the
				-			
	4,20,200	3.45	31.03.2020		4,20,200	3.45	
							year
Mr. Chirag Salaria	0	0	01.04.2019				Nil movement during the year
				-			
	0	0	31.03.2020		0	0	
Mr. Aniruddh Singh	0	0	01.04.2019				Nil movement during the
				-			
	0	0	31.03.2020		0	0	
Ms. Priyanka Behl	0	0	01.04.2019				Nil movement during the year
				-			
	0	0	31.03.2020		0	0	
	0	0	01.04.2019				

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	4,00,000	16,00,000/-
	(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	4,00,000	16,00,000/-
	Ceiling as per the Act	-	-	-

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/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total (Rs.)
1	Gross salary	3,20,000	3,20,000
	(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	3,20,000	3,20,000

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)**
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			**NIL**		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2019-2020

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transactions	-
c)	Duration of the contracts/arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transaction including	-
	the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date(s) of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as	-
	required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the related party and nature of relationship	Kavita Chadha
b)	Nature of contracts/arrangements/transactions	Rent Paid
c)	Duration of the contracts/arrangements/transactions	5yrs
d)	Salient terms of the contracts or arrangements or transactions	Rs. 33000 PM
	including the value, if any	
e)	Date(s) of approval by the Board, if any	14-08-2019
f)	Amount paid as advances, if any	-
S. No.	**Particulars**	**Details**
g)	Name (s) of the related party and nature of relationship	Kavita Chadha
h)	Nature of contracts/arrangements/transactions	Unsecured Loan
i)	Duration of the contracts/arrangements/transactions	
j)	Salient terms of the contracts or arrangements or transactions	Recurring
	including the value, if any	
k)	Date(s) of approval by the Board, if any	14-08-2019
l)	Amount paid as advances, if any	-
S. No.	**Particulars**	**Details**
a)	Name (s) of the related party and nature of relationship	KMF Securities Ltd
b)	Nature of contracts/arrangements/transactions	ICD
c)	Duration of the contracts/arrangements/transactions	2yrs
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 650000
e)	Date(s) of approval by the Board, if any	14-08-2019
f)	Amount paid as advances, if any	-
S. No.	**Particulars**	**Details**
g)	Name (s) of the related party and nature of relationship	KMF Securities Ltd
h)	Nature of contracts/arrangements/transactions	Unsecured Loan
i)	Duration of the contracts/arrangements/transactions	2 YEARS
j)	Salient terms of the contracts or arrangements or transactions including the value, if any	Recurring
k)	Date(s) of approval by the Board, if any	14-08-2019

For KMF Builders and Developers Limited
Gorve Chadha
Managing Director
DIN 06407784

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: 31.03.2020

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 compliance 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, 2020 (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 31st March 2020 with Bombay 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.

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: 29.11.2020

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

Company's philosophy on Corporate Governance

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. Good governance practices stem from the dynamic culture and positive mindset of the organization. We consider stakeholders as partners in our journey forward and we are committed to ensure their wellbeing, despite business challenges and economic volatilities.

1. 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.

2. 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.

3. 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.

4. Familiarization Program of Independent Director

The Independent directors of KMF 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.

5. 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.

6. 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.

7. 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.

8. 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.

I. 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 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 2019-20.

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. Shyam Sunder Mittra as Non-Executive Independent Directors. & Ms. Priyanka Behl appoint as Company secretary .

During the year 2019-2020, 6 (Six) meetings of the Board of Directors were held on 29th May 2019 ,30th July, 2019, 14th August 2019, 14th November 2019 , 14th February 2020, and 10th March, 2020. 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, 2020 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 23th September, 2019, with particulars of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31st March, 2020 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	6	Yes	-	-	-
Ms. Kavita Chadha DIN 03304018	Executive Director & Promoter	6	No	1	-	-
Mr. Pradeep Kumar Malik DIN 00755555	CFO & Promoter	6	Yes	-	-	-
Mr. Shyam Sunder Mittra DIN 01174462	Independent & Non Executive Director	6	No	-	-	-
Mr. Chirag Salaria DIN 07504249	Independent & Non Executive Director	6	No	-	-	-
Mr. Aniruddh Singh DIN 02961295	Independent & Non Executive Director	6	No	-	-	-

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.

(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, 2020. 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 23rd 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;

♦ 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. Shyam Sunder Mittra, Mr. Aniruddh Singh and Mr. Pradeep Kumar Malik as members of the Committee. During the year, four Audit Committee meetings were held on 29th May 2019, 14th August 2019, 14th November, 2019 and 14th February 2020.

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 2019-20	Meetings attended
Mr. Chirag Salaria	Independent Director	4	4
*Mr. Shyam Sunder	Independent Director	4	2
Mr. Aniruddh Singh	Independent Director	4	4
Mr. Pradeep Kumar Malik	Executive Director	4	4

* Mr. Shyam Sunder Mittra gave resign from the post of Director w.e.f 14th August, 2019

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

Mr. Aniruddh Singh elect as Chairman. He with Mr. Chirag Salaria, Mr. Shyam Sunder Mittra 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 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 meeting of Nomination and Remuneration Committee were held on 30th July, 2019 & 14th August, 2019. 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 2019 20	Meetings attended
Mr. Aniruddh Singh	Independent Director	2	2
Mr. Chirag Salaria	Independent Director	2	2
*Mr. Shyam Sunder	Independent Director	2	1
Mrs. Kavita Chadha	Executive Director	2	2

* Mr. Shyam Sunder Mittra gave resign from the post of Director w.e.f 14th August, 2019

(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. Gorve Chadha is the Managing Director ("MD") of the Company. The salary, benefits and perquisites paid to Mr. Gorve Chadha, MD during the year 2019-20 was Rs. 12, 00,000/- p.a.

