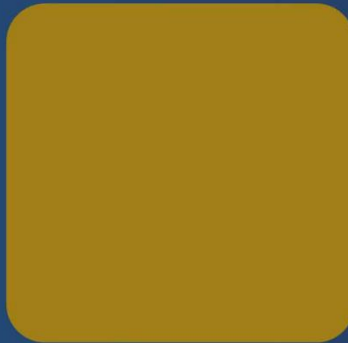


2020

ANNUAL
REPORT
KARDA
CONSTRUCTIONS
LIMITED



KARDATM
CONSTRUCTIONS

BUILDERS & DEVELOPERS

KARDA CONSTRUCTIONS LIMITED



ACTUAL SITE IMAGE

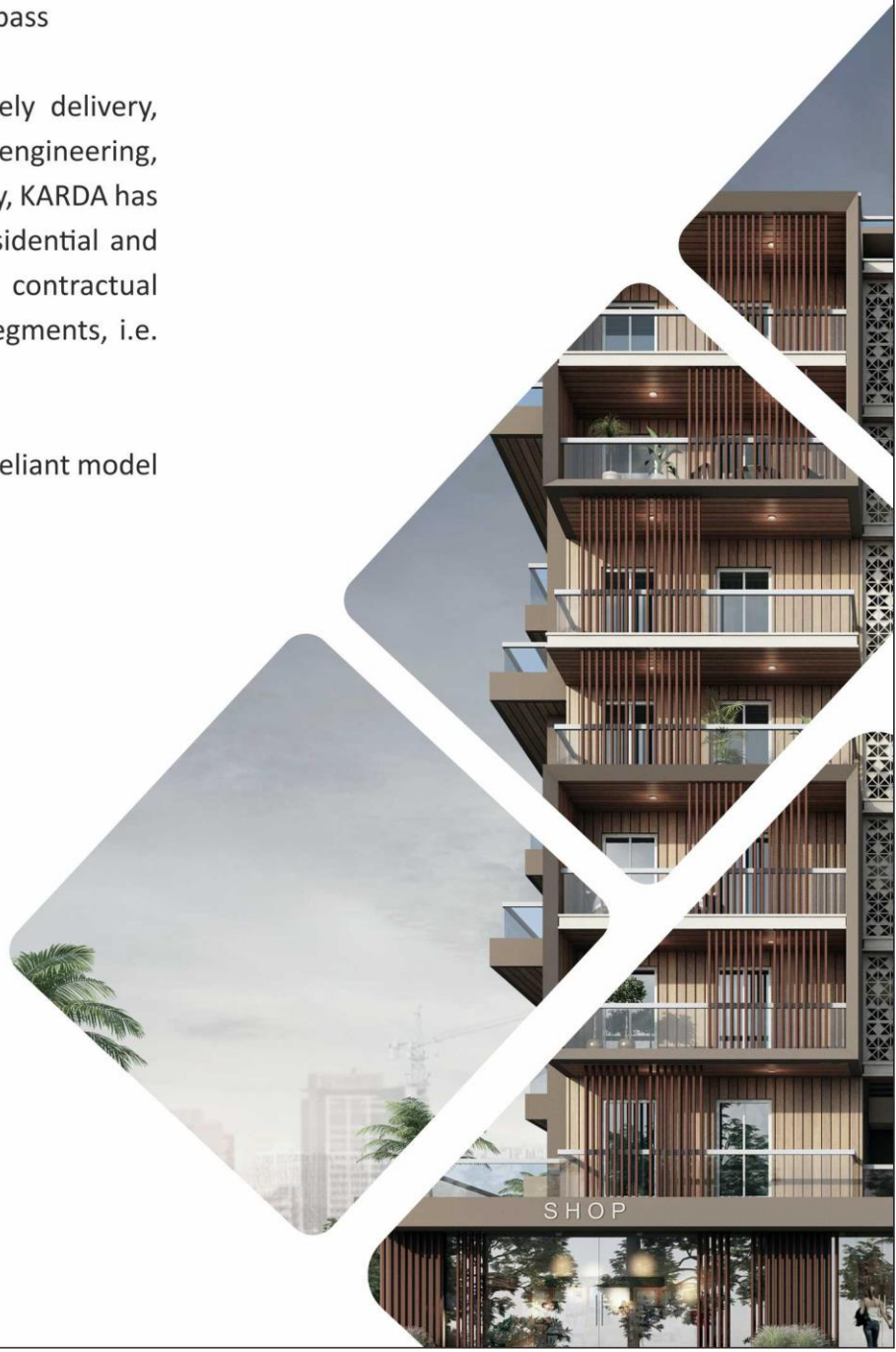
Karda Constructions Limited

A Fast Moving Realty Company- FMRC

Commemorating its 13th year of self-reliance and excellence, KARDA has established itself as the most admired and trusted real estate brand in the Nashik city. A journey that began in 2007 revolving round the work philosophy of 'Passion at Work', has whetted its desire to do much more with responsibility. We are guided by five core values - Quality, Passion, Reliability, Transparency, and Integrity which works as our moral compass

KARDA's focus has been on quality, timely delivery, customer centricity, transparency, robust engineering, and uncompromising business ethics. Today, KARDA has presence spread in all over the city in residential and commercial segment, including a strong contractual portfolio. Karda caters to all residential segments, i.e. low, medium and premium.

KARDA's unique and highly-efficient self – reliant model is the key USP of the brand.





Karda Real Estate

KARDA's residential projects include presidential apartments, villas, row houses, luxury and super luxury apartments, plotted development and aspirational CAPSULE homes. As of 31st March 2020, KARDA has overall completed 1.08 million square feet of area. The company currently has ongoing real estate projects aggregating to 1.99 million square feet of developable area. At KARDA, we believe and focus on quality and timely delivery of projects. All the products from the house of KARDA carry our promise of quality and world-class amenities. Along with this, our projects reflect our commitment towards protecting the environment by incorporating sustainability measures such as rainwater harvesting, sewage treatment plant among others. We make great efforts by bringing together highly passionate people, processes and technology for continuous improvement. we create masterpieces that customers can live, work and play in comfort and harmony.

Karda Contractual Work Contracts

KARDA expanded its business with a new vertical called Contractual Work Contracts in 2016. It is Strategic business de-risking by leveraging construction expertise. We are PWD licensed contractor.

As entering a new market segment has offered the opportunity for exponential growth. With such diversification growth in business operation is expected. As on March 31st 2020, we have 12 work orders worth 1835 Million in hand. These work orders are awarded by Maharashtra and Goa Government and public limited company.





CSR ACTIVITY

EDUCATION FOR ALL





Karda Constructions Limited under the leadership of Mr. Naresh Karda & Executive Directors is proudly associated as a stake holder and a PIA (Project Implementing Agency) with Government of India's " DDU-GKY programme. Having received 2 projects Nashik, Maharashtra for Training and Placement of Rural Youth. The 1st project sanctioned in 2017 for 825 Youth and 2nd Project sanctioned in 2020 for 1500 Youth. Training and placement is provided in courses like security, Hotel Management, Nursing Assistant, Child Care worker, Non Voice Data entry operator, Retail Sales associate. We have trained and placed more than 750 Rural Youth in Big Bazaar, Mac. Donald's, Burger King, Karda Constructions, Infiloom, Oyster Electronics, G4S Security, Express Inn Hotels, TCSs, Crompton, Shakti Security, Hari Om Manpower, Suma Soft Technologies, Quality Inn Hotels, Emerald Park Hotels, Suma Adventure resorts, Soma Vineyards, Sula Wines, etc to name a few.

DDU-GKY is uniquely focused on rural unemployed youth between the age of 18 to 35. It plays an extremely crucial role in supporting the social and economic programs of the Government of India.



The Karda Skilling DDU-GKY campus is located at Adgaon, Nashik and is spread over 3 acres and can simultaneously train and provide boarding, lodging and Meal facilities to 250 students at the same time. Students are trained in Computers, Basic English, Soft skills along with the chosen Domain course. We provide 4 months residential courses which are certified by the SSC (Sectors Skill Council) and NCVT accreditation (National Council of Vocational Training) under the Ministry of Skills and Ministry of Rural Development.

During the residential training programme students are provided with Tablet Computers with training content and online manuals, state of art Domain Labs and a CCTV secured campus. Parents and guardians are encouraged to visit the campus and encourage the students. We closely work with Self-help groups and Community resource personnel to mobilise the candidates for districts at – Nashik, Ahemadnagar, Aurangabad, Jalgaon, Dhule, Nandurbar, Palghar and Thane regions.

The project as per Government directions carries a reservation for 33% women candidates and 3 % Physically Challenged candidates.



Company by making donations is involved in the activity of supporting schools in Trimbakeshwar area of Nashik . Ekal Vidyalaya is one of the schools.

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COMPANY INFORMATION

DIRECTORS

Mr. Naresh Jagumal Karda

Chairman and Managing Director

Mr. Manohar Jagumal Karda

Wholetime Director

Mrs. Disha Naresh Karda

Director

Mr. Rahul Kishor Dayama

Independent Director

Mrs. Shweta Raju Tolani

Independent Director

Mr. Sandeep Ravindra Shah

Independent Director

COMMITTEES OF THE BOARD AS ON 31ST MARCH, 2020

Audit Committee

Mr. Rahul Dayama (Chairman)

Mrs. Shweta Tolani (Member)

Mr. Naresh Karda (Member)

Stakeholders Relationship Committee

Mr. Rahul Dayama (Chairman)

Mrs. Shweta Tolani (Member)

Mrs. Disha Karda (Member)

Nomination, Remuneration and Governance Committee

Mrs. Shweta Tolani (Chairman)

Mr. Rahul Dayama (Member)

Mr. Sandeep Shah (Member)

Corporate Social Responsibility Committee

Mr. Rahul Dayama (Chairman)

Mr. Naresh Karda (Member)

Mrs. Disha Karda (Member)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Mayura Marathe

CHIEF FINANCIAL OFFICER

Mr. Liyakat Khan

STATUTORY AUDITORS

M/s. JPL & Associates

Chartered Accountants

251, A Wing, Ground floor, New J B Market,

Jalgaon-425 001

BANKERS

Tata Capital Housing Finance Limited

The Nashik Road Deolali Vyapari Sahakari Bank Ltd

Canara Bank

LIC Housing Finance Limited

State Bank of India

Axis Bank Limited

REGISTERED AND CORPORATE OFFICE

Karda Constructions Limited

2nd Floor, Gulmohar Status Above Business

Bank, Samarth Nagar, Nashik - 422005

Tel: 0253-2351090 Fax: 0253-2465436

www.kardaconstruction.com

REGISTRAR AND TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai - 400 083.

T: 2851 5606/ 5644

Web: <http://www.sharexindia.com>

AWARDS & RECOGNITIONS

Brands are built over years of perseverance and hard work. When these efforts are recognised and acknowledged, it reaffirms the quality of work we do and the trust of the stakeholders. KARDA has achieved this and much more through last decade with many awards. During the financial year 2019-20, KARDA has been bestowed with accolade.



ICONIC BUDGET HOME FOR CAPSULE HOMES

Company at the event 'Times Realty Icons Awards 2019 Navi Mumbai & Thane Beyond' hosted by the Times Realty, at Sofitel Mumbai, BKC on June 11, 2019, received an Award for the "iconic Budget Home for Capsule Homes."

THE MOST PREFERRED REAL ESTATE COMPANY

Company at the event "MY MAHARASHTRA AWARDS-2019" hosted by My FM, Nashik, at Sula Wine yard, Nashik on September 27, 2019, received an Award for the "The Most Preferred Real Estate Company", of Nashik.





MESSAGE FROM CHAIRMAN & MANAGING DIRECTOR

Naresh Karda

Chairman & Managing Director

Dear Shareholders

“Any weaknesses can be overcome with great dedication and devotion.”

Your company achieved many admirable wins and milestones through the FY 2020. But it was in the final days of the year that the true nature of its purpose-driven worldview truly shone through. Covid19 outbreak and its impact on economy have pushed sentiment in real estate to its all-time lowest level. Both residential and commercial real estate sectors are expected to be hit in term of launches, sales and prices.

The Indian real estate sector needs to exhibit immense resilience to overcome the current situation imposed by the novel coronavirus. The sector has been successful in overcoming many challenges in the past and has stood up in the most

turbulent times. Adaptive leadership at all organizational levels with a renewed focus on operational efficiency and cost reduction is today's need.

Your Company has managed to respond quickly to this pandemic with the concept of **“Capsule Homes”**. These homes are the budget homes which have been proven to be most appreciated by the customers. The company's Brand **HARI** along with Projects across affordable, mid-market and premium price segments has mitigated the risk.

During the year your company received an Award for the **“The Most Preferred Real Estate Company”**, of Nashik at "MY MAHARASHTRA AWARDS—2019" hosted by My FM, Nashik. Company's strong land bank, new project launches and timely delivery has

strengthened the trust of the customers.

I am happy to announce that your company has presence across 70% market area of the Nashik city with the Project size ranging from 1 BHK to 6 BHK, mixed use properties to villas, shops to malls.

Overall, KARDA has constructed and delivered area of 31.9 million square feet comprising approx. 4500 residential and commercial units till date. Company has 17 residential and commercial ongoing projects which would amount in delivering approx. 2000 units in next two years

During the financial year, Company has launched a new residential cum commercial project, named Hari Aangan-Residential, High Streets Shopping Mall Commercial, (RERA registration no: P51600024203), at Survey No 864, Plot No 2, Ashoka Marg, Nashik 422011 with total saleable area of 1, 88,244 Sq Ft.

In financial year 2019-20, we achieved a yearly total income of ₹1183.34 Million. Our Real Estate business generated a revenue of ₹1026.51 Million with our Contracts business revenue at ₹ 109.91 Million.

Your company prioritized the health and safety of its employees, kept customers' mission critical systems running under very difficult circumstances. Your company adapted the change and decided to use the power of technology. In the post pandemic world, technology will play an ever larger role in helping enterprises adapt to the new normal and differentiate themselves. Considering the same we are also investing heavily in technological interventions to provide a seamless experience to customers at all touch points. The Digital platform has been made available to the potential buyers, where they can book the home online. Employees of the company worked from home and assisted such buyers in making decisions.

Company has also entered into the field of Contractual Works Order to leverage its inherent lowest construction cost per Sq ft and scale up this division which has almost zero working capital requirements. Also Company during the year has entered into a joint venture for developing the total sealable area of approximately 3.69 Lakh Sq. Ft.

Your Company plans on closing more Joint venture projects deals in the near future enabling to fulfill its vision of being a debt free company in three years. As the joint venture model of development rewards higher return on capital employed and thus enabling the free cash flow.

Destination Kharadi Developers LLP, Pune awarded construction contract worth ₹ 65.20 Million for building 'Destination Kharadi' at Kharadi, Pune during the year. It takes immense pleasure to share that presently company has total contracts worth ₹ 1835.15 Million including the above mentioned contract. The contract orders are awarded by Government of Goa, Maharashtra Government and a Private Limited Company.

Out of our deep relationships with customers and partners, enviable scale, a diversified business mix your company would stand strong. It is well positioned to weather the storms ahead and take advantage of opportunities that come up during the downturn to acquire new capabilities and gain market share.

On behalf of the Board of Directors of Karda Constructions Limited, I would like to thank you for your continued trust, confidence, and support.

Thank you
With best wishes

Naresh Karda
Chairman & Managing Director

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **13th** Annual General Meeting of the members of **KARDA CONSTRUCTIONS LIMITED** will be held on **Saturday, 26th September, 2020** at 12.30 p.m., Indian Standard Time ("IST"), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility to transact following business:

Ordinary Businesses: -

1. To receive, consider and adopt the audited standalone financial statements of the Company for the Financial Year ended March 31, 2020, the report of the Board of Directors and Auditors thereon.

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

"RESOLVED THAT Audited Balance Sheet as at 31st March 2020, Audited Profit and Loss Account for the period from 1st April 2019 up to 31st March 2020 and Reports of Auditors and Directors thereon be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Manohar Karda (DIN: 01808564), who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT the pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Manohar Karda (DIN: 01808564), who retires by rotation and being eligible offers himself for

reappointment, be and is hereby re-appointed as

a Director of the Company liable to retire by rotation."

Special Businesses: -

3. To ratify remuneration payable to the Cost Auditors, M/s. C Y & Associates for the Financial Year 2020-2021

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 65,000/- (Rupees Sixty-Five Thousand only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses, to be paid M/s. C Y & Associates, (Firm Registration No.00334), Cost Auditors of the Company, for the Financial Year 2020-21 as approved by the Board of Directors of the Company, at its Meeting held on 29th June, 2020, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary be and are hereby authorised to do all, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies."