(F) Remuneration to Non-Executive Directors

Mr. Chirag Salaria, Mr. Shyam Sunder 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. Shyam Sunder Mittra gave resign from the post of Director w.e.f 14th August, 2019

Stakeholders Relationship Committee

(A) Composition, Members, its meetings and attendance

Stakeholders Relationship Committee comprises of Mr. Aniruddh Singh elect as Chairman, Mr. Chirag Salaria, Mr. Shyam Sunder Mittra and Mr. Pradeep Kumar Malik as members of the Committee.
The Committee is set up to 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 10th March , 2020.

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 2019-20	Meetings attended
Mr. Chirag Salaria	Independent Director	1	1
Mr. Aniruddh Singh	Independent Director	1	1
Mr. Shyam Sunder Mittra	Independent Director	1	0
Mr. Pradeep Kumar Malik	Executive Director	1	1

(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@kmfbuilders.com

(C) Complaints received and redressed during the year 2019-2020

There was no compliant received during the year 2019-2020. Pursuant to regulation 40(9) of SEBI (Listing and Obligations Requirement) Regulation 2015, 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. Shyam Sunder Mittra, Mr. Chirag Salaria and Mr. Aniruddh Singh met on 31.03.2020 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including Chairman of the Board.
* Mr. Shyam Sunder Mittra gave resign from the post of Director W.e.f 14th August, 2019.

IV. 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.

(B) Disclosure of Accounting Treatment

The financial statements of the Company for the year ended March 31, 2019, 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, 2019,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 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 Depositary 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.

V. 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
2016-17	20.09.2017	508, Golf Manor, NAL Wind, Tunnel Road, Murgeshpalya, Bangalore-560017	11.00am	Yes Reclassification of category from promoter to non promoters
2017-18	24.09.2018	Hotel SAI Renaissance Opp. SBI SAI Colony kadugudi Bangalore 560067	09.00am	Yes Revision in the remuneration of Mr. Gorve 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

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 www.kmfbuilders.com under Investor Centre - Disclosure Requirements Section
Whether it also displays official news releases	Yes

VI. General Shareholder Information

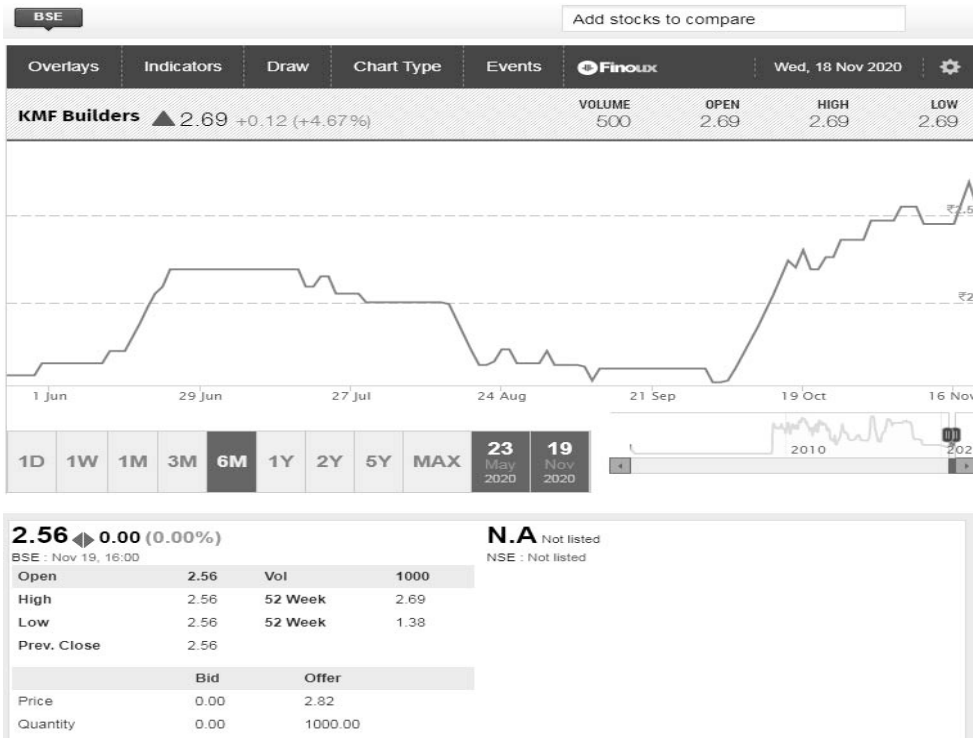
Annual General Meeting:

(i) Date, time and Venue : 23rd December, 2020 at 09:00AM.
(ii) Financial Year : 1st April to 31st March
(iii) Date of Book Closure : 15th December, 2020 to 19th December, 2020 (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 2020-21 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:

(vii) Market Price Information

	1st April 2019	31st March 2020	% Change
Company Share Price (closing)	1.72	1.45	(29.16)
SENSEX (closing)	36636.81	38623.81	(6.11%)

(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, 2020

(a) Distribution of shareholding as on 31 March, 2020

No. of Equity shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of holding
1-500	407	47.71	70877	0.58
501- 1000	154	18.05	129588	1.06
1001-2000	104	12.19	178454	1.46
2001-3000	36	4.22	94950	0.78
3001-4000	32	3.75	119970	0.98
4001-5000	27	3.17	124673	1.02
5001-10000	32	3.75	236788	1.94
10001-9999999	61	7.15	11226700	92.16
TOTAL	**853**	**100**	**12182000**	**100**

(x) Shareholding pattern as on 31st March, 2020

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
FIIs	0	0
NRIs/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 31st March, 2020

Category	Name	No. of Shares held	% of issued share capital
CORPORATE / BODY CORPORATE	KMT Properties Private Limited	9,31,259	7.64
HUF	Surender Kumar HUF	8,38,118	6.88
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	4,60,000	1.48
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

(xiii) Dematerialisation of shares and liquidity

As on 31st March, 2020, 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)

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, 2020 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 : 29.11.2020

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. 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, 2020.

For KMF Builders & Developers Ltd.

Sd/-
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 2019-20

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 2019-2020 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.

SD/-

Place: Delhi
Date: 29.11.2020

Pradeep Kumar Malik
CFO

Gorve Chadha
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Schedule V Para C clause 10 of the SEBI (LODR), 2015]

To,
The Members,
KMF BUILDERS AND DEVELOPERS LIMITED
508 Golf Manor NAL Wind Tunnel Road
Murgeshpalya Bangalore-560017

We have examined declarations/ written representation received from the Directors by the KMF Builders And Developers Limited (CIN: L45203KA1995PLC017422) and other relevant registers, records, forms, returns of the Company. In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company havebeen debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority for the financial year ending on 31st March, 2020.

For Deepak Sadhu & Co.
Company Secretaries
Deepak Sadhu
Proprietor

M NO.39541
COP No. 14992
29-11-2020

MANAGEMENT DISCUSSION & ANALYSIS REPORT

REAL ESTATE SECTOR

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 demonetization, RERA, GST, IBC crisis and the subvention scheme ban. While it was a tough task for the sector to align itself with these new regulations, the measures have been instrumental to bring transparency, accountability and fiscal discipline over the last few years. Prior to COVID19, the real estate sector was expected to grow and around 13% of India's GDP by 2025 (from around 6-7% in 2017), according to ANAROCK Research.

While the pandemic outbreak could temporarily disrupt the sector, there are certain greenshoots in this adverse situation. The recent liquidity crisis has worsened the situation for our type of smaller players which were anyway finding it difficult to adhere to new norms laid by RERA leading to a new wave of consolidation. Industry consolidation is likely to get accelerated further with the COVID19 outbreak and many weak players may cease to exist. 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.

BUDGET 2020 – TAKEAWAYS

Budget 2020 did not have much to offer to the real estate sector except for extension of benefits for affordable housing by one year and concession in real estate transactions. It had no measures to boost the demand in non-affordable housing category or liquidity in the sector. Some of the key measures include: Interest deduction benefit on affordable housing The Government in its attempt to boost affordable housing demand, proposed to

extend additional tax benefit of INR 1.5 lakh on interest paid on affordable housing loans by one year till March 2021. The additional deduction is over and above INR 2 lakh which was introduced in the previous year's budget. Tax holiday for Affordable housing developers In order to encourage developers to focus on affordable housing projects, the Government extended the date of approval for these projects for availing tax holiday on profit earned by developers by one year till March 2021. The tax holiday which was being provided under section 80-IBA for approved projects during the period from June 1, 2016 to March 31, 2020 has been extended by a year. Rationalization of capital gains tax on difference between circle rate and transaction rate Earlier for real estate transactions, if the consideration value was less than circle rate by more than 5%, the difference was considered as income accruing to both the buyer and seller and hence taxable to both. In order to facilitate real estate transactions and provide relief to the sector, the government increased the limit from 5% to 10%. New income tax regime for taxpayers The Government introduced an alternative tax regime and in case an individual moves to the new tax regime, the tax exemption including deduction repayment of principal (for INR 1.50 lakh) and deduction on interest payable on housing loan has to be forgone, which is potentially negative for the sector.

OPPORTUNITIES

OPPORTUNITIES CONSOLIDATION

The Indian real estate sector has been in a consolidation phase from the past few years and picked up pace resulting from several reforms and disruptions in the sector

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.

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, 2020 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 tothe explanations given to us, the aforesaid standalone financialstatements give the information required by the Companies Act,2013 ("the Act") in the manner so required and give a true andfair view in conformity with the Accounting Standardsprescribed under section 133 of the Actand other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, andits profit, changes in equity, its cash flows for the year ended on that date.

Basis for Opinion
We conducted our auditin accordance with the Standards on Auditing (SAs) specified undersection 143(10) of the Companies Act 2013. Our responsibilities under thoseStandards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section ofour report. We are independent of the Company in accordancewith the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirementsthat are relevant to our audit of the standalone financialstatements under the provisions of the Companies Act 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilitiesin accordance with these requirements and the ICAI's Code ofEthics. We believe that the audit evidence we have obtainedissufficient 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 professionaljudgment, were of most significance in our audit of the standalonefinancial statements of the current period. These matters wereaddressed in the context of our audit of the standalone financialstatements as a whole, and in forming our opinion thereon, andwe 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.	**Revenue Recognition of Construction Contracts**	**Principal Audit Response**
	The Company follows/recognises revenue based on IND AS – 115.	Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows. - Evaluated the design of the internal controls relating to implementation of the new revenue accounting standard.

		- Obtained listing of all the contracts as on 31.03.2020. -Identified the contracts that are not completed contracts for which handover of units not done and PartialOccupancy certificate received as on 28.03.2018.
2.	**Carrying Values of Inventories (Construction work in progress and Stock in trade)** 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.	**Principal Audit procedures** We assessed the Company's Process for the valuation of inventories. Our audit approach consisted testing of the design and operating effectivenessof the internal controls and substantive testing as follows: ♦ Evaluated the design of the internal controls relating to the valuation of inventories. ♦ Tested the operating effectiveness of controls for the review of estimatesinvolved for the expected cost of completion of projects includingconstruction cost incurred, construction budgets and net realizablevalue. We carried out a combination of procedures involving enquiry andobservation, and inspection of evidence in respect of operation of these- controls. Selected a sample of project specific inventories and performed the proceduresaround: ♦ Construction costs incurred for the project specific inventories by tracingto the supporting documents, estimated total construction cost to beincurred for completing the construction of the project and corroboratedthe same with the reports from external supervising engineers, whereapplicable. Obtained the company's assessment of NRV for the projectspecific inventories. ♦ The expected net amounts to be realized from the sale of inventory in the-ordinary course of business.
3.	**Investment in Shares** **Refer Notes to Accounts 1(j) to the standalone Financial statement**	The Investment in Shares reflecting in the Company Balance sheet is held in the name of the Director 'Kavita Chadha' as on 31.03.2020 vide Board Resolution No……02…… & dated 29/05/2019. to hold in the name of the Director.