4. To alter the Capital clause V of Memorandum of Association

"RESOLVED THAT pursuant to the provisions of Section 13(1) read with Section 61(1) (a) of the Companies Act, 2013 and Article 4 of the Articles of Association of the Company, the authorised share capital of the Company be increased from

Rs. 14,00,00,000/- (Rupees Fourteen Crore only) comprising of 7,00,00,000 (Seven Crore) Equity Shares of Rs. 2/- (Rupees Two only) each to Rs. 20,00,00,000/- (Rupees Twenty Crore only) comprising of 10,00,00,000 (Ten Crore) Equity Shares of Rs. 2/- (Rupees Two only) each.

RESOLVED FURTHER THAT the existing clause V of the Memorandum of Association of the Company as to share capital be and is hereby deleted and in its place and stead new clause V be substituted:

5th The Authorised share capital of the company is Rs. 20, 00, 00,000/- (Rupees Twenty Crore Only), divided into 10, 00, 00,000 (Ten Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each.

RESOLVED FURTHER THAT the board of directors be and are hereby authorised to take the necessary steps and to do all such acts, deeds and things as may be necessary in this regard to give effect to this resolution.”

5. Offer, issue and allot equity of the company on preferential allotment basis to qualified institutional buyers by way of qualified institutional placement (QIP)

“**RESOLVED THAT** pursuant to the provisions of Section 62 (1) (c) read with Section 42 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014 and such other rules as may be issued from time to time, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 and the rules and regulations framed there under including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”)

(including any statutory amendments, modifications or re-enactments thereof for the time being in force), Foreign Exchange Management Act, 1999, as amended including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and subject to any required approvals, consents, permissions and/or sanction of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance), the Securities and Exchange Board of India (the “SEBI”) and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the “GOI”), the Reserve Bank of India (the “RBI”), SEBI and/or any other competent authorities and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the respective stock exchanges where the equity shares of the Company are listed and such other regulatory approvals / permissions as may be necessary including the approval, if any, of any other competent authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the board of directors of the Company including any committee which the Board has constituted to exercise its powers including the power conferred by any resolution (the “Board”), the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot in India or in the course of international offering(s) in one or more foreign markets equity shares of the company with a face value of Rs. 2/- each (Rupees Two Only) each (“Equity shares”), American Depository Receipts(ADR), Global Depository Receipts (GDR), Foreign Currency Convertible Bonds (FCCB) and

/or other financial instruments convertible into or exercisable for Equity shares (including warrants, or otherwise, in registered or bearer form), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/ or any security convertible into Equity shares with or without voting / special rights and /or securities linked to Equity or any combination of securities, in one or more tranches whether rupee denominated or denominated in foreign currency, by way of public offer, and /or private offerings and / or on preferential allotment basis and / or qualified institutional placement or any combination thereof or by way of issue placement document and / or other permissible requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers in accordance with Chapter VIII of SEBI ICDR Regulations as may be amended, or any other mode/method or means as may be prescribed by the concerned authorities from time to time, of Equity Shares, (hereinafter referred to as "Securities") to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise) foreign institutional investors, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, (collectively referred to as ("Investors")) whether or not such Investors are existing members of the Company as may be decided by the Board at the appropriate time at such price or prices, at a discount (including but not limited to any discount as may be permitted under Chapter VIII of the SEBI ICDR Regulations) or premium to the market price or prices on each Equity Share and on such terms and conditions including security, rate of interest, etc., including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue offer and allotment considering the prevailing market conditions and other relevant factors

wherever necessary, as the Board may determine in its absolute discretion at the time of issue of the Securities in accordance with SEBI ICDR Regulations and where necessary in consultation with the book running lead managers appointed and/or to be appointed by the Company in relation to the QIP and such that the aggregate amount raised by issue of Equity Shares shall not exceed upto an amount of Rs. 175,00,00,000/- (Rupees One Hundred and Seventy-Five Crore) and on such terms and conditions as may be finalised by the Board and that the Board be and is hereby authorised to finalise all such terms and conditions and the matters incidental thereto as it may in its absolute discretion thinks fit in accordance with all applicable laws, rules and regulations for the time being in force in this regard (the "Issue").

RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations as may be amended from time to time and the Eligible Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided

under the SEBI ICDR Regulations as may be amended from time to time.

RESOLVED FURTHER THAT in the event that Equity Shares are issued to Qualified Institutional Buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares in the Issue shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares under Chapter VIII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of any other Securities, in terms of the preceding regulation shall be as per the regulations/guidelines prescribed by SEBI, Ministry of Finance, RBI, GOI through its various departments, or any other regulator and subject to and in compliance with the applicable rules and regulations.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company pursuant to the QIP shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects except that the Investors who are allotted Equity Shares in the Issue will be entitled to participate in dividends, if any, declared by the Company after the allotment of Equity Shares in the QIP offering in compliance with the Companies Act, 2013, the equity listing agreement and other applicable laws and regulations.

RESOLVED FURTHER THAT the equity shares shall be listed on the stock exchanges, where the existing equity shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the Issue, the Board or its appointed delegates/committees, are hereby authorised on behalf of the Company to do all such acts, deeds,

matters and things as they may, in their absolute discretion, deem necessary or desirable for such purpose, including without limitation, entering into of the placement, underwriting, escrow collection, marketing, and institutions/trustees/ agents and similar agreements, and to remunerate the managers, advisors, underwriters and such other authorities and agencies as may be required for the completion of the Issue, to finalize, settle, execute, issue and deliver or arrange the delivery of the relevant offer documents, agreements and any other deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and to settle all questions, difficulties or doubts that may arise in regard to such QIP, as they may, in their absolute discretion, deem fit in the best interest of the Company to give effect to the above resolutions.

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties, or doubts, that may arise in regard to the issue, offer and allotment of the Securities and utilization of the Issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by way of this resolution.”

Thanking You,

**BY THE ORDER OF THE BOARD OF DIRECTORS
FOR KARDA CONSTRUCTIONS LIMITED**

Sd/-

MAYURA MARATHE

COMPANY SECRETARY

MEMBERSHIP NO: ACS-44678

**(Authorised to sign and serve vide Board
Resolution dated 02.09.2020)**

Date: September 2, 2020

Place: Nashik

Notes:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 3, 4 and 5 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on June 29, 2020 considered that the special business under Item Nos. 3, and the same to be transacted at the 13th AGM of the Company.

- **General instructions for accessing and participating in the 13th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting**

- In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 13th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 13th AGM shall be the Registered Office of the Company.

In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 13th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be

appointed for the purpose of voting through remote e-Voting, for participation in the 13th AGM through VC/OAVM Facility and e-Voting during the 13th AGM.

- In line with the MCA Circulars and SEBI Circular, the Notice of the 13th AGM will be available on the website of the Company at www.kardaconstruction.com, on the website of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of Link Intime India Pvt Ltd at <https://instavote.linkintime.co.in>.
- Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- At the Eleventh General Meeting held on 29th September, 2018, the members appointed M/S JPL & Associates, Chartered Accountants (Firm Registration No.132748W), as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of the Eleventh Annual General Meeting until the conclusion of the Sixteenth Annual General Meeting subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-seventh AGM.
- Link Intime India Private Limited will be providing facility for voting through remote e-Voting, for participation in the 13th AGM through VC/OAVM Facility and e-Voting during the 13th AGM.

- Members may join the 13th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 12.15 p.m. IST i.e. 15 minutes before the time scheduled to start the 13th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 13th AGM.
- In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

The remote e-voting period will commence at 9.00 a.m. on Tuesday, 22nd September, 2020 and will end at 5.00 p.m. on Friday, 25th September, 2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2020, may cast their vote electronically. The e voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- The Register of Members and Share Transfer books will remain closed from Friday, September 19, 2020 to Saturday, September 26, 2020 (both days inclusive) the purpose of Annual General Meeting.
- Members may note that the VC/OAVM Facility allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel,

the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 13th AGM without any restriction on account of first-come first-served principle.

- Attendance of the Members participating in the 13th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 13th AGM and facility for those Members participating in the 13th AGM to cast vote through e-Voting system during the 13th AGM.

- Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be :-
 - a) the change in the residential status on return to India for permanent settlement, and
 - b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

• **Instructions for Members for Remote e-Voting are as under:-**

1. Open the internet browser and launch the URL:
<https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

▶ Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

A. User ID: Enter your User ID

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in CDSL demat account shall provide either ‘C’ or ‘D’, above
- Shareholders/ members holding shares in NSDL demat account shall provide ‘D’, above
- Shareholders/ members holding shares in physical form but have not recorded ‘C’ and

‘D’, shall provide their Folio number in ‘D’ above

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).

7. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund Corporate Body’ login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Procedure for registering the e-mail IDs, in case of Members of the Bank who have not registered**their e-mail address**

In light of the MCA Circulars, for remote E-voting, the shareholders whether holding equity shares in demat form or physical form and who have not submitted their email addresses and in consequence to whom the E-voting notice could not be serviced, may temporarily get their e-mail addresses registered with the Company's Registrar and Share Transfer Agent, Sharex Dynamic (India) Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided thereafter.

Post successful registration of the e-mail address, the shareholder would get a soft copy of this Notice and the procedure for e-voting along with the user-id and the password to enable e-voting for this meeting. In case of any queries, shareholder may write to the Company at kcpl.mayura@gmail.com or to Registrar and Transfer Agent at support@sharexindia.com

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the kardaconstructionslimited@gmail.com created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by

switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk

Link Intime India Private Limited

ANNEXURE - Guidelines to attend the AGM proceedings of Link Intime India Private Limited:

InstaMEET for a smooth experience of viewing the AGM proceedings of Link Intime India Private Limited. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a. Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

Or

b. If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

Other Guidelines for Members

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cutoff date of 19th September 2020.
- Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 13th AGM by email and holds shares as on the cut-off date i.e. 19th September 2020, may obtain the User ID and password by sending a request to the Company's email address admin@kardaconstruction.com.

- However, if you are already registered with Link Intime India Pvt Ltd for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://instavote.linkintime.co.in>.
- A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
- M/s Amar Patil & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.
- During the 13th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 13th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 13th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 13th AGM.
- The Scrutinizer shall after the conclusion of e-Voting at the 13th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the

13th AGM, who shall then countersign and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.kardaconstruction.com and on the website of Link Intime India Pvt Ltd at <https://instavote.linkintime.co.in/> immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

- Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 13th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for year 2020, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 13th AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
- For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company’s email address admin@kardacosntruction.com.
- For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
- The Notice of the 13th AGM and the Annual Report for the year 2020 including therein the

Audited Financial Statements for the year 2020, will be available on the website of the Company at www.kardaconstruction.com and the website of BSE Limited at www.bseindia.com. The Notice of 13th AGM will also be available on the website of Link Intime India Pvt Ltd at <https://instavote.linkintime.co.in/>.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
- Electronic copy of all the documents referred to in the accompanying Notice of the 13th AGM and the Explanatory Statement shall be available for

inspection in the Investor Section of the website of the Company at www.kardaconstrucion.in.

- During the 13th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to INSTAVOTE e-Voting system at <https://instavote.linkintime.co.in>.
- Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment/ re-appointment at the 13th AGM, forms integral part of the Notice of the 13th AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and statement of additional Information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) with respect to following items of the Notice:

Item No. 3: -

Approve the remuneration of the cost auditors for the financial year 2020-21 & to consider and if thought fit, to pass, with or without modification(s), the following resolution as ordinary resolution

The Board, on the recommendation of the Audit Committee, has approved at their Meeting held on June 29, 2020 the appointed M/s C Y & Associates, Cost Accountants, Nashik (Firm Registration No. 00334), as Cost Auditors to conduct the audit of the cost records of the Company at a remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand) plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 3 of the Notice.

This item of special business to be transacted at the Annual general meeting of the company does not relate to or affects any other company. Therefore, the extent of shareholding interest in other company/(s) of every promoter, director, manager, if any, and of every other key managerial personnel of the Company need not be set out in this statement and hence not given.

None of the directors or managers or key managerial persons or relatives of all of the aforesaid are concerned or interested, financially or otherwise in respect of this item of Agenda.

The document/(s) mentioned above is/are available for inspection at any time, during the business hours at the registered office of the company:

1. Certified true copy of resolution passed
2. Appointment letter of Cost auditor
3. Consent of Cost auditor and profile

The board commends passing the resolution, as an Ordinary Resolution, with or without modifications.

Item No. 4: -

To alter the Capital clause V of Memorandum of Association

With a view to augment long term capital for the business of the company, it is proposed to create, offer, issue and allot securities through preferential allotments, qualified institutions placement. The existing authorised capital of the company is ₹ 14,00,00,000/- (Rupees Fourteen Crore only) comprising of 7,00,00,000 (Seven Crore) Equity Shares of ₹ 2/- (Rupees Two only) each.

It is therefore proposed to increase the authorised Share capital of the company ₹ 20,00,00,000/- (Rupees Twenty Crore only) comprising of 10,00,00,000 (Ten Crore) Equity Shares of ₹ 2/- (Rupees Two only) each.

The proposed increase of authorised Share capital requires the approval of the Members at a General Meeting. Consequent upon the increase in authorised share capital of the company, its Memorandum of Association will require alteration so as to reflect the increase in authorised share capital.

The new draft of Memorandum of Association (MOA) of the Company after incorporating the above proposed changes in physical form is open for inspection by the members of the company at the registered office of the company during the business hours on all working day. A copy of the new set of MOA shall be given to the members of the company upon receipt of a request for the same in writing. The new draft MOA will also be available for inspection by members at the meeting.

Accordingly consent of members of the company is hereby sought by way of ordinary resolution.

None of the directors or managers or key managerial persons or relatives of all of the aforesaid are concerned or interested, financially or otherwise in respect of this item of Agenda.

This item of special business to be transacted at the Annual general meeting of the company does not relate to or affects any other company. Therefore, the extent of shareholding interest in other company/(s) of every promoter, director, manager, if any, and of every other key managerial personnel of the Company need not be set out in this statement and hence not given.

The document/(s) mentioned above is/are available for inspection at any time, during the business hours at the registered office of the company:

1. Certified true copy of resolution passed by board of directors
 2. Draft Memorandum of Association and Articles of Association
-

Item No. 5: -

Offer, issue and allot equity of the company on preferential allotment basis to qualified institutional buyers by way of qualified institutional placement (QIP)

The company proposes to create, offer, issue and allot securities through preferential allotments, qualified institutions placement, issuance of American Depository Receipts(ADR) Global Depository Receipts (GDR), Foreign Currency Convertible Bonds (FCCB) and such other securities in such manner as stated in the resolution. The company intends to issue Securities for an amount upto ₹ 175 Crore (including premium), subject to applicable laws and regulations, the company intends to use the net proceeds of the issue primarily for making expansion and repayment of existing debt, working capital requirements and general corporate purpose. The minimum floor price will be calculated in accordance with provisions of Regulation 85 of Chapter VIII of SEBI ICDR Regulations,2009. Further the Securities may be issued at a discount of upto 5% or more as may be prescribed under SEBI Regulations on the price determined in accordance with the mentioned pricing formula.

The special resolution also seeks to empower the board of directors to undertake a Qualified Institutions Placement with Qualified Institutional Buyers as defined by SEBI ICDR Regulations. The Board of Directors may in its discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI ICDR Regulations for rising the funds for the expansion plans of the company, without need of fresh approval from the shareholders. In case of an issuance of securities to qualified institutional buyers, whether or not such investors are existing members of the company, through a qualified institution placement under chapter VIII of SEBI ICDR Regulations, the final price at which the securities will be offered will be subject to investor response and

prevailing market conditions and computed in accordance with the relevant provisions of Chapter VIII of SEBI ICDR Regulations may also be contemplated at the time of issuance, for which authorization is being taken from the shareholders of the company through this special resolution.

The detailed terms and conditions of issue as and when made will be determined by the board of directors in consultation with the advisors and other experts in accordance with the applicable provisions of law. The special resolution seeks to give the board powers to issue Securities in one or more tranche or tranches at such time at such price or prices and to such person(s) including institutions, incorporated bodies or otherwise as the board in its absolute discretion deem fit.

The consent of the shareholders is being sought pursuant to the provisions of Section 62(1)(c) and section 42 of the Companies Act ,2013 to the extent notified and in force and in terms of the provisions of the listing agreements executed by the company with the Stock exchanges where the Equity shares of the company are listed i.e. BSE Limited and National Stock Exchange India Limited.

The board of directors believe that the issue of Securities to investors who are /are not shareholders of the company is in the interest of the company and therefore recommends the resolution for approval as special resolution.

None of the directors or managers or key managerial persons or relatives of all of the aforesaid are concerned or interested, financially or otherwise in respect of this item of Agenda.

This item of special business to be transacted at the Annual general meeting of the company does not relate to or affects any other company. Therefore, the extent of shareholding interest in other company/(s) of every promoter, director, manager, if any, and of every other key managerial personnel of the Company need not be set out in this statement and hence not given.