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

♦ The Company's Board of Directors is responsible for theother information. The other information comprises theinformation included in the Board's Report, ManagementDiscussion and Analysis Report and Business Responsibility Report, but doesnot include the standalone financial statements and ourauditor'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 regard 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 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 section143(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 standalonefinancial 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 theaud it 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 flowand statement of changes in equitydealt with by this Report are inagreement with the books of account;

(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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 reportingof the companywith 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 o 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 itsdirectors 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

PLACE : Bangalore
DATE : 29/11/2020

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")

We have audited the internal financial controls over financial reporting of **M/s.KMF Builders and Developers Limited,** (the "Company") as of March 31, 2020 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 we reoperating effectively as at March 31, 2020, 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 - 20027390AAAAAQ7426

PLACE : Bangalore
DATE : 29-11-2020

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, compromising 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 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.

Name of the statues	Nature of dues	Amount
Income Tax Act, 1961	Interest on delayed payment of TDS u/s 201 & 220(2) & Interest on Short Deduction & Short Payment	2,29,940.00
	Short Payment & Short	1,57,765.00
	Deduction of TDS Late Filing Fee	42,590.00

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 activates 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 2020 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 31stMarch, 2020 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 are not applicable to the Company.

iv) 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.

v) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration inaccordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

vi) The Company is not aNidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

vii) 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.

viii) 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.

ix) 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.

x) 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 - 20027390AAAAAQ7426

PLACE : Bangalore
DATE : 29-11-2020

	KMF Builders and Developers Limited			
	Balance Sheet as at 31st March, 2020			
				Amounts (in Rs)
	Particulars	**Note No.**	**As at 31.03.2020**	**As at 31.03.2019**
	1	**2**	**3**	**4**
	ASSETS			
1.00	**Non-Current Assets**			
	(a) Property, Plant and Equipment	2.00	5293676.00	1392461.00
	(b) Capital Work-in-Progress		0.00	0.00
	(c) Deferred Tax Assets (Net)	3.00	433580.00	398777.00
	(d) Other Non-Current Assets	4.00	2166887.86	2166887.86
2.00	**Current Assets**			
	(a) Inventories - Wip	5.00	172018846.87	165972817.44
	(b) Financial Assets			
	(i) Trade Receivables	6.00	2913466.00	2913466.00
	(ii) Cash and Cash Equivalents	7.00	11185838.28	14741293.69
	(c) Current Tax Assets (Net)	8.00	15130.00	15130.00
	(d) Other Current Assets	9.00	11241687.16	10992016.08
	Total Assets		205269113.17	198592849.07
	EQUITY AND LIABILITIES			
1.00	**Equity**			
	(a) Equity Share Capital	10.00	60910000.00	60910000.00
	(b) Other Equity	11.00	51364602.18	49904452.00
	Liabilities			
2.00	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	12.00	5302862.40	994860.40
	(b) Provisions		0.00	0.00
	(c) Deferred Tax Liabilities (Net)		0.00	0.00
2.00	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	13.00	1715000.00	1830000.00
	(ii) Trade Payables	14.00	7422631.24	7559876.00
	(iii) Other Financial Liabilities		0.00	0.00
	(b) Other current liabilities	15.00	77261782.87	76878595.24
	(c) Provisions	16.00	1292235.00	515066.00
	(d) Current Tax Liabilities (Net)		0.00	0.00
	Total Equity and Liabilities		205269112.69	198592848.64
	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
Kavita Chadha	**Gorve Chadha**	**Priyanka Behl**		**CA C S Nagendra**
Director	**Managing Director**	**Company Secretary**		**Proprietor**
DIN03304018	**DIN06407884**	**ICSI Reg No.44723**		**ICAI Reg No:027390**
Place :	BANGALORE			
Date:	29/11/2020			

KMF Builders and Developers Limited
Statement of Changes in Equity for the year ended 31.03.2020

A. Equity Share Capital

Authorised equity share capital

Particulars	Number of shares	Amount (Rs)
As at 1st April 2019	**200000000**	**1000000000**
Increase during the financial year 2019-20	0	0
As at 31st March 2020	**200000000**	**1000000000**

Subscribed and Paid up share capital

Particulars	Note No	Number of shares	Amount
As at 1st April 2019		**12182000**	**60910000**
Increase during the financial year 2019-20	**10**	0	0
As at 31st March 2020		**12182000**	**60910000**

B. Other Equity

	Securities Premium Reserve/Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 31st March 2019	**6821500**	**0**	**43082952.23**	**49468160.02**
Changes in accounting policy or prior period errors	0	0	0	0
Restated balance at the beginning of the reporting period	0	0	0	0
Current Year Profit/ Loss	0	0	1460149.18	1460149.18
Other Comprehensive Income			0	
Any other change (to be specified)	0	0	0	0
Balance at the 31st March 2020	**6821500**	**0**	**44543101.41**	**51364601.41**

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	
Kavita Chadha	**Gorve Chadha**	**Priyanka Behl**		**CA C S Nagendra**
Director	**Managing Director**	**Company Secretary**		**Proprietor**
DIN03304018	**DIN06407884**	**ICSI Reg No.44723**		**ICAI Reg No:027390**
Place :	BANGALORE			
Date:	29/11/2020			