The document/(s) mentioned above is/are available for inspection at any time, during the business hours at the registered office of the company:

1. Certified true copy of resolution passed by board of directors
2. Memorandum of Association and Articles of Association

**BY THE ORDER OF THE BOARD OF DIRECTORS
FOR KARDA CONSTRUCTIONS LIMITED**

Sd/-

MAYURA MARATHE

COMPANY SECRETARY

MEMBERSHIP NO: ACS 44678

(Authorised to sign and serve vide Board Resolution dated 02.09.2020)

Date: September 02, 2020

Place: Nashik

Additional information as required under the Companies Act, 2013 and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and Secretarial Standard II in respect of the directors' appointment/ re-appointment is provided below:

Name	Manohar Jagumal Karda (DIN:0147412779)
Age (Years)	48 years
Educational Qualification	Undergraduate
Experience/ Expertise/ Brief Resume	He has over 12 years in the field of real estate & construction. He plays a crucial role in the purchase management of the Company. He is also responsible for various other day to day activities of our Company.
Directorships in other companies	Shree Sainath Land & Development (India) Private Limited
Committee Memberships and Chairmanships	NA
Number of Board meetings attended during	In the year 2019-2020, Mr. Manohar Karda attended 15 out of 15 Board meetings the year
Terms and Conditions of Re-appointment	In terms of Sec 152 (6) of Companies Act, 2013 who was reappointed as director at the Annual General Meeting held on September 29, 2018, is now liable to retire by rotation.
Remuneration last drawn (including sitting fees if any)	Remuneration drawn of ₹ 12 Lakh p.a. for FY 2019-2020. No sitting fees have been paid during the FY 2019-2020.
Remuneration proposed to be paid	As per existing approved terms and Conditions
Date of appointment on the board	October 10,2008
Relationship with other Directors / Key Managerial Personnel (KMP)	Brother of Mr. Naresh Jagumal Karda (DIN: 01741279), Chairman & Managing Director
Directorships and No. of Membership of Committees in other entities as on March 31, 2020	NA
Shareholding as on March 31,2020	3,70,000 Equity shares

MANAGEMENT DISCUSSION AND ANALYSIS

REPORT

GLOBAL ECONOMY

The global economies are facing a synchronized slowdown, resulting from a variety of factors affecting the world. The outbreak of coronavirus 2019 (COVID19) has globally disrupted people's lives, interrupted businesses and jeopardized decades of development progress. According to The World Economic Outlook (WEO) update, global economic growth has been downgraded to 2.4% in 2019, which is its slowest pace since the global financial crisis of 2008. The decline in growth is the outcome of rising trade tensions between large economies, rising uncertainty surrounding trade and geopolitical issues; along with individual macroeconomic problems such as low productivity growth in emerging economies and aging population in advanced economies. To add to the existing issues, the pandemic outbreak has worsened the economic environment. The crisis is the result of the needed containment measures that forced policymakers to take extreme steps in the form of huge fiscal stimuli to encourage economic activity. With considerable uncertainty around the world due to the pandemic, its macroeconomic fallout, and the associated impact on financial and commodity markets, the World Economic Outlook has estimated global growth to decline by 5.2% in 2020 before recovering by 4.2% in 2021. In China, the containment efforts such as quarantine and widespread restrictions on travel, have resulted in unplanned delays in restarting factories after the Lunar New Year holiday and sharp cutbacks in many service sector activities. With the existing slowdown visible across the globe, the pandemic is expected to have severe consequences on the world economy leading to lay-offs, reduction in capex by companies and delay in discretionary purchases. The economic activity in U.S. and Eurozone economies is expected

to fall sharply as these economies undertake measures to contain the outbreak.

INDIAN ECONOMY

The Indian economy decelerated sharply in the fourth quarter at 3.1%, lowest in almost 17 years, after growing at 4.1% in Q3 FY20. As per the Central Statistics Office (CSO), GDP growth for FY20 stood at an 11-year low of 4.2% lower than the government projection of 5.0% in both first and second advance estimates. The country's fiscal deficit worsened to 4.59% of GDP, much beyond the targeted 3.8% of GDP and expected to worsen further with the dip in tax collection and revenue shortage due to the subsequent effects of lockdown on the economy. The core sector contracted by a record 38% in April as the lockdown hit all eight infrastructure sectors. According to the CSO, country's factory output growth contracted to 0.7% in FY20, as against expansion of 3.8% in FY19. Consumer durables output, an indicator of urban demand, contracted by 8.4% in FY20, compared with a growth of 5.5% in FY19. According to the Asian Development Bank, India's GDP growth is projected to contract by 4.0% in FY2021 before recovering sharply to 6.2% in FY2022, on the assumption of recovery from the pandemic in the second half of 2020. With the lockdown scenario, consumption and investments are expected to be severely impacted in the first quarter. The gross fixed capital formation is likely to decline with rising risk perception and uncertainty around the pandemic. RBI has cut the repo rate by 40 bps to 4.0% in May 2020, which is the lowest ever and rolled out a range of measures to preserve financial stability and counter the economic impact of COVID19. The central bank has undertaken open market operations and US dollar-rupee swaps to ensure adequate rupee and dollar liquidity during the recent global sell-off. While there is gloom in the

near term with the unprecedented situation led by the outbreak, domestic demand will rebound strongly once the pandemic passes and full economic activity resumes. The historical corporate tax cuts introduced in September 2019 are expected to encourage domestic and foreign private investments in the long run. Also, the alternative tax regime introduced in the latest budget is expected to increase household disposable income, thereby boosting private consumption, and potentially expanding the tax base. FY20 inflation stood at 4.8%, below the RBI's upper target limit and is expected to fall further in the current year with declining crude prices and slump in domestic demand, making the rate cuts more favorable. Prices for some manufacturers are likely to increase with supply disruption and rupee depreciation. The country's exports of goods and services are expected to improve once the global economies recover from the shocks of the pandemic. While the long term outlook looks robust for the country, a prolonged COVID19 pandemic would push the global economy into deep recession and further slow Indian growth.

REAL ESTATE SECTOR

India is emerging as an important Business location, particularly in the service sector. Its favorable demographics and strong economic growth make the country an attractive place for property investors, given that demand for property is determined chiefly by Business development and demographic trends.

Historically, the real estate sector in India was unorganized and characterized by various factors that impeded organized dealing such as the absence of a centralized title registry providing title guarantee, lack of uniformity in local laws and their application, non-availability of Bank financing, high rate of interest and transfer taxes and the lack of transparency in transaction values.

In recent years however, the real estate sector in India has exhibited a trend towards greater

organization and transparency, accompanied by various regulatory reforms.

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, NBFC 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 to USD 650 billion and contribute around 13% of India's GDP by 2025 (from around 6-7% in 2017), according to ANAROCK Research. Over-reliance on NBFC funding led to severe funding issues after the IL&FS default, wherein RBI had asked NFBCs to bring down their exposure to real estate sector. The share of NBFC loans to real estate which plunged to 46% of total credit to real estate sector in 2018-19, is expected to further come down. Current coronavirus outbreak is expected to derail the sector's growth momentum in the short term due to its impact on the overall slowing economy. According to industry estimates, 90% of the workforce employed in real estate and construction sector is engaged in the core construction activities, while the rest 10% is involved in other ancillary activities. Since majority of the workers are immigrants, labor shortage could possibly pose a major challenge for the sector post COVID19 lockdown. While the pandemic outbreak could temporarily disrupt the sector, there are certain green shoots in this adverse situation.

The recent liquidity crisis has worsened the situation for smaller players which were anyway finding it difficult to adhere to new norms laid by RERA leading to 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. Larger established players with strong access to funding are expected to gain market share. Also, the current situation is expected

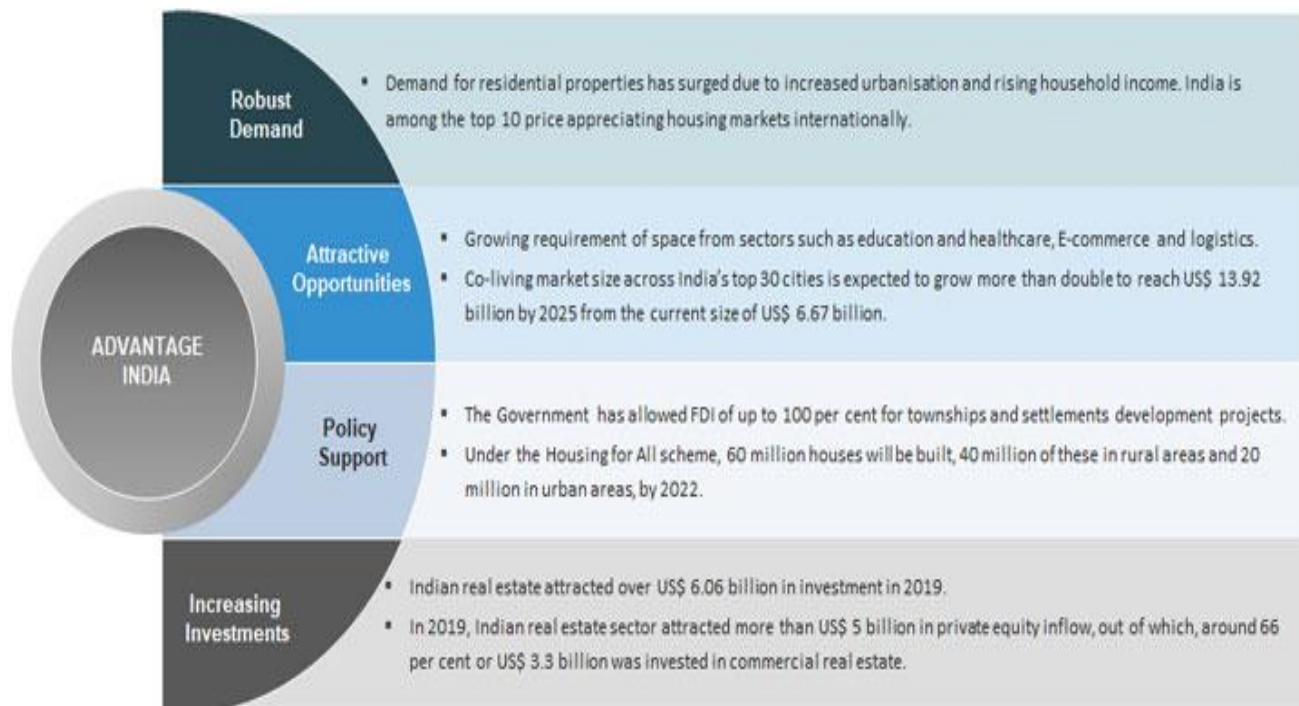
to open up a lot of business development opportunities for well capitalized developers.

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 NBFC crisis and COVID19) have made things even more difficult for the sector. According to the property research firm Knight Frank, the total sales volume in the top eight cities increased by a modest 1% in CY2019 to 245,861 units as the sector continued to be impacted by the prolonged crisis in the NBFC

sector. While certain measures such as the consecutive interest 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.

The Maharashtra Government recently announced slashing the stamp duty on the purchase of new houses by 2 percent to uplift the market sentiments.



The growth in residential real estate market in India has been largely driven by rising disposable incomes, rapidly growing middle class, low interest rates, fiscal incentives on both interest and principal payments on both interest and principal payments for housing loans, heightened customer expectations, as well as increased urbanization and growing number of nuclear family.

The recent growth of the commercial real estate sector in India has been fuelled by increased

revenues of Companies in the service business, particularly in the IT and ITES sectors.

Source: Report by Indian Brand Equity Foundation

Real estate sector in India is expected to reach US\$ 1 trillion by 2030. By 2025, it will contribute 13 per cent to country's GDP. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial, and retail. Rapid

urbanisation in the country is pushing the growth of real estate. More than 70 per cent of India's GDP will be contributed by urban areas by 2020.

India's Global Real Estate Transparency Index ranking improved by a notch to 34 in 2019 on the back of regulatory reforms, better market data and green initiatives according to property consultant JLL.

Grade-A office space absorption is expected to cross 700 msf by 2022 with Delhi-NCR contributing the most to this demand. The Government of India has been supportive towards the real estate sector. In August 2015, the Union Cabinet approved 100 Smart City Projects in India. The Government has also raised FDI (Foreign Direct Investment) limits for townships and settlements development projects to 100 per cent. Real estate projects within Special Economic Zones (SEZ) are also permitted for 100 per cent FDI. Export from SEZs reached Rs 7.01 lakh crore (US\$ 100.30 billion) in FY19 and grew by almost 14.5 per cent to Rs 3.82 lakh crore (US\$ 54.66 billion) in H1FY20.

Government of India's Housing for All initiative is expected to bring US\$ 1.3 trillion investment in the housing sector by 2025. As of December 2019, under Pradhan Mantri Awas Yojana (Urban) [PMAY (U)], 1.12 crore houses were sanctioned in urban areas, with a potential to create 1.20 crore jobs. The scheme is expected to push affordable housing and construction in the country and give a boost to the real estate sector. On July 09, 2020, Union Cabinet approved the development of Affordable Rental Housing Complexes (AHRCs) for urban migrants and poor as a sub-scheme under PMAY-U. Government has also released draft guidelines for investment by Real Estate Investment Trusts (REITs) in non-residential segment.

A recent publication by the Reserve Bank of India on Consumer Confidence Index and Future Expectations Index in May 2020 suggests changes in consumer sentiments and expectations of the Indian people. Historically, Ind-Ra has evidenced a spill-over effect on real estate when these indices

had dropped. Ind-Ra expects a longer-than-expected time to recover for the real estate sector based on steep drop indices in May, 2020.

As per a research report CRISIL, the Central and State governments are focusing mostly on fighting COVID-19 critical issues such as labour availability and weak business sentiments, as those can significantly derail the execution of real estate projects in Q1 2020 especially in urban areas.

According to a recent report by Cushman and Wakefield, the Indian commercial real estate segment is relatively stable and not as volatile as the stock market. However, with the global supply chain getting affected by the pandemic, the feeder impact will be seen in commercial markets as well. If the immediate-to-short term effect is considered, commercial leasing and co-working activity will be hit tremendously. However, in the longer term, the commercial real estate segment will be the quickest to bounce back. The majority of lost output has the potential to be gained back in the latter half of 2020.

According to the Blackstone Group, one of the largest office space owners of India, the COVID-19 outbreak has delayed project completion timelines, reduced demand and softened rentals, at least for the next few months.

The outbreak has also pushed regular investors towards more secure instruments of investment such as Fixed Deposits (FD) and Gold, and this trend is going to stay for the second quarter of 2020, as well.

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 initiated by the IL&FS fiasco and subsequent fallouts of various financial institutions, 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. According to ANAROCK Research, new launches could decline by 25%-30% and sales volume could decline by 25%- 35% in CY2020.

Nashik: The booming city

From a pilgrimage city and semi hill-station to wine capital of the country and an industrial, educational and medical hub, Nashik is rapidly moving towards becoming a Metropolitan Smart City.

Nashik's rapid urbanisation in recent years can be credited to its flourishing skill-based manufacturing industries (such as automotive, consumer and capital goods, engineering and textile), pharmaceutical sectors like biotechnology, and IT-ITeS sector.

Nashik is a well-known industrial district which hosts various auto, engineering and electrical industries. The city's economy is driven primarily by the engineering and manufacturing industry (which has been flourishing since the 70s) as well as agriculture within and in the surrounding areas of the city.

More than 10,000 industries operating on a large, medium and small scale exist across the five major industrial zones - Ambad, Satpur, Gonde, Igatpuri and Sinnar - developed by the Maharashtra Industrial Development Corporation (MIDC). Nashik is also home to large companies such as Crompton Greaves, Bosch India, Atlas Copco, Mahindra & Mahindra, IBP, GlaxoSmithKline, CEAT, ThyssenKrupp, Epcos, Schneider Electric, ABB, L&T, Jindal Steel, Lear Corporation, Siemens, Kirloskar, Coca-Cola, Shalimar Paints and Cipla. A Hindustan Aeronautics Limited (HAL) aircraft manufacturing plant is also located around 25 km from Nashik. Two thermal power plants - Indiabulls Power Ltd. Sinnar and the Nashik Thermal Power Station - and one wind power generator by Suzlon Energy are also present in the Region.

Rising housing demand

Increasing housing demand in Nashik due to abundant availability of properties at competitive prices catering to various buyer types – end-user first-time home buyers, senior citizens and second/weekend home seekers, as well as investors

Due to Nashik's proximity to Mumbai and Pune and availability of properties at reasonable prices, its residential real estate market is driven by high demand. The city is attracting a huge number of homebuyers owing to the growth of its physical and social infrastructure. Nashik's residential landscape is shifting to the concept of townships from stand-alone houses/buildings. The city's skyline is evolving from villas and row houses to apartment complexes and high-rises equipped with state-of the-art amenities. Also, with Nashik Metropolitan Region Development Authority (NMRDA) being operational and looking at an all-round development of the city, many new areas are likely to open up for newer developments in the future periods.

Source: Report by Anarock

OPPORTUNITIES AND THREATS

- **Home ownership is a new priority for millennials**

Covid-19 has somewhat changed the way millennials are thinking now. Out of all participants that voted for real estate as best asset class for investment, at least 55% were in the age bracket of 25-35 years as against 42% in the previous survey. Interestingly, 68% of all these millennials are end-users. Undoubtedly, physical assets render highest sense of security especially during exigencies such as Covid-19 or when stock markets plummet to new lows and financial markets witness a turmoil.

- **Sense of security associated with physical assets & lower home loan rates key factors determining change**

Out of all the participants who were previously in no mood to purchase a piece of property but have now changed their decision during the

lockdown period, a whopping 92% cited two major reasons for this sudden change – sense of security that physical assets provide during such exigencies & lower home loan interest rates, which are currently at all-time low, ranging between 7.15% and 7.8%.

- **Covid-19 hasn't dented demand for affordable homes**

It was widely anticipated that the affordable segment would be the worst affected in 2020 due to Covid-19 as concerns over its target audience's limited income and fear of unemployment continue to rise. However, it doesn't seem so. Over 36% respondents prefer properties priced within sub Rs 45 lakh budget. It is also likely that in the current Covid-19 situation many buyers having higher budget previously would have actually reduced it. Many would not want to lock-in a large amount of money in such uncertain times. Instead, they would buy a more functional house based on their current needs only.

- **62% buyers prefer to pay premium & opt for developers with least execution risk**

A majority of respondents now largely favour risk-free investments. No wonder, demand for developers having least execution risk is at all-time high, even if the property is relatively higher priced. In the previous survey, just 52% preferred higher-priced property from branded developers over smaller ones that sold properties at lower price, but had high execution risk – thus recording a 10% jump during Covid-19.

- **Over 34% investors now prefer RTM homes**

In a significant trend seen during Covid-19, unlike before many respondents seeking property from investment perspective prefer ready-to-move-in (RTM) homes. As many as 34% prefer ready homes over under construction ones probably because construction activity is completely halted across the country, inevitably leading to project delays by several months. In comparison,

last survey trends indicated that just 12% investors preferred ready homes then.

RISKS AND CONCERNS

The Indian Real Estate sector, one of the most globally recognised sectors in the world, is well complemented by the demand for office spaces as well as urban and semi-urban accommodations.

The Indian Real Estate sector, one of the most globally recognised sectors in the world, is well complemented by the demand for office spaces as well as urban and semi-urban accommodations. Furthermore, it contributes to about 6-7 per cent of the country's GDP. However, the sector is currently in the midst of challenging times owing to a variety of economic factors.

The demonetisation move in November 2016 stunted the growth of the real estate sector and reduced the flow of investments. Additionally, the implementation of the Real Estate Regulation Act (RERA) passed by the Centre has resulted in a variety of projects arriving at a standstill. Similarly, there are other such policy and regulation challenges that have plagued the real estate sector in India.

- **Delayed infrastructure projects**

A lack of or irregular funding is one of the major hurdles for infrastructure developers that lead to delayed projects well before RERA. In addition to the complications faced to acquire funding for the project, the real estate developer has to pass through at least 40 different government regulations before commencing construction.

The time-lapsed in acquiring these permissions ranges between a few months to a year and increases the cost of the property by 10-20 per cent for both consumers and developers. While RERA has succeeded in combating the issue with transparent usage of finances, the sector calls for a single-window clearance system to streamline and fasten the approval mechanism.

- **Land availability**

Another challenge that has affected the growth of the real estate sector and the developers is

litigated land. According to a survey conducted by the MahaRERA, around 16 per cent of projects and 31 per cent of built-up spaces are, or have been, in legal disputes. In Mumbai, these figures tally to about 30 per cent of the real estate projects and 50 per cent of the built-up space; for Thane, the corresponding figures are 26 per cent and 36 per cent respectively.

Additionally, there is a large share of underutilized and vacant land parcels that need to be freed for development through land regulations, land readjustment, and pooling policies. These challenges call for a serious revision of the Land Acquisition Resettlement and Rehabilitation Act 2013 which grants compensation, rehabilitation, and resettlement to the affected persons in India.

- **Outdated building bye-laws**

With the current rate of population explosion, the demand for space is vital. Over 50 per cent of the world's population lives in cities, and the number is expected to rise by 2.5 billion by the year 2050. However, the current Floor Space Index (FSI) norms in the cities are not on par with the growing demands of the consumers. Reports state that the permitted FSI in Indian cities is currently at an all-time industry low, within the range of 1 to 1.5. These challenges call for state governments to revisit the FSI norms.

- **Tax and demand shifts**

In addition to the previous financial challenges, the implementation of the GST is another factor that haunts the real estate sector. Before the implementation of GST, a service tax of 4.5 per cent was applicable in the case of an under-construction property. However, post-GST, the rate has risen sharply to 12 per cent, stealing the attractiveness of the ordeal for property investors.

As buyers were paying registration charges and stamp duty on properties, the inclusion of GST has increased the statutory cost of the property of the investor by 20 per cent.

The trends in the real estate sector demand for a revision in policies in multiple areas of the infrastructure development cycle. Additionally, the current economic slowdown is a culmination of the above factors, which often overlap. However, the slump in the real estate segment is not singularly a result of the hurdles for developers, but the ever-changing demands of the buyers.

Your company intends to focus on the completion of its the on-going projects and handing over the possession of the ready units lying with company as inventories.

Also along with the construction, Company would strive to receive more contract work orders in the current financial year and infuture.

Company plans to focus on the customer needs and preferences to achieve more stability in the market. Location of the project would be major key driver for the sale. Hence Company would aim at finding and acquiring such land being appropriate for the projects.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has established adequate internal control procedures, commensurate with the nature of its business and size of its operations. These controls have been designed to provide a reasonable assurance regarding maintenance of proper accounting controls for ensuring orderly and efficient conduct of its business, monitoring of operations, reliability of financial reporting, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, protecting assets from unauthorised use or losses, prevention and detection of frauds and errors, and compliance with regulations.

To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statements, the Management maintains a system of accounting and controls, including an

internal audit process. Internal controls are evaluated by the Internal Auditor and supported by the Management reviews. All audit observations and follow up actions thereon are tracked for resolution by the Internal Audit and Business Control function and reported to the Audit Committee.

SEGMENT-WISE PERFORMANCE

During the year the revenue from real estate segment stood at ₹ 10,265.14 Lakhs as compared to revenue of ₹8,693 Lakhs of FY 2018-2019.

The Company has completed 70% work of residential Building A of Project Hari Nakshatra Phase I amounting to ₹ 13.12 Crore approx against the construction work order of ₹ 18.92 Crore awarded by Shree Sainath Land & Development (India) Private Limited. During the reporting period company received contract works order of construction of 115 Police quarters head quarter, City Police Station cum S.D.P.O. office for S.P. Buldhana at Buldhana District Buldhana including all infrastructure amenities from Maharashtra State Police Housing & Welfare Corpn Ltd.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the Financial Year 2019-2020, revenue from operations was 11,412.14 Lakhs as compared to ₹ 10529.66 Lakhs during the previous year. Profit after tax for the financial year is ₹ 963.64 Lakhs as compared to profit of ₹ 1209.75 of previous year.

HUMAN RESOURCES DEVELOPMENT

The Company had 91 permanent employees as on March 31, 2020 at various levels. The Company has a HR Policy in place and encouraging working environment. The Company has continued to focus

on various aspects like employee training, welfare and safety thereby maintaining a constructive relationship with employees.

KEY FINANCIAL RATIOS

In accordance with SEBI (Listing Obligations and Disclosure requirements 2018) (Amendment) Regulations 2018, the Company is required to give details of significant changes (Change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios

Ratios	FY 2019-20	FY 2018-19	Explanations
Trade Receivables Turnover	9.75	16.30	Average Trade receivables has been increased during FY 2019-20.
Current Ratio	2.99	2.10	Current liabilities were reduced and there was hike in Inventory as compared to last financial year.
Net Debt Equity Ratio	0.51	1.01	There was repayment of debt in current financial year which resulted into reduce in debt equity ratio
Net Profit Margin %	8.07	11.06	There was exceptional items - Loss by fire occurred during current financial year of ₹ 93.13 Lakhs which resulted into reduction of Net profit
Return on Net Worth %	9.68	13.54	There was exceptional items - Loss by fire occurred during current financial year of ₹ 93.13 Lakhs which resulted into reduction of Net profit

OUTLOOK

Forward-looking Statements

This document contains certain forward-looking statements based on the currently held beliefs and assumptions of the management of Karda Constructions Limited, which are expressed in good faith, and in its opinion and judgment, are fairly reasonable. For this purpose, forward-looking statements mean statements, remarks or forecasts that address activities, events, conditions or developments that the Company expects or anticipates which may occur in the future. Because of the inherent risks and uncertainties in the social and economic scenarios, the actual events, results or performance can differ materially and substantially from those indicated by these statements. Karda Constructions Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

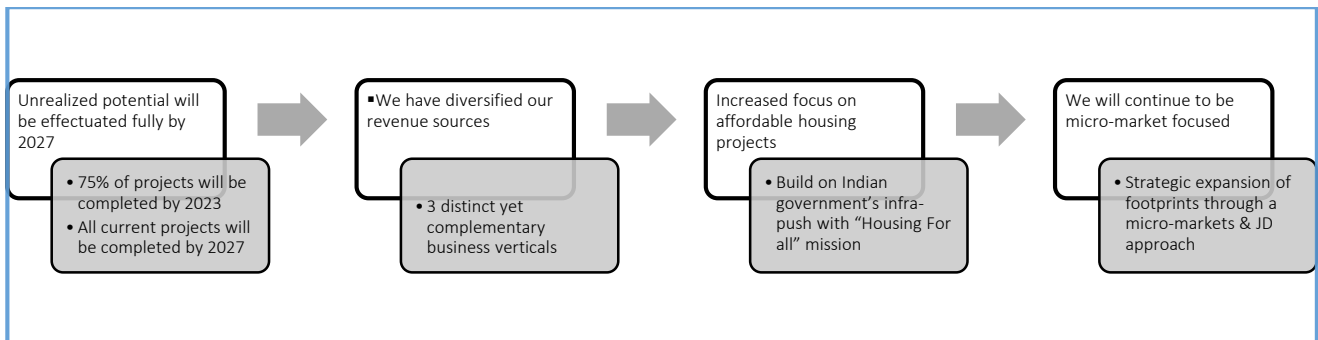
As the real estate sector continues to tackle the existing issues created by the aftershocks of the liquidity crisis and resulting disruption of COVID19, we see an opportunity for well established players in the industry. The start of FY2021 may be muted due to the lockdown and subsequent impact on economy, but we believe our strong project pipeline and healthy balance sheet will help maintain operational performance going ahead.

The pace of consolidation in the sector is also expected to accelerate further and we expect to gain market share. Also, amidst COVID19 and prevailing liquidity crunch, the visibility on business development is getting stronger and we hope to add several projects to our portfolio in FY2021.

Our focus on our four core markets, strong brand and existing portfolio leaves us on a strong foot to take advantage of this opportunity. The real estate sector in India has faced several challenges and is about to take off to a new horizon in the coming years. In line with expectations, KARDA delivered a record operational and financial performance during the Financial year 2019-2020.

KARDA's unique model, strong brand name and unmatched execution capabilities, help us deliver all our projects on time. The Company currently has 17 on-going real estate projects aggregating 2.65 million square feet of developable area.

Company plans to launch new projects in near future. The company intends to focus more on entering into joint venture agreements for project development and to aim at reducing the debt relating to the project.



Company has also started in setting foot in area of contractual work contract orders. Following are the details of company's works contract orders in hand:

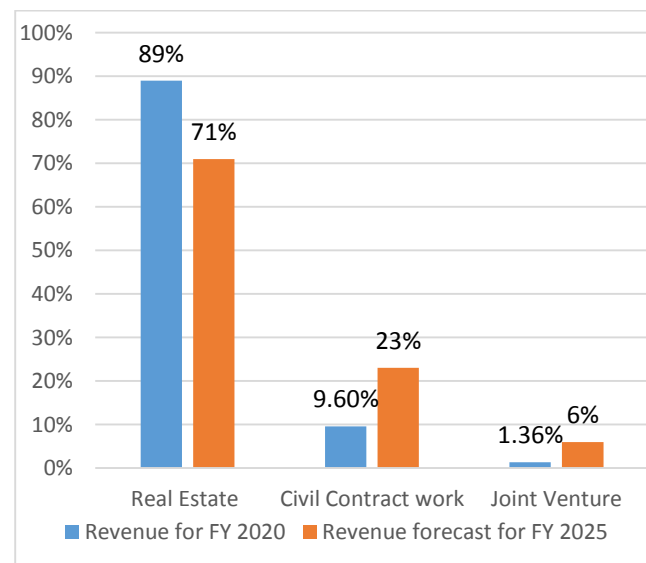
(Amt in Lakhs)

Sr. No.	Name of Entity / Nature of Work	Work Order Amount
FY 2016-17		
1	Goa Housing Board - Construction of 28 single bedroom flat	401.74
2	Goa Housing Board - Construction of 16 Duplex Bungalows in sector "S" at Farmagudi Ponda	650.23
3	Goa State Urban Development Agency - Construction of market complex cum community center in S.No.118 Zuarinagar at Sancoale village for Goa rehabilitation board deposit work.	379.28
4	National Health Department - Construction of 100 Bed Civil Hospital	1039.25
FY 2017-18		
5	Construction of Finishing Works of Residential Building at Empire Industries Ltd, Ambernath	636.77
6	Construction of Residential Building – Building A (Hari Nakshatra)	1892.49
FY 2018-19		
7	MSRTC - Construction of Bus Depot at Shahapur	353.50
8	Construction of Residential Building – Building B (Hari Nakshatra)	4126.75

9	Construction Work for Ashoka Business Enclave "B" Building at S No. 113/2A, Wadala Shiwar	1034.89
FY 2019-20		
10	Maharashtra State Police Housing & Welfare Corpn. Ltd. – Construction of 115 Police Quarters at Head Quarter, Buldhana	3884.53
11	Construction of Commercial Building – Destination One Mall	3300.00
12	Destination Kharadi Developers LLP (Pune)	652.03
Total Contract Value		18351.46
Billing done till 31.03.20		3364.23
Balance		14987.23

As company would focus on de risking through diversification by entering into Civil Contracts and Joint Ventures. Also company may adapt alternative structure to reduce upfront capital commitment with JD as land acquisition model.

Following chart suggest the forecast of revenue for FY 2025 with comparison of FY 2020:



DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 13th Annual Report together with audited statement of accounts of the Company for the year ended on 31st March 2020.

FINANCIAL RESULTS

The financial performance of your Company for the year ended March 31, 2020 is summarized below: -

(Amounts in Lakhs)

Particulars	2019-2020	2018-2019
Total Revenue	11833.49	10,873.75
Expenses	8672.91	7,534.71
Earnings before interest and tax	3160.58	3,339.04
Finance Cost	1785.18	1,707.76
Depreciation	17.53	27.82
Profit Before Tax	1357.87	1,603.46
Exceptional Items-Loss by fire	93.13	-
Tax Expenses:		
Current Tax	327.70	395
Deferred Tax	(26.60)	(1.28)
Net Profit for the period	963.64	1,209.75
Items that will not be subsequently reclassified to profit or loss	(8.10)	(7.40)
Total Comprehensive Income for the period	955.54	1,202.35
Earnings per share (EPS)		
Basic EPS	7.77	9.78
Diluted EPS	7.77	9.78

BUSINESS AND OPERATIONS

A. Business Overview

The Company is operating in the following two segments:

- Construction and development of residential and commercial projects
- Contractual projects

A summary of completed and ongoing projects as on March 31, 2020 has been detailed in the Management Discussion and Analysis Report titled 'Management Report' forming part of the Annual Report.

Change in the nature of business

During the financial year there were no changes in the nature of business of the company.

B. Financial Overview

• Standalone

During the Financial Year 2019-2020, revenue from operations is ₹ 11,412.14 Lakhs as compared to ₹ 10529.66 Lakhs during the previous year. Profit after tax for the financial year is ₹ 955.54 Lakhs as compared to profit of ₹ 1202.35 Lakhs of previous year.

The financial statements of the Company for the year ended 31st March, 2020 have been disclosed as per Schedule III to the Companies Act, 2013.

• Consolidated Financial Statement

The reporting on the performance and financial position of the Subsidiaries, associates and joint venture companies in the Board's Report in accordance with section 129(3) of the Companies Act, 2013 and the Indian Accounting Standard (Ind AS) 110 is not applicable.

• Reserves

The company does not propose to carry any amounts to any reserves.