KMF Builders and Developers Limited

Statement of Profit and Loss for the year ended 31st March 2020

				Amounts (in Rs)
	Particulars	**Note No.**	**For the Year ended 31st March 2020**	**For the Year ended 31st March 2019**
I	Revenue From Operations	16	17,565,817	39,613,000
II	Other Income	17	-	470,082
III	Total Income (I+II)		**17,565,817**	**40,083,082**
IV	**EXPENSES**			
	Cost of Materials Consumed	18	199,804	23,172,530
	Employee Benefits Expense	19	4,105,166	3,559,477
	Finance Costs	20	-602,736	-417,704
	Depreciation and Amortization Expense	2	859,425	203,907
	Other Expenses	21	10,881,043	9,725,708
	Total Expenses (IV)		**15,442,702**	**36,243,918**
V	Profit/(Loss) Before Tax (III-IV)		2,123,115	3,839,164
VI	**Tax Expense:**			
	(1) Current Tax		697,769	725,980
	(2) Deferred Tax		-34,803	149,983
	(3) Tax of Earlier Years		-	-
	(4) MAT Credit Entitlement		-	-
VII	Profit (Loss) for the Period (V-VI)		1,460,149	2,963,201
VIII	**Other Comprehensive Income**			
	(i)Items that will not be reclassified to Profit/Loss			
	-Additional Depreciation due to change in estimate		-	-101,811
	(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		-	-101,811
X	Total Income for the Period (VII+IX)		1,460,149	2,861,390
X	Earnings per Equity Share			
	(1) Basic	22	0.10	0.23
	(2) Diluted		0.10	0.23

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
Kavita Chadha	**Gorve Chadha**	**Priyanka Behl**	**CA C S Nagendra**
Director	**Managing Director**	**Company Secretary**	**Proprietor**
DIN03304018	**DIN06407884**	**ICSI Reg No.44723**	**ICAI Reg No:027390**

Place : BANGALORE

Date: 29/11/2020

KMF Builders and Developers Limited
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit\(loss) Before Tax	2,123,115	3,839,164
	Adjustments for:		
	Depreciation	859,425	203,907
	Adjustment for Reserves	-	(3,125,392)
	Other Income	-	(470,082)
	Loss on sale of Asset	-	6,646
	Interest & Finance Charges	(602,736)	(417,704)
	Operating Profit before Working Capital Cha	**2,379,804**	**36,539**
	Adjustments for:		
	Decrease/(Increase) in Receivables	-	-
	Decrease/(Increase) in Current Tax Assets	-	(15,130)
	Decrease/(Increase) in Inventories	(6,046,029)	(40,954,844)
	Increase/(Decrease) in Other Current Assets	(249,671)	(658,417)
	Increase/(Decrease) in Payables	(137,245)	(742,556)
	Increase/(Decrease) in Short term Borrowings	(115,000)	(2,228,000)
	Increase/(Decrease) in other current liabilites	383,188	56,924,726
	Increase/(Decrease) in short term provisions	777,169	35,000
	Cash generated from operations	**(3,007,784)**	**12,397,318**
	Income Tax paid	697,769	875,963
	Comprehensive Income/Expense	-	101,811
	Net Cash flow from Operating activities	**(3,705,553)**	**11,419,544**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(5,244,150)	(1,342,697)
	Long term Capital Gain	-	-
	Interest Income	712,498	494,362
	Sale of Fixed Asset	483,510	255,000
	(Decrease)/Increase other non-current assets	-	-
	Net Cash used in Investing activities	**(4,048,142)**	**(593,335)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase\(Decrease) in Long term Borrowings	4,308,002	866,351
	Increase in Share Capital	-	-
	Interest paid	(109,762)	(76,658)
	Net Cash used in financing activities	**4,198,240**	**789,693**
	Net change in cash & Cash Equivalents(A+B+	**(3,555,455)**	**11,615,902**
	Cash and Cash equivalents at Beginning of the ye	14,741,294	3,125,392
	Cash and Cash equivalents at the end of the year	11,185,838	14,741,294
	Net change in cash & Cash Equivalents	**(3,555,455)**	**11,615,902**

Note:
1.Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard 7

For and on behalf of Board of Directors
M/S. KMF Builders and Developers Limited

As per our report of even date
For C S Nagendra & Co
Chartered Accountants
Firm Regn No: 009486S

Kavita Chadha
Director
DIN03304018

Gorve Chadha
Managing Director
DIN06407884

Priyanka Behl
Company Secretary
ICSI Reg No.44723

CA C S Nagendra
Proprietor
ICAI Reg No:027390

Place BANGALORE
Date: 29/11/2020

KMF BUILDERS AND DEVELOPERS LIMITED

No.508, Golf Manor Aprtments, NAL Wind Tunnel Road, Murugeshpalya, Bangalore-560 017

Property, Plant and Equipment SCHEDULE - 10

F.Y.2019-20

Sl. No.	Description	GROSS BLOCK				DEPRECIATION BLOCK					NET BLOCK	
		As on 01/04/2019	Additions during the year	Deletions during the year	Total As on 31.03.20	As on 01/04/2019	For theyear	Loss on asset/Asset Written	Dep written off during	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
1	OFFICE B	278,272.00	-	-	278,272.00	139,136.00	9,276.00	-	-	148,412.00	129,860.00	139,136.00
2	BOREWEI	-	-	-	-	-	-	-	-	-	-	-
3	D.G. SET	-	-	-	-	-	-	-	-	-	-	-
4	FIRE FIGH	-	-	-	-	-	-	-	-	-	-	-
5	LIFT	-	-	-	-	-	-	-	-	-	-	-
6	AIR CONI	-	-	-	-	-	-	-	-	-	-	-
7	VIBRATO	-	-	-	-	-	-	-	-	-	-	-
8	BOILER	-	-	-	-	-	-	-	-	-	-	-
9	ROAD RO	-	-	-	-	-	-	-	-	-	-	-
10	DIESEL E	-	-	-	-	-	-	-	-	-	-	-
11	INVERTO	-	-	-	-	-	-	-	-	-	-	-
12	MIXTURE	-	-	-	-	-	-	-	-	-	-	-
13	PLANT &	84,583.00	-	-	84,583.00	39,471.87	5,639.00	-	-	45,110.87	39,472.13	45,111.13
14	OFFICE E	53,168.00	-	-	53,168.00	38,735.00	10,633.00	-	-	49,368.00	3,800.00	14,433.00
15	REFREGI	-	-	-	-	-	-	-	-	-	-	-
16	FURNITU	105,210.00	-	-	105,210.00	86,289.00	10,521.00	-	-	96,810.00	8,400.00	18,921.00
17	CYCLE	-	-	-	-	-	-	-	-	-	-	-
18	MOTOR V	435,754.00	-	-	435,754.00	435,754.00	-	-	-	435,754.00	-	-
19	MOTOR V	1,342,697.00	5,244,150.00	483,510.00	6,103,337.00	167,837.13	823,356.00	-	-	991,193.13	5,112,143.87	1,174,859.87
20	COMPUTI	-	-	-	-	-	-	-	-	-	-	-
21	UPS	-	-	-	-	-	-	-	-	-	-	-
22	AUTO LE	-	-	-	-	-	-	-	-	-	-	-
23	LAPTOP	-	-	-	-	-	-	-	-	-	-	-
	Total (Cu	**2,299,684.00**	**5,244,150.00**	**483,510.00**	**7,060,324.00**	**907,223.00**	**859,425.00**	**-**	**-**	**1,766,648.00**	**5,293,676.00**	**1,392,461.00**
	Total (F.Y	**1,211,987.00**	**1,342,697.00**	**255,000.00**	**2,299,684.00**	**699,283.27**	**203,906.73**	**-**	**-**	**907,223.00**	**1,392,461.00**	**512,703.73**

Notes: Useful Life taken as per companies act2013

There is a charge on Vehicle.

KMF BUILDERS AND DEVELOPERS LIMITED
NOTES ANNEXED TO & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 judgements, 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 judgement 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 toexpect 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 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 intendeduse, net of tax/duty credits availed, if any, after deducting rebates and trade discounts, less accumulated depreciation and accumulated impairement losses, if any. If significant parts of an item of PPE have different useful lives, then they are accountedfor as separate items(major components) of PPE

Depreciation & Amortisation

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 Prorata basis from/up to date of addition/deletion.

The useful life of assets estiumated 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**
MACHINARY 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 chargedto 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 anyadjustment to the tax payable or receivable in respect of previous years. It is measured using the tax rates and tax laws that havebeen 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 financialreporting purposes and the amount used for tax purposes.

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 whenthe 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 whichthe 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 recognisedas per the Acturial Valuation.

Actuarial Measurement of Gratuity

Net Asset/ Liability Recognised in the Balance Sheet	**31-03-2020**	**31-03-2019**
Present value of Defined Benefits Obligation At Beginning (Opening)	515,066	480,066
Current Service Cost	-	-
Interest Cost	-	-
Acturial (Gains) / Loss	299,837	35,000
Benefits Paid	-	-
Present value of Defined Benefits Obligation at the end (Closing)	**814,903**	**515,066**

i) Provisions and Contingent Liabilities

Provisions are recognised when the company has a present obiligation(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 :-

Particulars	As at March 31, 2020	As at March 31, 2019
Fully Paid Equity Shares -		
Hariq Crank Shaft	68211	68211
Infosys Ltd	58832	58832
JSW Steels Ltd	11999	11999
Oil & Natura	20309	20309
Tata Teleservices (TTML)	969050	969050
TCS	100336	100336
Tech Mahindra	845096	845096
Unitech Ltd	10335	10335
Vishal Export	82719	82719
Total	2166887	2166887

k) Segment Information

i) The Company operates in construction of Residential flats.

l) Related Party Disclosures

a) Individuals having control and relatives

Gourav Chadha	Director
KMF Securities Ltd	Relative is a Director

b) Significant transactions with Related Parties :-

Particulars	Relation	Amount	Nature of Transaction/Balance
1. Malik Pradeep Kumar	CFO	400,000	Salary
2. Gaurav Chadha	Director	1,200,000	Salary
		928,734	Current A/c balance
3. Kavitha Chadha	Director	387,000	Rent
		1,122,425	Advance for Flat
		1,269,984	Unsecure Loan Payable
		359,000	Rental Secuity deposit
4. Manisha Chadha	Director Relative	470,000	Unsecure Loan Payable
5. KMF Securities Ltd	Comman Director	650,000	Inter corporate Deposit

m) General

Accounting policies which are not specifically stated are consistant and in consonance with Indian Accounting Standards

2. Earnings per share

Basic earnings per share is computed by dividing Net Profit after tax (attributable to equity share holders) by weighted average number of equity shares outstanding for the period. Dilutive earnings per share is not calculated as the company has not issued any dilutive potential equity shares.

Particulars	31.03.2020	31.03.2019
Nominal value of shares of Rs.10/- each		
Profit/(Loss) after tax	1,160,312	2,861,390
Average no. of shares outstanding	12,182,000	12,182,000
Basic earnings per share	0.10	0.23
Diluted earnings per share	0.10	0.23

3. Retirement Benefit

a) All the Employees is covered under gratuity scheme. The company has determined the gratuity liability.
b) In case of leave encashment benefits offered to employees, there is no liability for provision of leave encashment benefit at the end of the year.
c) The Company's total number of employees has not exceeded the stipulation limit of the PF Act., 1952, Hence the company has not registered under PF Act., 1952

4. Deferred Tax

Deferred tax recognized subject to the consideration of prudence, on timing differences between taxable income and accounting income, that originates in one period and are capable of reversal in one or more subsequent periods

5. Taxation

Income tax expense comprises current tax for the year determined in accordance with the income-tax Act, 1961.

Deferred tax:

Deferred taxation is provided using the liability method in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.
Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only when there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or, written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Minimum Alternative Tax:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

6. Goods and Service Tax Input

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits. At the year end GST Input underlying in books charged to Direct Expenses.

7. Contingent liabilities and commitments

Contingent liabilities:
The company does not have any contingent liabilities.

8. Payment to auditors

	31.03.2020	31.03.2019
For audit	50,000	55,000
For tax audit	50,000	55,000
For other services	-	-
	100,000	**110,000**

9. Earnings per share

Basic earnings per share has been calculated by dividing the profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating

diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

10. Income & Expenditure in foreign currency

Inflow of foreign Currency:
Amount Received is Nil

Outflow of foreign Currency:
Amount paid in form of Foreign Currency - Nil

11. Previous year's figures have been re-grouped/re-arranged wherever necessary to make them comparable with current year's figures.