• Dividend

Considering the operating environment in the standalone business and in view to conserve resources for the year, no dividend is declared to be paid to the Members for Fiscal 2020. Further, the board has not declared any interim dividend during the financial year.

There has been no transfer of unclaimed or unpaid dividend to investor education and protection fund, as there are no unclaimed or unpaid dividends. Accordingly, the provisions of section 125 (2) of the Companies Act, 2013 do not apply to the company.

• Deposits

The company has neither accepted nor renewed any deposits under chapter V of the Companies Act, 2013. Also, there are no deposits which remained unpaid or unclaimed as at the end of

the year. The question of default in repayment of deposits or payment of interest thereon did not arise during the year.

There are no deposits which are not in compliance with the requirements of chapter V of the Companies Act, 2013.

C. Operational Overview

Ongoing Projects

The Company currently has real estate projects aggregating 2.65 million square feet of saleable area. The Company has a good geographic presence with 17 ongoing projects.

SHARE CAPITAL RELATED MATTERS

A. Share Capital

The authorised share capital of the Company is ₹ 140,000,000 (Rupees Fourteen Crore) divided into 14,000,000 (One Crore Forty Lakh) equity shares of ₹ 10 (Rupees Ten) each. At the beginning of the year under review, the issued, subscribed and fully paid up capital was ₹ 123,000,000 (Rupees Twelve Crore Thirty Lakh) divided into 12,300,000 (One Crore Twenty Three Lakh) equity shares of ₹10 each. There was no change in the issued, subscribed and fully paid up share capital of the Company during the year under review.

The Company has split the face value of per equity share from ₹10 each to ₹2 each via postal ballot w.e.f June 16,2020.

At present the Authorised Share capital of the company is ₹14,00,00,000/- (Rupees Fourteen Crores Only) comprising of 7,00,00,000 (Seven Crore) equity shares of ₹ 2/- each (Rupees Two Only). While the paid up share capital of the company is ₹ 12,30,00,000/- (Rupees Twelve Crores Thirty Lakhs) comprising of 6,15,00,000 (Six Crore Fifteen Lakhs) equity shares of ₹ 2/- each (Rupees Two Only).

Karda Constructions Limited is a public limited

company and its equity shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Bonus issue, rights issue, private placements etc

During the financial year, the company has not issued any equity shares. No bonus shares were issued during the year. Further, the company has not issued and allotted securities by way of private placement.

Equity shares with differential voting rights

The company has not issued equity shares with differential voting rights during the year.

Employees stock options

The company has not provided any stock option scheme to the employees.

Buy-back of securities

The company has not bought back any of its securities during the year.

Sweat equity shares

The company has not issued any sweat equity shares during the year.

B. Subsidiaries, Associate Companies, Joint Venture Companies

There are no subsidiaries, associate companies or joint venture companies of the company as on the date of the close of the financial year.

Further, there are no companies which have become or ceased to be subsidiaries, associate companies or joint venture companies during the financial year.

BOARD OF DIRECTORS AND ITS COMMITTEES

A. Composition of the Board of Directors

The Company is managed by well-qualified professionals. All directors are suitably qualified, experienced and competent. The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts,

Finance, Administration and Marketing.

The Company is benefitted by the experience and skills of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large. The Company has a Code of Conduct for Directors and Senior Management personnel. The code is available on the official website of the www.kardaconstruction.in.

Woman Director

In accordance with the second proviso of section 149 (1) of the Companies Act, 2013 read with rule 3 of the companies (Appointment and Qualification of Directors) rules, 2014, and Regulation 17 of (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has Mrs. Shweta Raju Tolani (DIN: 07575484) as a Non-Executive Independent Director on the board.

Independent Director

Following are the Non-Executive Independent directors for complying with the provisions of section 149 of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 appointed on board:

Mrs. Shweta Raju Tolani (DIN: 07575484)

Mr. Rahul Kishor Dayama (DIN: 07906447)

Mr. Sandeep Ravindra Shah (DIN: 06402659)

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

The disclosure in the board's report regarding reappointment by passing special resolution is not

given as no Independent director has been reappointed.

B. Changes in Directors and Key Managerial Personnel

During the year under review, Mr. Anil Nahata, resigned from the post of Chief Financial Officer and Mr. Liyakat Khan was appointed as a chief financial officer w.e.f November 13,2019.

The following persons were the KMP as on 31st March, 2020 pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014:

Sr No.	Name	Designation
1	Naresh Jagumal Karda	Chairman & Managing Director
2	Manohar Jagumal Karda	Whole Time Director
3	Liyakat Khan	Chief Financial Officer
4	Mayura Dinesh Marathe	Company Secretary and Compliance Officer

C. Meetings of the board

During FY 2019-2020, Fifteen meetings of the Board of Directors were held on the following dates:

April 4,2019;	November 13,2019;
April 10,2019;	December 12,2019;
May 29,2019;	January 1,2020;
June 28,2019;	January 16,2020
July 1,2019;	January 27,2020;
August 13,2019;	February 14,2020;
September 5,2019;	March 5,2020;
October 1,2019;	

The intervening gap between the meetings was within the period prescribed under section 173 of

the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, relevant circulars, notifications, orders and amendments thereof.

D. Re-appointment of Directors Retiring by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Manohar Karda, Whole Time Director (DIN: 01808564) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors based on the recommendations of the Nomination, Remuneration and Committee, have recommended the re-appointment of Mr. Manohar Karda, Whole Time Director (DIN: 01808564), Director retiring by rotation.

The Notice convening the Annual General Meeting includes the proposal for re-appointment of Mr. Manohar Karda, Whole Time Director (DIN: 01808564), as a Director. A brief resume of Mr. Manohar Karda, Whole Time Director (DIN: 01808564), has been provided as an Annexure to the Notice convening the Annual General Meeting. Specific information about the nature of Mr. Manohar Karda's, expertise in specific functional areas and the names of the companies in which he holds directorship and membership / chairmanship of Board Committees have also been provided in the Notice convening the Annual General Meeting.

E. Performance Evaluation

In terms of Section 134 (3) (p) read with Articles VII and VIII of Schedule IV of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance and that of its statutory committees – the Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and that of Individual Directors.

The Board assessed the performance and the

potential of each of the Independent Directors with a view to maximizing their contribution to the Board. As envisaged by the Act, the Independent Directors reviewed the performance of the Chairman of the Board at a meeting especially called for that purpose. At the same meeting, a review of the Executive Directors was also carried out. The board has adopted the report of evaluation carried out by independent director.

F. Directors responsibility statement

In accordance with the requirement of Section 134 of the Companies Act, 2013, the Board of Directors of the Company confirms:

- In the preparation of the annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the Directors 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 at the end of the financial year and of the profit of the Company for the year ended 31st March, 2020.
- That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities.
- That the Directors have prepared the Annual Accounts on a going concern basis.
- There are no material changes & commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate & the date of the report.
- There are proper systems have been devised to ensure compliance with the provisions of all

applicable laws and that such systems were adequate and operating effectively.

- That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- Based on the framework of internal financial controls and compliance systems established and maintained by 2013 the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2019-2020.

AUDIT RELATED MATTERS

A. Audit Committee

The Audit Committee of the Company was reconstituted at the Board Meeting held on February 2, 2018.

The composition of the Committee as on 31st March 2020 was:

1. Mr. Rahul Dayama
(Independent Director) - Chairman
2. Mrs. Shweta Tolani
(Independent Director) - Member
3. Mr. Naresh Karda
(Chairman and Managing Director) - Member

The terms of reference, powers, role and responsibilities of the Audit Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. During the period under review, the advice and suggestions recommended by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

B. Statutory Auditors

At the Eleventh General Meeting held on 29th September, 2018, the members appointed M/S JPL & Associates, Chartered Accountants (Firm Registration No.132748W), as Statutory Auditors of the Company for a period of 5 years from the conclusion of the Eleventh Annual General Meeting until the conclusion of the Sixteenth Annual General Meeting.

The Statutory Auditors expressed an unmodified opinion in the audit reports with respect to audited financial statements for the financial year ended March 31, 2020.

Explanation or Comments by the Board on every Qualification, Reservation made by the Auditor:

(INR in Lakhs)

Name of the Statute	Nature of the dues	Period to which the amount relates	Demand Amount	Amount Paid	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	AY 2014-15	1.50	1.50	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	AY 2015-16	36.13	36.13	

The Management is in the process of repaying the dues.

Reporting of Offences involving fraud

The Auditors have not reported any offences involving fraud committed against the company by the officers or employees of the company to the central Government or the board or any other authority, as provided in section 143 (12) of the Companies Act, 2013 read with corresponding rules, circulars, notifications, orders and amendments thereof.

C. Secretarial Audit

Secretarial Audit of the Company for the year ended March 31, 2020 was conducted by Mrs.

Gajara Shah (Mem No. 37875, COP No 22522) of M/S G K Shah & Associates, Practicing Company Secretary. The Secretarial Audit Report issued by Mrs. Gajara Shah (Mem No. 37875, COP No 22522) of M/S G K Shah & Associates, in accordance with the provisions of Section 204 of the Companies Act, 2013 is provided separately in the Annual Report (Annexure I).

There the Secretarial Audit Report has stated following observation:

The Company has submitted the requisite disclosure for financial year end on March, 2019 as specified under Regulation 23 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 after the stipulated time (delay of 4 days)

The Management has taken the note of the same.

D. Cost Audit

Based on the recommendations of the Audit Committee, the Board of Directors re-appointed M/s C Y & Associates, Cost Accountants (Firm Registration No: 00334) as the Cost Auditors of the Company for the financial year 2020-2021. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for financial year 2020-2021 is subject to ratification by the shareholders of the Company. The Notice convening the Annual General Meeting contains the proposal for ratification of the remuneration payable to the Cost Auditors.

E. Internal Audit and Internal Financial Controls

The in-house internal Audit team is responsible for assurance with regard to the effectiveness, accuracy and efficiency of the internal control systems and processes in the Company. The Company's audit team is independent, designed to add value and empowered to improve the Company's processes. It helps the Company accomplish its objectives by bringing a systematic, disciplined approach for evaluating and improving the effectiveness of risk management,

control and governance processes.

There are adequate internal financial controls in place with reference to the financial statements. During the year under review, the Internal Audit Department and the Statutory Auditors tested these controls and no significant weakness was identified either in the design or operations of the controls. A report issued by the Statutory Auditors, M/S JPL & Associates, on the Internal Financial Controls forms a part of the Annual Report.

POLICY MATTERS

A. Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Board of Directors is responsible for recommending the appointment of the Directors and senior management to the Board of Directors of the Company. The Company has in place a Nomination and Remuneration Policy containing the criteria for determining qualifications, positive attributes and independence of a Director and policy relating to the remuneration for the Directors, key managerial personnel and senior management personnel of the Company. The Committee also postulates the methodology for effective evaluation of the performance of Individual Directors, committees of the Board and the Board as a whole which should be carried out by the Board, Committee or by an independent external agency and reviews its implementation and compliance. The Nomination and Remuneration Policy is available on the Company's website: <https://www.kardaconstruction.com/uploads/investors-master/1510049470NRP.pdf> from the policy are reproduced in Annexure II to this report.

B. The Risk Management Framework

The Company has developed and implemented a risk management framework detailing the various internal and external risks faced by the Company and methods and procedures for identifying,

monitoring and mitigating such risks.

The risk management function is supporting the internal control mechanisms of the Company and supplements internal and statutory audit functions.

There was no offence or fraud that needs to be reported by the Statutory Auditors as per Section 143 (12) of the Companies Act.

C. Corporate Social Responsibility Policy

The Company believes that its achievements do not refer only to its growth but are also spread to society. Accordingly, company intends to offer quality education in India. Education and Skilling are the Top Most Priority of the Company.

The Corporate Social Responsibility Policy, as formulated by the Corporate Social Responsibility Committee and approved by the Board of Directors is available on the Company's website: <https://www.kardaconstruction.com/uploads/investors-master/1528357531CSR%20POLICY-KCL.pdf>.

In terms of Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on the Corporate Social Responsibility activities of the Company is given in Annexure III to this report.

D. Vigil Mechanism

The Company has established a vigil mechanism to promote ethical behaviour in all its business activities. It has in place a mechanism for employees and Directors to report any genuine grievances, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulations or conduct to the Vigilance Officer and the Audit Committee of the Board of Directors. The policy also provides for adequate protection to the whistle blower against victimization or discriminatory practices. The

policy is available on the Company's website: <https://www.kardaconstruction.com/uploads/investors-master/1510048036Whistel-Blower-Policy.pdf>

During the year under review, the Company did not receive any complaints relating to unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct from any employee or Directors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

- **Conservation of energy:**

- **The steps taken or impact on conservation of energy:**

The company takes efforts to conserve the energy used at offices and work sites by using energy efficient lighting, electric appliances and computers.

The company has not taken any steps for utilizing alternate sources of energy.

- **The capital investments on energy conservation equipments:**

The company has not made any capital investments on energy conservation equipments.

- **Technology absorption:**

- **The efforts made towards technology absorption:**

The company being engaged in the business of constructions; the company has not made any efforts towards technology absorption.

- **The benefits derived like product improvement, cost reduction, product development or import substitution:**

Not Applicable

- **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

Not Applicable

(a) The details of technology imported: N.A.

(b) The year of import: N.A.

(c) Whether the technology has been fully absorbed: N.A.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

- **The Expenditure incurred on research and development:**

Not Applicable

- **Foreign exchange earnings and outgo:**

- The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual out flows:

Foreign exchange earnings and outgo	(Amounts in Rupees)	
	2019-2020	2018-2019
a Foreign Exchange Earnings	Nil	Nil
B Value of Direct imports	Nil	Nil
C Expenditure in foreign currency	Nil	Nil

SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS / COURTS

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy for the prevention and redressal of sexual harassment at the workplace. Pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the need to constitute the Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace is not applicable.

AWARDS AND RECOGNITIONS

During financial year 2019-20, the Company was conferred with various awards and recognitions, the details of which are given in a separate section of the Annual Report.

CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance forms part of this report.

A certificate from Mrs. Gajara Shah, Practicing Company Secretary affirming compliance with the various conditions of Corporate Governance in terms of the Listing Regulations is given in Annexure IV to this report.

CODE OF CONDUCT

The Company has laid down a code of conduct for the Directors as well as for all senior management of the Company. As prescribed under Regulation 17 of the Listing Regulations, a declaration signed by the Chairman and Managing Director affirming compliance with the code of conduct by the Directors and senior management personnel of the Company for financial year 2019-20 forms part of the Corporate Governance Report.

DISCLOSURE ON CONFIRMATION WITH SECRETARIAL STANDARDS

The Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been complied with pursuant to the Companies Act, 2013 and the rules made thereunder.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the requirements of the Listing Regulations, the Management Discussion and Analysis Report titled 'Management Report' is presented in a separate section of the Annual

Report.

EXTRACT OF ANNUAL RETURNS

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual returns for the financial year ended March 31, 2020 in MGT 9 is attached as Annexure V to this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of loan provided by the Company under section 186 of the companies Act, 2013 are as follows:

Amount outstanding as at 31 March, 2020 for loans given is Rs. 3412.76 Lakhs and corporate Guarantee given is Rs. 9145.71 Lakhs.

During the year, company has given loan of Rs. 23.33 Crore, details regarding the same are including in notes to Standalone financial statement.

RELATED PARTY TRANSACTIONS

During the year, the Company did not enter into any contract / arrangement / transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of Directors. Related party transactions, if any, pursuant to the Listing Regulations were approved by the Audit Committee from time to time prior to entering into the transactions. The related party transactions undertaken during financial year 2019-20 are detailed in the Notes to Accounts of the Financial Statements.

Further, during the year under review, there were no contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013. Therefore, there is no requirement to report any transaction in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 and the rules made thereunder.

Remuneration Details of Directors, Key Managerial

Personnel and Employees Details of the remuneration of Directors, key managerial personnel and the statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure VI to this report.

ADDITIONAL INFORMATION TO SHAREHOLDERS

All important and pertinent investor information such as financial results, investor presentations, press releases, new launches and project updates are made available on the Company's website (www.kardaconstruction.com) on a regular basis.

REVISION OF FINANCIAL STATEMENT OR BOARD'S REPORT

The company has not revised its financial statements or boards report in last three financial years, with reference to section 131 of the Companies Act,2013.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes affecting the financial position of the company taken place between the end of the financial year of the company to which financial statements relate and

the date of the report.