12. Amounts in paises have been rounded off to the nearest Rupee.

For and on behalf of Board of Directors
M/S. KMF Builders and Developers Limited

As per our report of even date
For C S Nagendra & Co
Chartered Accountants
Firm Regn No: 009486S

Kavita Chadha	Gorve Chadha	Priyanka Behl	CA C S Nagendra
Director	Managing Director	Company Secretary	Proprietor
DIN03304018	DIN06407884	ICSI Reg No.44723	ICAI Reg No:027390

Place : BANGALORE
Date : 29/11/2020

3. Sch **DEFERRED TAX CALCULATION:** **Tax Rate 25%+4%**

Timing differences as at 31-3-20 is given below:				
Particulars	**As per Books**	**As per I T Act**	**Difference**	**Tax Liability/(Asset) to be recognised**
1. Fixed Assets				
Written down value (excluding land)	5,293,676	6,961,291	(1,667,615)	(433,580)
2. Deferred Revenue to extent not written off				
Technical Knowhow (1 Installment)			-	-
Preliminary Expenditure (3 Installments)			-	-
3. Expenses Disallowed under I T Act, eligible for claim in year of payment				
Provision for Gratuity	-		-	-
Entry Tax	-		-	-
4. Unabsorbed loss eligible for set off in subsequent years				
Unabsorbed Depreciation				
5. Others				
Tax Credit u/s 115 JAA A Y 2006-07) not considered				
Total				

Summary - as at 31st March 2020	
Deferred Liability	
- Depreciation	(433,580)
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	-
Net Liability	**(433,580)**

Deferred tax Asset as on 01.04.19	(398,777)
Deferred tax Asset as on 31.03.20	(433,580)
Net difference charged to profit & loss a/c	(34,803)

Deferred tax asset as on 01.04.2018	(548,760)
Deferred tax asset as on 31.03.2019	(398,777)
Net Difference charges to P&L Account	149,983

4. Sch Non Current Investments

Non Current investments		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Trade Investments	-	-
Other Investments		
Investments in shares	2,166,887.86	2,166,887.86
Investment in property	-	-
Investment partnership firms	-	-
	2,166,887.86	**2,166,887.86**

5. Sch Inventory

Inventories		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Closing Stock - WIP	172,018,846.87	165,972,817.44
	172,018,846.87	**165,972,817.44**

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

6. Sch Trade Receivables (Current)

Trade Receivables		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
i) Unsecured, Considered good (Period Exceeding six months)		
- Laxmi Vilas Bank -	500,000.00	500,000.00
- Mandalal	2,413,466.00	2,413,466.00
	2,913,466.00	2,913,466.00
ii) Debts due by Private C	-	-
Less: Allowance for bad a	-	-
	2,913,466.00	**2,913,466.00**

7. Sch Cash and Cash Equivalents

Cash and Cash Equivalents		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Cash and cash equivalents		
Cash on hand	1,961,490.24	834,046.24
Demand drafts in hand	-	-
Balances with banks		
- in current accounts	9,224,348.04	13,907,247.45
	11,185,838.28	**14,741,293.69**

8. Sch Current Tax Assets (Net)

Current Tax Assets		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
TDS and Advance tax	15,130.00	15,130.00
	15,130.00	**15,130.00**

9. Sch Other Current Assets

9a Related Party Balances

Intercompany Debt		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
KMF Group	6,910,600.00	6,910,600.00
KMF Securities Ltd	650,000.00	650,000.00
	7,560,600.00	**7,560,600.00**

9b Other Current Assets

Other Current assets

Rs

Particulars	As at 31st March 2020	As at 31st March 2019
Advances for Materials &	-1,051,844.00	-1,051,844.00
Loans and Advances	2,724,594.95	2,767,841.87
	1,672,750.95	**1,715,997.87**

9c Deposits

Deposits

Rs

Particulars	As at 31st March 2020	As at 31st March 2019
Rent Deposit	1,005,866.00	1,001,866.00
Securrity & Other Deposi	276,597.21	276,597.21
Staff Advances	130,000.00	138,000.00
Electricity Deposit	100,100.00	100,100.00
FD With BOB - New	59,929.00	56,532.00
Electircal Security Deposi	105,060.00	105,060.00
Prepaid Insurance	4,670.00	22,263.00
Sales Tax deposit	15,000.00	15,000.00
Fixed Deposit -(BOB) - B	311,114.00	-
	2,008,336.21	**1,715,418.21**

Schedule 10 Equity Share Capital

Equity Share Capital

i) Authorised share capital		
20,00,00,000(40,00,000) Equity shares of Rs. 5/- each	200,000,000	200,000,000
	200,000,000	**200,000,000**
ii) Issued, subscribed & fully paid share capital		
6,09,10,000(1,21,82,000) Equity shares of Rs. 5/- each	60,910,000	60,910,000
	60,910,000	**60,910,000**

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	**31-03-2020**	
	No. of shares	**%age**
Reconciliation of no. of shares	6969759	57.213
Shares outstanding as at the beginning of the year		
Less : Brought-back		
Add : Issued		
Shares outstanding as at the end of the year	6969759	57.213

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 2020**	**As at 31st March 2019**
a) Capital Reserve		
Opening Balance	6,821,500	6,821,500
Additions/Deletions since last Balance Sheet	-	-

	6,821,500	**6,821,500**
b) Retained Earnings		
Opening balance .i.e. Statement of Profit & Loss	43,082,953	44,066,217
Less :- Reversal of Retained Earningst due to Adoption of IND AS 115	-	- 3,844,655
Profit/(Loss) for the period	1,460,149	2,861,391
	44,543,102	43,082,953
	51,364,602	**49,904,453**