Your Directors state that no disclosure or reporting is required in respect of the following matters under the Companies Act,2013 and SEBI Regulations either on account of absence of any transaction or inapplicability of provisions:

- Reporting of frauds(s) by auditors within meaning of Section 143 (12) of Companies Act 2013
- Disclosure pursuant to Section 43(1) read with Rule 4(4) of Companies (Share Capital and Debentures) rules,2014 regarding issue of equity shares with differential rights.
- Details of any scheme providing money for the purchase of shares of the Company by Employees for the benefit of Employees.
- Issue of shares(including sweat equity shares) to employees of the company under any scheme

FOR AND ON BEHALF OF

THE BOARD OF KARDA CONSTRUCTIONS LIMITED

Sd/-

NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)

Sd/-

MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)

(Authorised to sign and serve vide Board Resolution dated 02.09.2020)

Date: September 02, 2020

Place: Nashik

ANNEXURE I

Form No. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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]

To,

The Members

Karda Constructions Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Karda Constructions Limited (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on 31st March, 2020 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 and verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- 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) The 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 to the extent of their applicability to the Company;
- 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) Regulation, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation(s):

The Company has submitted the requisite disclosure for financial year end on March, 2019 as specified under Regulation 23 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 after the stipulated time (~delay of 4 days).

We further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, 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.
- ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days and/or on shorter notice after receipt of confirmation from all the Directors 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.
- iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that 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.

We further report that during the audit period there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad

Date: 02.09.2020

For, G K Shah & Associates

SD/-

Gajara Shah

Company Secretary in practice

ACS No.: 37875 C P No.: 22522

UDIN: A037875B000634746

This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report

Annexure A

To,
The Members
Karda Constructions Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 02.09.2020

For, G K Shah & Associates
Sd/-
Gajara Shah
Company Secretary in practice
ACS No.: 37875 C P No.: 22522
UDIN: A037875B000634746

ANNEXURE II

EXTRACT FROM NOMINATION AND REMUNERATION POLICY

Policy on Appointment and Removal of Directors, Key Managerial Personnel and Senior Management

A. Eligibility or Criteria for Appointment:

Educational Qualification:

No person shall be eligible for appointment as a Director, Key Managerial Personnel and / or Senior Management Personnel unless he / she possesses at least a bachelors' degree in a recognized and relevant field. Educational qualification over and above the bachelors' degree, though not mandatory, shall be preferable. However, the requirement of minimum educational qualification can be waived if the candidate showcases exceptional knowledge, talent, creativity and / or aptitude for the position.

Experience:

A person shall be eligible for appointment as a Director, Key Managerial Personnel and / or Senior Management Personnel if he / she possess adequate experience in the respective field(s). Between two candidates possessing same / similar educational qualification, the person with more experience will ordinarily be preferred. Experience in diverse fields will be given due weightage.

Integrity:

The person considered for appointment shall be a person of integrity and good standing. No person convicted of any offence involving moral turpitude shall be considered for appointment to post of a Director, Key Managerial Personnel and/or Senior Management.

Age:

A person shall not be considered for appointment to the post of a Whole-time Director of the Company if he / she has attained the age of seventy years.

Independence:

No person shall be appointed as an Independent Director of the Company unless he / she meets the

criteria of independence as specified in the Companies Act, 2013 and Listing Agreement.

Limits on Directorship:

No person shall be appointed as a Whole-time Director / Independent Director of the Company unless such directorship is within the limits prescribed by law in this behalf.

Limits on Committee Membership:

The number of Chairmanship or membership of committees held by a person shall be within the limits prescribed by law in this behalf in order to be considered for appointment as a Whole-time Director / Independent Director of the Company.

A.Term of Office:

Whole-time Director:

- i. The Whole-time Director(s) of the Company shall be appointed for a term not exceeding five years at a time.
- ii. The Whole-time Director(s) shall be eligible for re-appointment for further terms not exceeding five years at a time subject to the approval of members of the Company.
- iii. No such re-appointment shall be made earlier than one year before the expiry of the current term.

Independent Director(s):

- i. An Independent Director shall hold office for a term up to five consecutive years on the Board of Directors of the Company.
- ii. An Independent Director shall be eligible for re-appointment for another term up to five consecutive years on passing of a special resolution in this regard by the members of the Company. I
- iii. No Independent Director shall hold office for more than two consecutive terms. An Independent Director shall be eligible for re-appointment after the expiry of three years of

ceasing to be an Independent Director where he/she has served for two consecutive terms.

Key Managerial Personnel and Senior Management:

The term of office of Key Managerial Personnel and Senior Management of the Company shall be in accordance with the prevailing Human Resource policy of the Company.

Removal of Director, Key Managerial Personnel and Senior Management of the Company:

The Committee shall recommend to the Board of Directors, the removal from office of any Director, Key Managerial Personnel and/or Senior Management Personnel of the Company:

- i. Whenever a Director, Key Managerial Personnel and/or Senior Management Personnel of the Company incurs any disqualification specified under any applicable law which renders their position untenable.
- ii. Whenever a Director, Key Managerial Personnel and/or Senior Management Personnel of the Company is found guilty of violating the Code of Conduct, the Code of Conduct for Prevention of Insider Trading of the Company and/or such other policy as may be decided by the Committee.
- iii. Whenever a Director, Key Managerial Personnel and/or Senior Management of the Company acts in a manner which is manifestly against the interests of the Company. In case of any proceedings under this sub-clause, the concerned Director, Key Managerial Personnel and/or Senior Management of the Company shall be given an opportunity of being heard by the Committee.

Performance Evaluation:

- i. The performance evaluation of each director will be carried out by the Committee in the first instance. It shall place its recommendations before the Board of Directors.
- ii. The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being

evaluated). It shall take into consideration the views of the Committee.

- iii. The Independent Directors shall review the performance of Non-Independent directors and the Board as a whole. The Independent Directors shall take into consideration the views of the Committee.
- iv. The Independent Directors shall review the performance of the Chairperson of the Company, taking into account the views of the Committee, the Executive Directors and Non-Executive Directors.

The Independent Directors of the Company are experts in their respective fields. They bring with them specialized skills, vast repertoire of knowledge and a wide diversity of experience and perspectives. In view of their significant expertise, the Independent Directors may recommend the mechanism for evaluating the performance of the Board as a whole as well as Individual Directors.

In lieu of such recommendation, the criteria for Performance Evaluation laid down below may be considered. However, the below mentioned criteria is only suggestive and the Board/Directors may consider such other criteria as they may deem necessary for effective evaluation of performance.

Board of Directors:

- i. Establishment of distinct performance objectives and comparison of performance against such objectives.
- ii. Contribution of the Board to the development of strategy.
- iii. Contribution of the Board in developing and ensuring robust and effective risk management system.
- iv. Response of the Board to problems or crises that have emerged.
- v. Suitability of matters being reserved for the Board under the Listing Agreement.

- vi. Relationship between the Board and its main Committees and between the Committees themselves.
- vii. Communication of the Board with the Management team, Key Managerial Personnel and other employees.
- viii. Knowledge of latest developments in the regulatory environment and the market.
- ix. Appropriateness, quality and timeliness of flow of information to the Board.
- x. Adequacy and quality of feedback by the Board to management on its requirements.
- xi. Adequacy of frequency and length of Board and Committee meetings.
- xii. Appropriate mix of knowledge and skills in the composition of the Board and its Committees.

Committees of the Board of Directors:

- i. Suitability of matters being reserved for the Committee(s).
- ii. Communication of the Committee(s) with the management team, Key Managerial Personnel and other employees.
- iii. Appropriateness, quality and timeliness of flow of information to the Committee(s).
- iv. Adequacy and quality of feedback by the Committee(s) to management on its requirements.
- v. Adequacy of frequency and length of the Committee meetings.
- vi. Appropriate mix of knowledge and skills in the composition of the Committees.

Independent Directors:

- i. Level of preparedness for the meetings of the Board and Committees.
- ii. Willingness to devote time and effort to understand the Company and its business.
- iii. Quality and value of their contributions at Board and Committees meetings.
- iv. Contribution of their knowledge and experience to the development of strategy of the Company.
- v. Effectiveness and pro-activeness in recording and following up their areas of concern.

- vi. Relationship with fellow Board members, Key Managerial personnel and Senior Management.
- vii. Knowledge and understanding of current industry and market conditions.
- viii. Attendance at the meetings of the Board and Committees of which the Independent Director is a member.

Policy relating to the Remuneration of Directors, Key Managerial Personnel and Senior Management:

A. Remuneration Criteria:

The guiding principle while determining the level and composition of remuneration is the competitiveness required to attract, retain and motivate competent personnel. While deciding the remuneration of Directors, Key Managerial Personnel and Senior Management, the following factors shall be taken into consideration:

- a. availability of talented, skilled and experienced professionals.
- b. industry standards.
- c. profitability of the Company and growth prospects.

B. Payment of Remuneration: Information for our Shareholders

- i. The Committee shall recommend the payment of remuneration (including any revision thereof) to the Directors of the Company including the Independent Directors which shall be subject to the approval of the Board of Directors. It shall also be approved by the shareholders of the Company and/or Central Government, wherever required.
- ii. The remuneration of Key Managerial Personnel and Senior Management Personnel shall be determined by the Company in accordance with the prevailing HR Policy of the Company.

C. Remuneration of Whole-time Directors, Key Managerial Personnel and Senior Management: Basic Salary:

Each Whole-time Director, Key Managerial Personnel and Senior Management personnel shall be paid a monthly remuneration. The monthly remuneration of Whole-time Director as recommended by the Committee shall be approved by the Board of Directors and also by the shareholders of the Company, if required.

Accommodation or House Rent Allowance:

Each Whole-time Director shall be provided with rent-free furnished accommodation or up to a specified percent of the basic salary as House Rent Allowance in lieu of accommodation. Key Managerial Personnel and Senior Management personnel shall be provided with a specified percent of the basic salary as House Rent Allowance.

Performance Incentives:

Each Whole-time Director shall be eligible for performance incentives which shall not exceed a specified percent of profits of the Company.

Key Managerial Personnel and Senior Management personnel shall be eligible for performance incentives as per the prevailing Human Resource policy of the Company in this regard. The incentive is linked to the performance of the Company in general and their individual performance is measured against specific Key Result Areas, which are aligned with the Company's objectives.

Perquisites and Other Allowances:

Each Whole-time Director, Key Managerial Personnel and Senior Management personnel shall be entitled to such perquisites, allowances, benefits, facilities and amenities as per the Human Resource policy of the Company in force or as may be approved by the Board from time to time.

D. Remuneration of Independent Directors: Commission:

Each Independent Director shall be paid remuneration by way of Commission as recommended by the Committee which shall be approved by the Board of Directors. Such Commission shall be within the overall limits approved by the shareholders of the Company.

Sitting Fees:

The Independent Director may receive remuneration by way of fees for attending the meetings of Board or Committee thereof as may be decided by the Board of Directors from time to time.

E. Limits on Remuneration:

- i. The overall remuneration paid by the Company to the Directors including Independent Directors shall not exceed 11% of net profit for that year .
- ii. The remuneration paid by the Company to all its Whole-time Directors shall not exceed 10% of the net profits of the Company for that financial year.
- iii. The remuneration paid by the Company to its Independent Directors (excluding sitting fees) shall not exceed 1% of the net profits of the Company for that financial year.
- iv. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013. If the remuneration payable exceeds the limits laid down in Schedule V, then the Company shall obtain the previous approval of the Central Government.
- v. Revision of existing remuneration may be recommended by the Committee to the Board which should be within the limits approved by the shareholders.

ANNEXURE III

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Period for which CSR is being reported-

From 01.04.2019 to 31.03.2020

2. Whether information includes information about subsidiary company- No

If yes, then indicate number of such subsidiary company(s)- NA

3. Whether information includes information about any other entity(s) (e.g. supplies, value chain etc.)- No

If yes, then indicate number of such entity(s)-NA

4. Does the company have a written CSR policy- Yes

Brief contents of the CSR policy-

The CSR Policy is formulated with intention to Strive for economic development that positively impacts the society at large with minimal resources. Also to embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, education, environment, communities, stakeholders and the society. The CSR policy of the company is available on web site of the company i.e. www.kardaconstruction.com.

5. The Composition of the CSR Committee-

The committee comprises of following members-

Mr. Rahul Dayama	Chairman
Mrs. Disha Karda	Member
Mr. Naresh Karda	Member

The CSR Committee was reconstituted by way of resolution passed at the meeting of board of directors held on August 30, 2018.

6. Average net profit of the company for last three financial years-

The average net profit of the company for last three financial years is ₹ 15,71,74,280/-.

7. Prescribed CSR Expenditure-

The prescribed CSR expenditure as per section 135 is ₹ 31,43,486/-.

8. Details of CSR spent during the financial year

a. Total amount to be spent for the financial year- ₹ 31,43,486/-

Total amount spent by the company is ₹ 33,60,500/-

b. Amount unspent, if any-

The amount unspent by the company is NIL.

c. Manner in which the amount spent during the financial year is detailed below-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is Covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
1	Eradicating Hunger	Eradicating hunger, poverty & malnutrition	Nashik city	₹2,00,000/-	₹ 1,98,000/-	₹ 1,98,000/-	Directly
2	Promoting Education	Promoting Education among children and Women and Adult Literacy	Nashik City	₹30,00,000/-	₹ 31,62,500/-	₹ 31,62,500/-	Direct and through Implementing agency

9. In case the company has failed to spend the two per cent. of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report-
NA

10. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company-

The members of CSR committee hereby declare that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

**FOR AND ON BEHALF OF THE BOARD
OF KARDA CONSTRUCTIONS LIMITED**

Sd/-

**NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)**

(Authorised to sign and serve vide Board Resolution dated 02.09.2020)

Date: September 02, 2020

Sd/-

**MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)**

Place: Nashik

Sd/-

**RAHUL DAYAMA
CHAIRMAN OF CSR COMMITTEE
(DIN:07906447)**

ANNEXURE IV

CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
Karda Constructions Limited

As requested by Karda Constructions Limited (“the Company”), this report is issued pursuant to the provision of Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and prepared solely to communicate to the members of the Company on the compliance by the Company with the requirement of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations.

We, G K Shah & Associates, Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C & D of Schedule V of the Listing Regulations.

MANAGEMENT’S RESPONSIBILITY: The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

OUR RESPONSIBILITY: Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

OPINION: Based on our examinations of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 st March 2020 to the extent applicable to the Company.

We 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.

G K Shah & Associates
Sd/-
Gajara Shah
Company Secretary in practice
ACS No.: 37875 C P No.: 22522
UDIN: A037875B000634757
Place: Ahmedabad
Date: 02.09.2020

ANNEXURE V**Form No MGT-9**

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

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

I	REGISTRATION AND OTHER DETAILS
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i.	CIN	L45400MH2007PLC174194
ii.	Registration Date	17/09/2007
iii.	Name of the Company	Karda Constructions Limited
iv.	Category / Sub Category of the Company	Public limited company Indian non-government company Company limited by shares
v.	Address of the Registered Office and Contact Details	2nd Floor, Gulmohar Status above Business Bank, Samarth Nagar, Nashik - 422005 Email Id: admin@kardaconstruction.com Ph No:0253-2351090
vi.	Whether Listed Company (Yes / No)	Yes
vii.	Name, address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. T: 2851 5606/ 5644 Web: http://www.sharexindia.com

II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY
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All the business activities contributing 10 % or more of the total turnover of the Company: -

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% of Total turnover of the Company
01.	Construction of buildings services	41129	89.95

Others Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks / FI's	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A) (2)	8000000	-	8000000	65.04	8015000	-	8015000	65.16	0.12
B. PUBLIC SHAREHOLDING									
1. Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI's	108519	-	108519	0.88		-	-	-	-0.882
Central Government	29960	-	29960	0.24	3344	-	3344	0.027	-0.217
State Governments	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FII's	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	138479	-	138479	1.12	3344	-	3344	0.027	-1.099
2. Non Institutions									

Bodies Corporate Indian	-	211931	-	211931	1.723	537593	-	537593	4.371	2.648
Bodies Corporate Overseas	-	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-	-
Individual Shareholders holding nominal share capital up to Rs. 1 Lakh	-	894620	-	894620	7.273	910595	-	910595	7.403	0.130
Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	2174267	-	2174267	17.677	2500274	-	2500274	20.327	2.650
Others										
NRI	-	52048	-	52048	0.423	51314	-	51314	0.417	-0.006
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-	-
Clearing Members	-	828655	-	828655	6.737	281880	0	281880	2.292	-4.445
Trusts	-	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)		4161521	-	4161521	33.833	4281656	-	4281656	34.81	0.977
TOTAL PUBLIC SHAREHOLDING (B) =		4300000	-	4300000	34.96	4285000	-	4285000	34.84	-0.122

(B)(1) + (B) (2)									
C. SHARES HELD BY CUSTODIAN FOR GDR's AND ADR's	-	-	-	N.A.	-	-	-	-	-
GRAND TOTAL (A+B+C)	12300000	-	12300000	100.00	12300000	-	12300000	100.00	-