Schedule 12 Borrowings

Particulars	As at 31st March 2020	As at 31st March 2019
Borrowings (Non Current)		
Secured Loans		
a) Vehicle loan From ICICI Bank	0	49,060
Less: Current Maturities	-	49,060
	0	0
b) Vehicle loan From ICICI Bank	915,411	1,066,852
Less: Current Maturities	191,998	151,441
	723,413	915,411
(Repayable in -- EMIs of Rs21940 P.m. including interest Commencing from 15june2018Secured against vehicle.)		

c) Vehicle loan From Bank of Baroda	4,500,000	-
Less: Current Maturities	-	-
	4,500,000	-
(Repayable in -- EMIs of Rs.71265P.m. including interest Commencing from06 march20Secured against vehicle.)		
Unsecured Loans		
a) Loans from related parties*		
Intercorporate Loans	-	-
From Other Related Parties	79,449	79,449
	79,449	79,449
Add: Loan taken during the year	-	-
Less: Current Maturities	-	-
	79,449	79,449
Total Borrowings	**5,302,862**	**994,860**

Schedule 13 Short term Borrowings

Short term Borrowings		**Rs**
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Gourav Chadha	-	-
Kavitha Chadha	1,245,000	1,360,000
Manisha Chadha	470,000	470,000
	1,715,000	**1,830,000**

Schedule 13 Trade Payables

Trade Payables		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Creditors for Goods	-	-
Credtors for Services	4,790,868	6,619,821
Creditors for Others	2,631,763	940,055
	7,422,631	**7,559,876**

Schedule 14 Other Current Liabilities

Other Current Liabilities		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Advance Received from Customers	76,810,341	76,667,551
Other Statutory Liabilities	153,922	162,832
Outstanding Expenses Payable	297,520	48,211
	77,261,783	**76,878,594**

Schedule 15 Provisions (Current)

Provisions (Current)		Rs
Particulars	**As at 31st March 2020**	**As at 31st March 2019**
Provision for Gratuity	814,903	515,066
Provision for Income Tax	477,332	
	1,292,235	**515,066**

KMF Builders and Developers Limited
Notes on accounts

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Revenue from operations		Rs
Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Sales		
- Sales(Flats)	17,560,000	39,613,000
- Other Income	5,817	-
	17,565,817	**39,613,000**

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Other income		Rs
Particulars	**For the year ended31 March 2020**	**For the year ended31 March 2019**
Other Income	-	470,082
	-	-
	-	**470,082**

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Cost of Material Consumed		Rs
Particulars	**For the year ended31 March 2020**	**For the year ended31 March 2019**
Raw Material Consumed:		
Opening Stock	165,972,817	125,017,973
Add: Purchases (material)	1,964,341	55,268,888
Other direct Expenditure	4,281,493	8,858,487
	172,218,651	189,145,348
Less: Closing Stock- WIP	172,018,847	165,972,817
TOTAL	**199,804**	**23,172,530**

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Employee benefits expense		Rs
Particulars	**For the year ended31 March 2020**	**For the year ended31 March 2019**
Salaries and wages	3,686,334	3,253,860
Gratutity Account	299,837	35,000
Staff welfare expenses	118,995	270,617
	4,105,166	3,559,477
		-

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Net Finance costs		Rs
Particulars	**For the year ended31 March 2020**	**For the year ended31 March 2019**
Finance Expenses		
Interest expenses	71,282	69,107
Bank and other processing charges	38,480	7,552
Less:	109,762	76,658
Finance Income:		
Bank Interest	712,498	494,362
	-602,736	**-417,704**

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Other expenses:		Rs
Particulars	**For the year ended31 March 2020**	**For the year ended31 March 2019**
Audit fees	100,000	110,000
Travel and conveyance	289,681	351,192
Repairs and maintenance	515,480	401,936
Professional tax	-	2,500
Legal and professional charges	1,714,600	1,265,156
Sales tax paid	49,400	496,123
Rent rates and taxes	2,305,643	2,250,000
Insurance	55,365	50,529
Loss on Sale of Motor Car	-	4,033
Electricity Charges	213,672	248,406
Communication costs	107,354	51,824
Postage and Courier	66,771	127,059
Printing and stationery	76,900	92,380
Advertising and sales promotion	258,640	430,204
Interest and Late fees	4,234	45,098
Round Off	10,382	27
Stock Exchange Annual Listing Fees	300,000	250,000
Wages account	-	80,808
Water Expenses	8,563	5,729
Service tax paid	-	-
Meeting Expenses	176,792	349,422
Newspaper & periodicals	7,077	2,396
Registration and Renewals	82,854	45,450
Loading and Unloading Charges	9,000	-
Commission Paid	35,000	1,400,000
Conveyance Expenses	495,147	386,497
Entertainment Expenses	269,901	197,169
Golf Manor-Annual Maintenance Charges	77,299	12,078
ROC Fee	12,139	-
Labour conveyance Expenses	-	43,237
Ofiice Expenses	726,655	231,404
Accounting Charges	46,800	46,800
Annual Listing Fees	55,000	56,800
Bangalore Development Authority Expens	-	140,025
Business Promotion Expenses	610,693	551,425
Compensation Paid	2,200,000	-
	10,881,043	**9,725,708**

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 25th Annual General Meeting of the Company, to be held on Wednesday, 23rd day of December, 2020 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
ORDINARY BUSINESS			
1.	Adoption of Audited Statement of Profit and Loss Account for the year ended March 31, 2020 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.		
SPECIAL BUSINESS			
3.	Re-appointment of Mr. Gorve Chadha as Managing Director		

Affix Revenue Stamp

Signed this..... day of..... 2020

Signature of shareholder

Signature of Proxy holder(s)

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, E-mail: kmfbuilders95@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 25th Annual General Meeting of the Company being held on Moday, 23RD day of December, 2020 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.

BOOK-POST

If Undelivered, Please return to:-

KMF BUILDERS & DEVELOPERS LIMITED
No.508, Golf Manor Apartments
NAL Wind Tunnel Road
Murgeshpalya Bangalore-560017

CORPORATE OFFICE
907 Vikram Tower Rajendera Place
Delhi-110008