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during 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	
1	Naresh Jagumal Karda	5600000	45.528	-	5615000	45.65	-	0.122
2	Prem Jagumal Karda	590000	4.797	-	590000	4.797	-	-
3	Laxman Jagumal Karda	550000	4.472	-	550000	4.472	-	-
4	Manohar Jagumal Karda	370000	3.008	-	370000	3.008	-	-
5	Karamchand Jagumal Karda	340000	2.764	-	340000	2.764	-	-
6	Disha Naresh Karda	250000	2.033	-	250000	2.033	-	-
7	Bharti Manohar Karda	100000	0.813	-	100000	0.813	-	-
8	Komal Laxman Karda	100000	0.813	-	100000	0.813	-	-

9	Neha Prem Karda	100000	0.813	-	100000	0.813	-	-
TOTAL		8000000	65.041	-	80150000	65.163	-	0.122

(iii) Change in Promoters' Shareholding

Sr. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Naresh Jagumal Karda				
	At the beginning of the year	5600000	45.52	5600000	45.52
	Increase in shareholding due to following reasons: Shares being bought from open market on 20.09.2019	15000	0.13	5615000	45.65
	At the end of the year	5615000	45.65	5615000	45.65

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR's and ADR's)

Sr. No.	Name	Shareholding at the beginning/end of the year		Date	Increase/Decrease in Share holding	Reason	Cumulative Shareholding during the year (01-04-19 to 31-03-2020)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Vaishali Yatin Shah	225467	1.833	01-04-2019				
				05-04-2019	-2083	Sold	223384	1.816
				12-04-2019	-7326	Sold	216058	1.757
				19-04-2019	-402	Sold	215656	1.753
				26-04-2019	-200000	Sold	15656	0.127
				03-05-2019	8060	Buy	23716	0.193
					-18140			

				17-05-2019	-5566	Sold	5576	0.045
				07-06-2019	2687	Sold	10	0
				14-06-2019	38364	Buy	2697	0.022
				21-06-2019	14423	Buy	41061	0.334
				29-06-2019	707	Buy	55484	0.451
				12-07-2019	-12626	Buy	56191	0.457
				19-07-2019	-37953	Sold	43565	0.354
				26-07-2019	3975	Sold	5612	0.046
				09-08-2019	15693	Buy	9587	0.078
				16-08-2019	-16004	Buy	25280	0.206
				23-08-2019	136121	Sold	9276	0.075
				30-08-2019	3820	Buy	145397	1.182
				06-09-2019	5902	Buy	149217	1.213
				13-09-2019	-7766	Buy	155119	1.261
				20-09-2019	19661	Sold	147353	1.198
				27-09-2019	4004	Buy	167014	1.358
				30-09-2019	-14413	Buy	171018	1.39
				04-10-2019	1133	Sold	156605	1.273
				11-10-2019	20313	Buy	157738	1.282
				18-10-2019	21151	Buy	178051	1.448
				25-10-2019	10100	Buy	199202	1.62
				01-11-2019	-21293	Buy	209302	1.702
				08-11-2019	18260	Sold	188009	1.529
				15-11-2019	15264	Buy	206269	1.677
				22-11-2019	3362	Buy	221533	1.801
				29-11-2019	174686	Buy	224895	1.828
				06-12-2019	2526	Buy	399581	3.249
				13-12-2019	633	Buy	402107	3.269
				31-12-2019	-25126	Buy	402740	3.274

				03-01-2020	-14966	Sold	377614	3.07
				10-01-2020	32843	Sold	362648	2.948
				17-01-2020	11465	Buy	395491	3.215
				24-01-2020	-2875	Buy	406956	3.309
				31-01-2020	9577	Sold	404081	3.285
				07-02-2020	-47905	Buy	413658	3.363
				14-02-2020	-31099	Sold	365753	2.974
				21-02-2020	12979	Sold	334654	2.721
				28-02-2020	16634	Buy	347633	2.826
				06-03-2020	14954	Buy	364267	2.962
				13-03-2020	18114	Buy	379221	3.083
				20-03-2020	2884	Buy	397335	3.23
				27-03-2020	1339	Buy	400219	3.254
				31-03-2020		Buy	401558	3.265
2	Sumit P Desai (HUF)	290000	2.358	01-04-2019				
				29-06-2019	-500	Sold	289500	2.354
	Closing Balance			31-03-2020			289500	2.354
3	Bhumika Sumit Desai	194386	1.58	01-04-2019				
				05-04-2019	487	Buy	194873	1.584
				12-04-2019	4513	Buy	199386	1.621
				29-06-2019	-500	Sold	198886	1.617
				14-02-2020	1114	Buy	200000	1.626
	Closing Balance			31-03-2020			200000	1.626
4	Edelweiss Custodial Services Ltd	28413	0.231	01-04-2019				
				05-04-2019	504	Buy	28917	0.235
				12-04-2019	-1190	Sold	27727	0.225
				19-04-2019	-129	Sold	27598	0.224
				26-04-2019	17330	Buy	44928	0.365

			10-05-2019	25404	Buy	70332	0.572
			17-05-2019	6637	Buy	76969	0.626
			24-05-2019	14066	Buy	91035	0.74
			31-05-2019	33624	Buy	124659	1.013
			07-06-2019	-21491	Sold	103168	0.839
			14-06-2019	-2577	Sold	100591	0.818
			21-06-2019	-22737	Sold	77854	0.633
			29-06-2019	40	Buy	77894	0.633
			05-07-2019	6772	Buy	84666	0.688
			12-07-2019	670	Buy	85336	0.694
			19-07-2019	2239	Buy	87575	0.712
			26-07-2019	-2990	Sold	84585	0.688
			02-08-2019	20453	Buy	105038	0.854
			09-08-2019	-47435	Sold	57603	0.468
			16-08-2019	-4565	Sold	53038	0.431
			23-08-2019	49990	Buy	103028	0.838
			30-08-2019	-50000	Sold	53028	0.431
			20-09-2019	-50	Sold	52978	0.431
			27-09-2019	-40	Sold	52938	0.43
			04-10-2019	1179	Buy	54117	0.44
			11-10-2019	-1125	Sold	52992	0.431
			18-10-2019	-52018	Sold	974	0.008
			25-10-2019	-54	Sold	920	0.007
			08-11-2019	4080	Buy	5000	0.041
			06-12-2019	12080	Buy	17080	0.139
			31-01-2020	26920	Buy	44000	0.358
			07-02-2020	197505	Buy	241505	1.963
			14-02-2020	-44000	Sold	197505	1.606
			31-03-2020			197505	1.606
	Closing Balance						

5	Vaibhav Rajendra Doshi	1700	0.014	01-04-2019				
				12-07-2019	25000	Buy	26700	0.217
				19-07-2019	24500	Buy	51200	0.416
				13-12-2019	7500	Buy	58700	0.477
				17-01-2020	48000	Buy	106700	0.867
				24-01-2020	25000	Buy	131700	1.071
				14-02-2020	52	Buy	131752	1.071
				21-02-2020	6827	Buy	138579	1.127
				28-02-2020	22421	Buy	161000	1.309
				13-03-2020	5000	Buy	166000	1.35
				Closing Balance			166000	1.35
6	Bindu H Mehta	77580	0.631	01-04-2019				
				05-04-2019	610	Buy	78190	0.636
				12-04-2019	5000	Buy	83190	0.676
				17-05-2019	39638	Buy	122828	0.999
				07-06-2019	362	Buy	123190	1.002
				19-07-2019	500	Buy	123690	1.006
				27-03-2020	7962	Buy	131652	1.07
				Closing Balance			131652	1.07
7	Kajal Vaibhav Pandya	117410	0.955	01-04-2019				
				03-05-2019	8500	Buy	125910	1.024
				26-07-2019	3000	Buy	128910	1.048
				02-08-2019	-3500	Sold	125410	1.02
				09-08-2019	5000	Buy	130410	1.06
				Closing Balance			130410	1.06
				31-03-2020			130410	1.06
8	Madhukar Sheth	120000	0.976	01-04-2019				
				26-07-2019	10002	Buy	130002	1.057
				02-08-2019	20000	Buy	150002	1.22
				09-08-2019	12700	Buy	162702	1.323

				16-08-2019	-5937	Sold	156765	1.275
				23-08-2019	-18763	Sold	138002	1.122
				30-08-2019	29600	Buy	167602	1.363
				06-09-2019	-4800	Sold	162802	1.324
				13-09-2019	-8700	Sold	154102	1.253
				20-09-2019	-12500	Sold	141602	1.151
				27-09-2019	-10000	Sold	131602	1.07
				30-09-2019	20900	Buy	152502	1.24
				04-10-2019	-7353	Sold	145149	1.18
				11-10-2019	-15147	Sold	130002	1.057
				18-10-2019	15500	Buy	145502	1.183
				25-10-2019	-9000	Sold	136502	1.11
				01-11-2019	-4500	Sold	132002	1.073
	Closing Balance			08-11-2019	-2000	Sold	130002	1.057
				31-03-2020			130002	1.057
9	Yatin B Shah . HUF	103779	0.844	01-04-2019				
				12-04-2019	-1917	Sold	101862	0.828
				26-04-2019	199	Buy	102061	0.83
				10-05-2019	1561	Buy	103622	0.842
				17-05-2019	1061	Buy	104683	0.851
				24-05-2019	2550	Buy	107233	0.872
				07-06-2019	27650	Buy	134883	1.097
				14-06-2019	-5700	Sold	129183	1.05
				29-06-2019	2	Buy	129185	1.05
				19-07-2019	7080	Buy	136265	1.108
				26-07-2019	-5655	Sold	130610	1.062
				02-08-2019	-17871	Sold	112739	0.917
				09-08-2019	14885	Buy	127624	1.038
				11-10-2019	-24603	Sold	103021	0.838

				18-10-2019	-9238	Sold	93783	0.762
				25-10-2019	-17032	Sold	76751	0.624
				01-11-2019	18745	Buy	95496	0.776
				08-11-2019	12793	Buy	108289	0.88
				15-11-2019	15122	Buy	123411	1.003
				29-11-2019	600	Buy	124011	1.008
	Closing Balance			31-03-2020			124011	1.008
10	Manoj H Mehta (HUF)	121000	0.984	01-04-2019	-	No Change	121000	0.984
				31-03-2020				

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each director and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	Naresh Jagumal Karda (Managing Director)				
	At the beginning of the year	5600000	45.52	5600000	45.52
	Increase in shareholding due to following reasons: Shares being brought from open market on 20.09.2020	5615000	45.65	5615000	45.65
	At the end of the year	5615000	45.65	56,00,00	45.65
2.	Manohar Jagumal Karda (Whole Time Director)				
	At the beginning of the year	370000	3.008	370000	3.008
	Date wise Increase /Decrease in Shareholding during the year specifying the	-	-	-	-

	reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
	At the end of the year	370000	3.008	370000	3.008
3. Disha Naresh Karda (Executive Director)					
	At the beginning of the year	250000	2.033	250000	2.033
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	250000	2.033	250000	2.033
4. Shweta Raju Tolani (Non-Executive Independent Director)					
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
5. Rahul Kishor Dayama (Non-Executive Independent Director)					
	At the beginning of the year	-	-	-	-
	Date wise Increase /	-	-	-	-

	Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc)				
	At the end of the year	-	-	-	-
6. Sandeep Ravindra Shah (Non-Executive Independent Director)					
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
7. Liyakat Khan (CFO)					
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	-	-	-	-
8. Mayura Dinesh Marathe (Company Secretary)					

At the beginning of the year	-	-	-	-
Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc)	-	-	-	-
At the end of the year	-	-	-	-

V	INDEBTEDNESS
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Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Amounts in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12660.33	91.94	-	12752.27
ii) Interest due but not paid	74.80	NIL	-	74.80
iii) Interest accrued but not due	-	-	-	-
TOTAL (i +ii + iii)	12735.13	91.94	-	12752.27
Change in Indebtedness during the Financial Year	9622.13		-	
• Addition	13035.73	3322.08		12944.21
• Reduction		3259.95		16295.68
NET CHANGE	-3413.60	62.13	-	-3351.47
Indebtedness at the end of the Financial Year				
i) Principal Amount	9280.85	135.80	-	9416.65
ii) Interest due but not paid	40.68	18.27	-	58.95
iii) Interest accrued but not due	-	-	-	-
TOTAL (i +ii + iii)	9321.53	154.07	-	9475.60

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
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A. Remuneration to Managing Director, Whole Time Director and / or Manager:

(Amounts in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
1.	Naresh Jagumal Karda		
1.	Gross Salary	12.00	12.00
	(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 (A)		12.00	12.00
Ceiling as per the Act		5% of the net profit	
2.	Manohar Jagumal Karda		
1.	Gross Salary	12.00	12.00
	(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 (A)		12.00	12.00
Ceiling as per the Act		5% of the net profit	
3.	Disha Naresh Karda		
1.	Gross Salary	12.00	12.00
	(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 (A)		12.00	12.00
Ceiling as per the Act		1% of the net profit	

B. Remuneration to other directors

(Amounts in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shweta Tolani	Rahul Dayama	Sandeep Shah	
1.	Independent Directors				
	• Fees for attending board committee meetings	1.68	1.44	0.48	3.60
	• Commission	-	-	-	-
	• Others, specify	-	-	-	-
TOTAL (1)		1.68	1.44	0.48	3.60
2.	Other Non-Executive Directors	-	-	-	-
	• Fees for attending board committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, specify	-	-	-	-
TOTAL (2)		-	-	-	-
TOTAL (B) = (1) + (2)		-	-	-	-
TOTAL MANAGERIAL REMUNERATION		1.68	1.44	0.48	3.60
OVERALL CEILING AS PER THE ACT		Not applicable as only sitting fees paid			

C. Remuneration to key managerial personnel other than MD / MANAGER / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				TOTAL
		CEO	Company Secretary	*CFO (Anil Nahata)	*CFO (Liyakat Khan)	
1.	Gross Salary	-	4.16	4	2.76	10.92
	(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		N.A.	4.16	4	2.76	10.92

Mr. Anil Nahata resigned from position of Chief Financial Officer w.e.f. 13th November, 2019.

Mr. Liyakat Khan was appointed as Chief Financial Officer of the company w.e.f. 13th November, 2019.

VII	PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCE
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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			NA		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NA		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NA		
Punishment					
Compounding					

**FOR AND ON BEHALF OF THE BOARD
OF KARDA CONSTRUCTIONS LIMITED**

Sd/-

NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)

(Authorised to sign and serve vide Board Resolution dated 02.09.2020)

Date: 2nd September, 2020

Sd/-

MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)

Place: Nashik

ANNEXURE VI

DETAILS OF REMUNERATION

[Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the Fiscal 2020:

Sr. No.	Names of Directors	Designation	Ratio of Directors remuneration	% increase in the remuneration
1.	Naresh Jagumal Karda	Managing Director	512.82	NA
2	Disha Naresh Karda	Director	512.82	NA
3	Manohar Jagumal Karda	Whole time Director	512.82	NA
4	Shweta Raju Tolani	Non – Executive Independent Director	NA	
5	Rahul Kishor Dayama	Non – Executive Director		
6	Sandeep Ravindra Shah	Non – Executive Independent Director		
7	Anil Nahata *	CFO	170.94	NA
8	Liyakat Khan**	CFO	117.94	NA
9	Mayura Marathe	Company Secretary	177.77	NA

Independent Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as Not Applicable. The percentage increase in remuneration of Independent Directors is based on their attendance in the Board and Committee Meetings held during the financial year.

- ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:
Details provided in the table given above.
- iii. The median remuneration of employees during the financial year was 2.34 Lakh (Rupees Two Lakh Thirty Four Thousand only).
- iv. There is no change in median remuneration of employees in the financial year 2019-20.
- v. The number of permanent employees on the rolls of Company as on March 31, 2020 was 91.
- vi. During the reporting period, the revenues have decreased by 8.38%, the Profit before Tax and Profit after Tax have decreased by 21.12% and 20.34% respectively on a standalone basis as compared to the previous financial year 2018-19.
- vi. Average percentile increase in the salaries of employees other than the managerial personnel during 2019-

20 was 24.60%. There has been no increase in the managerial remuneration during the same period.

- vii. No variable component form the part of remuneration paid to the directors and key Managerial personnel of the company during the Financial year 2019-2020.
 - viii. There was no employee whose remuneration was in excess of the remuneration of the highest paid director during the financial year.
 - ix. The remuneration is as per the Nomination and Remuneration Policy formulated by the Nomination and Remuneration and Committee and approved by the Board of Directors of the Company.
- b. There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or wholetime director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

**FOR AND ON BEHALF OF
THE BOARD OF KARDA CONSTRUCTIONS LIMITED**

Sd/-

**NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)**

(Authorised to sign and serve vide Board Resolution dated 02.09.2020)

Sd/-

**MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)**

Date: September 02,2020

Place: Nashik

ANNEXURE VII**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(I) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
KARDA CONSTRUCTIONS LIMITED
2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik MH 422005 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Karda Constructions Limited having CIN L45400MH2007PLC174194 and having registered office at 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik MH 422005 IN (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No	Name of Director	DIN	Date of appointment in Company (the date of appointment is as per the MCA Portal)
1	Naresh Jagumal Karda	01741279	17/09/2007
2	Manohar Jagumal Karda	01808564	10/10/2008
3	Sandeep Ravindra Shah	06402659	16/02/2018
4	Disha Naresh Karda	06424475	29/02/2016
5	Shweta Raju Tolani	07575484	06/02/2017
6	Rahul Kishor Dayama	07906447	30/08/2017

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company ; its officers, We hereby certify that none of the Directors on the Board of the Company as stated above for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

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

G K Shah & Associates

SD/-

Gajara Shah

Company Secretary in practice

ACS No.: 37875C P No.: 22522 UDIN: A037875B000634724

Place: Ahmedabad

Date: 02.09.2020

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance states compliance as per requirements of the Companies Act, 2013, SEBI (LODR), Regulations, 2015, as applicable to the Company. Given below are the Company's Corporate Governance policies and practices for 2019-2020 and the Company has complied with all the statutory and regulatory requirements as stipulated in the applicable laws.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were man-dated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

BOARD OF DIRECTORS

The Company is managed by well-qualified professionals. All directors are suitably qualified, experienced and competent. The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefitted by the experience and skills of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large. The Company has a Code of Conduct for Directors and Senior

Management personnel. The code is available on the official website of the www.kardaconstruction.in

Composition of board and changes therein

The Board of directors is duly constituted and consists of the following directors namely:

Sr No.	Name of the Director	DIN	Designation
1	Naresh Jagumal Karda	01741279	Chairman and Managing Director
2	Disha Naresh Karda	06424475	Executive Director
3	Manohar Jagumal Karda	01808564	Whole time director
4	Shweta Raju Tolani	07575484	Non-Executive Independent Woman Director
5	Rahul Kishor Dayama	07906447	Non-Executive Independent Director
6	Sandeep Ravindra Shah	06402659	Non-Executive Independent Director

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with Section 49 of the Companies Act, 2013.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances

affecting their status as Independent Directors of the Company.

Mrs. Disha Naresh Karda, Executive Director (DIN: 06424475) is a Spouse of Mr. Naresh Jagumal Karda, Chairman and Managing Director (DIN: 01741279) and Mr. Manohar Jagumal Karda, Whole Time Director, (DIN: 01808564) is a brother of Mr. Naresh Jagumal Karda, Chairman and Managing Director (DIN: 01741279).

DISCLOSURE OF EXPERTISE OR SKILLS OF DIRECTORS

Sr No	Name of the Director	Expertise/Skills in specific functional area
1	Naresh Jagumal Karda	Business Management, Marketing and Supply Chain Management, Operations
2	Disha Naresh Karda	General Management
3	Manohar Jagumal Karda	Marketing and Supply Chain Management
4	Shweta Raju Tolani	Strategy and Management
5	Rahul Kishor Dayama	Finance and Accounting
6	Sandeep Ranindra Shah	Finance and Accounting

Orderly succession to Board and Senior Management

The Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

Code of Conduct

Regulations 17(5) of the SEBI (LODR) Regulations, 2015, requires listed Companies to lay down a Code of Conduct for its Directors and Senior Management, incorporating duties of a Directors

as laid down in the Companies Act, 2013. The Board has adopted a Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on Company's website.

Maximum tenure of Independent Directors

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of the SEBI (LODR) Regulations, 2015.

Directors' interest in the company

Sometime, the Company does enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weight age to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

Responsibilities & Functions of Board of Directors

The Board of Directors of the listed entity shall have the following responsibilities:

(i) Disclosure of information:

- Members of Board of Directors and key managerial personnel shall disclose to the Board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.
- The Board of Directors and senior

management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

- Key functions of the Board of Directors-
- Reviewing and guiding corporate strategy, \major plans of action, risk policy, annual budgets and business plans, setting
- Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.
- Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of Directors.
- Monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- Overseeing the process of disclosure and communications
- Monitoring and reviewing Board of Director's evaluation framework.

(iii) Other responsibilities:

- The Board of Directors shall set a corporate culture and the values by which executives throughout a group shall behave.
- Members of the Board of Directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of

performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

- Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.
- Selecting, compensating, monitoring and, when necessary, replacing key managerial Personnel and overseeing succession planning.
- the listed entity and the shareholders.
- The Board of Directors shall encourage continuing directors training to ensure that the members of Board of Directors are kept up to date.
- Where decisions of the Board of Directors may affect different shareholder groups differently, the Board of Directors shall treat all shareholders fairly.
- The Board of Directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- The Board of Directors shall exercise objective independent judgment on corporate affairs.
- The Board of Directors shall consider assigning a sufficient number of non- executive members of the Board of Directors capable of exercising independent judgment to tasks where there is a potential for conflict of interest.
- The Board of Directors shall ensure that, while rightly encouraging positive thinking,
- These do not result in over-optimism that either leads to significant risks not being recognized or exposes the listed entity to excessive risk.
- The Board of Directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- When committees of the Board of Directors

are established, their mandate, composition and working procedures shall be well defined and disclosed by the Board of Directors.

- Members of the Board of Directors shall be able to commit themselves effectively to their responsibilities.
- In order to fulfill their responsibilities, members of the Board of Directors shall have access to accurate, relevant and timely information.
- The Board of Directors and senior management shall facilitate the independent Directors to perform their role effectively as a member of the Board of Directors and also a member of a committee of Board of Directors.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance, and that of its Committees and individual directors. Manner in which such formal annual evaluation was made by the Board is given below:

- Performance evaluation criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting. The criteria are placed on the Company's website www.kardaconstruction.com
- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and Board at their meetings held.

Under law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the independent directors and hence, the question of taking a decision on their re-appointment did not arise. Details on the evaluation carried out by the independent directors at their meeting held on 31st March, 2018 have been furnished in a separate Para elsewhere in this Report.

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non
- Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of business;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties; personal characteristics being in-line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

REMUNERATION OF DIRECTORS

• Non-Executive Directors:

Pecuniary transactions with non-executive directors:

During the year under review, there were no pecuniary transactions with any non-executive director of the Company. The register of contracts is maintained by the Company pursuant to section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

- **Criteria of making payments to non-executive directors:**

As per this Policy, the non-executive directors are paid remuneration in the form of sitting fees for attending Board Meetings and Committee meetings thereof, as fixed by the Board of Directors of the Company from time to time subject to statutory provisions.

- **Managing Director:**

During the year under review, the Company paid remuneration to the Managing Director of the Company as provided in detail in an annexure to the Directors' Report in Form MGT-9, i.e. extract of the Annual Return. Managing Director is entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which form part of the perquisites allowed to him. No pension is paid by the Company.

COMPLIANCES REGARDING INSIDER TRADING

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. These regulations have been substituted by SEBI with a new set of Regulations, which have come into effect from 15 May 2015. Accordingly, the Board has approved and adopted, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected person. The said codes are being adhered to. The Code referred to in (a) above is placed on the Company's website www.kardaconstruction.com

FAMILIARIZATION OF INDEPENDENT DIRECTORS

The details of familiarization program for Independent Directors have been disclosed on website of the Company. In addition to the extensive induction and training provided as part of the familiarization program, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy. The details of Directors' induction and familiarization are available on the Company's web site ie www.kardaconstruction.com.

COMMODITY PRICE RISK / FOREIGN EXCHANGE CURRENCY RISK AND COMMODITY HEDGING ACTIVITIES

The commodity price risk or foreign exchange risk and hedging activities are covered in Management Discussion and Analysis Report.

OUTSTANDING GDRS/ADRS/WARRANTS CONVERTIBLE INSTRUMENTS AND THEIR IMPACT ON EQUITY

During the year under review, the Company has not issued any ADR/GDR/Warrants or any other convertible instruments

DETAILS OF DEMAT SUSPENSE ACCOUNT

As per Schedule V of Part F of the Listing Regulations the Company reports there were no equity shares lying in the suspense account during the Financial year 2019-2020.

DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

There were no such instances during the Financial year 2019-2020.

MEETINGS OF THE BOARD OF DIRECTOR

During FY 2019-2020, Fifteen meetings of the Board of Directors were held on the following dates:

Attendance at the Board meetings and Annual General Meeting ('AGM') for F.Y. 2019-2020:

Date	Name of Director					
	Naresh Karda	Disha Karda	Manohar Karda	Shweta Tolani	Sandeep Shah	Rahul Dayama
April ,2019	√	√	√	√	√	√
April 10,2019	√	√	√	√	x	x
May 29,2019	x	√	√	√	x	√
June 28,2019	√	√	√	√	x	x
July 1,2019	√	√	√	√	x	x
August 13,2019	√	√	√	√	√	√
September 5,2019	√	√	√	√	x	x
October 1,2019	√	√	√	√	x	x
November 13,2019	√	√	√	√	√	√
December 6,2019	√	√	√	√	x	x
January 1,2020	√	√	√	√	x	x
January 16,2020	√	√	√	√	x	x
January 27,2020	√	√	√	√	x	√
February 14,2020	√	√	√	√	x	√
March 5,2020	√	√	√	√	x	x
Whether attended AGM (September 21,2019)	√	√	√	√	√	√

The intervening gap between the meetings was within the period prescribed under section 173 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, relevant circulars, notifications, orders and amendments thereof.

Category of Directors and details of other Boards or Board Committees of listed entities in which they are Members or Chairpersons:

Name of Director	Category	No. of other Details of Directorships		No of other committee memberships		Details of Directorship / Committee memberships in other listed companies
		Chairman	Director	Chairman	Member	
Mr. Naresh Jagumal Karda	Promoter Chairman & Managing Director	-		-	-	-

Mr. Manohar Jagumal Karda	Whole Time Director	-	-	-	-	-
Mrs. Disha Naresh Karda	Director	-	-	-	-	-
Mrs. Shweta Raju Tolani	Non-Executive Independent Director	-	-	-	-	-
Mr. Rahul Kishor Dayama	Non-Executive Independent Director	-	-	-	-	-
Mr. Sandeep Ravindra Shah	Non-Executive Independent Director	1	-	-	1	-

COMMITTEES OF THE BOARD:

The Board Committee plays a crucial role in the governance structure of the Company and has been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committee are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee meetings.

The Board has constituted following Committees of Directors:

Audit Committee,
Nomination & Remuneration Committee
Stakeholder's Relationship Committee
Corporate Social Responsibility

• Audit Committee:

The Audit committee consists of 3 directors –
Mr. Rahul Dayama (Chairman)
Mr. Naresh Karda (Member)
Mrs. Shweta Tolani (Member)

Broad terms of reference to the Audit Committee in brief:

The Committee primarily acts in line with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee oversees the Company's financial reporting process and internal control system and ensures that the financial statements are correct, sufficient and credible. The Committee reviews the annual and quarterly financial statements before submission to the Board for approval. The Committee also reviews Related Party Transactions of the Company and approves the transactions which are in line with the Related Party Transactions Policy of the Company.

The Related Party Transactions Policy of the Company is available at www.kardaconstruction.com. The Committee has been entrusted with the responsibility of reviewing Internal Audit findings and ensuring adequacy of internal control Systems. The Committee holds regular discussions with the Internal, Statutory and Cost Auditors about their scope of audit and holds post audit discussions with the Auditors. The Statutory and Cost Auditors, Internal Auditor, the

Managing Director, the Chief Financial Officer.
Attendance at the Audit Committee meetings for F.Y.
2019-2020

Sr No	Date of committee meeting	Name of the member		
		Mr. Rahul Dayama	Mrs. Shweta Tolani	Mr. Naresh Karda
1	April 1, 2019	√	√	√
2	May 29, 2019	√	√	√
3	August 13, 2019	√	√	√
4	November 13, 2019	√	√	√
5	February 14, 2020	√	√	√

• **Nomination and Remuneration Committee**

The nomination and remuneration committee of the company is constituted in accordance with section 178 (1) of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The committee consists of Mrs. Shweta Tolani (Chairman), Mr. Rahul Dayama (Member) and Mr. Sandeep Shah (Member).

Broad terms of reference to the Nomination and Remuneration Committee in brief:

Nomination and Remuneration committee shall ensure that-

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives

appropriate to the working of the company and its goals.

Disclosure of company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters are as per the company's Nomination and Remuneration policy attached herewith as Annexure II.

Attendance at the Nomination and Remuneration Committee meetings for F.Y. 2019-2020

Sr. No.	Date of committee meeting	Name of the director		
		Mrs. Shweta Tolani	Mr. Rahul Dayama	Mr. Sandeep Shah
1	April 1, 2019	√	√	√
2	August 12, 2019	√	√	√
3	November 13, 2019	√	√	√
4	February 13, 2020	√	√	√

Details of Sitting Fees and Commission to Non-Executive Independent Directors for the financial year April 1, 2019 to March 31, 2020

Name of Director	Sitting fees	Commis sion	Total
Mrs. Shweta Tolani	1.68	-	1.68
Mr. Rahul Dayama	1.44	-	1.44
Mr. Sandeep Shah	0.48	-	0.48

• **Stakeholders Relationship Committee**

Stakeholders relationship committee constituted under section 178 (5) of the Companies Act, 2013 consisting Mr. Rahul Dayama (Chairman), Mr. Shweta Tolani (Member) and Mrs. Disha Karda (Member).

Broad terms of reference to the Nomination and Remuneration Committee in brief:

The Stakeholders Relationship Committee as

per Section 178 of Companies Act, 2013 vested by the board of Directors of the Company shall insure:

- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.
- overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

Sr. No.	Date of committee meeting	Name of the director		
		Mr. Rahul Dayama	Mrs. Shweta Tolani	Mrs. Disha Karda
1	April 1,2019	√	√	√
2	July 12,2019	√	√	√
3	November 11,2019	√	√	√
4	February 13,2020	√	√	√

• Corporate Social Responsibility Committee

CSR committee is duly constituted consisting Mr. Rahul Dayama (Chairman), Mr. Naresh Karda (Member) and Mrs. Disha Karda (Member).

Broad Terms of Reference of Corporate Social Responsibility Committee ('CSR'):

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company; and
- To monitor the CSR policy of the Company from time to time.

Sr. No.	Date of committee meeting	Name of the director		
		Mr. Rahul Dayama	Mr. Naresh Karda	Mrs. Disha Karda
1	April 1,2019	√	√	√
2	July 12,2019	√	√	√
3	November 1,2019	√	√	√
4	February 13,2020	√	√	√

• VIGIL MECHANISM & WHISTLE BLOWER POLICY

The company has established vigil mechanism for the directors and employees to report their genuine concerns or grievances, details of adequate safeguards provided against victimisation of employees and directors who avail of the vigil mechanism, mechanism of providing for direct access etc, as provided in rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, read with corresponding rules, circulars, notifications, orders and amendments thereof

DETAILS OF GENERAL MEETINGS

2016-2017	Friday, 30th September, 2016 at 04.00 P.M	Shop no. Ug 109, Dreams -The Mall, Lbs Marg, Bhandup (W) Mumbai - 400078	No Special Resolution was passed.
2017-2018	Saturday, 29th September, 2018	The SSK Solitaire Hotels & Banquets- Ahilyabai Holkar Marg, Tidke Colony, Nashik-422002, Maharashtra	Following special resolutions were passed: 1. Authority to borrow u/s 180(1)(a) and 180(1)(c) of the Companies Act, 2013 2. Approval for granting loan and investments by the company
2018-2019	Saturday, 21 st September, 2019	BLVD Nashik at P20, Trambakeshwar Rd, MIDC, Sap-v.1, Nashik-422007	No Special Resolution was passed

EXTRA- ORDINARY GENERAL MEETINGS

Details of the Extra- Ordinary General Meetings of the Company held during 3 preceding previous years together with a list of the special resolutions passed there at is given hereunder:

Financial Year	Date	Venue	Special Resolutions passed
2016-2017	Monday, 11th April, 2016	Shop No. Ug 109, Dreams - The Mall, Lbs Marg, Kanjur, Bhandup (W), Kurla- 400078	NA
	Monday, 27th June, 2016	Shop No. Ug 109, Dreams - The Mall, Lbs Marg, Kanjur, Bhandup (W), Kurla- 400078	Approval to create, offer and allot equity shares to public and to enlist such allotted equity shares on the recognized stock exchange(s) (including SME Platform) Issue bonus shares
	Monday, 26th December, 2016	Shop No. Ug 109, Dreams - The Mall, Lbs Marg, Bhandup (W), Mumbai - 400078.	Authority to borrow u/s 180(1)(a) and 180(1)(c) of the Companies Act, 2013
	Monday, 6th February, 2017	Shop No. Ug 109, Dreams - The Mall, Lbs Marg, Bhandup (W), Mumbai - 400078.	NA
2017-2018	Monday, 24th July, 2017	Shop No. Ug 109, Dreams - The Mall, Lbs Marg, Kanjur, Bhandup (W), Kurla- 400078	Shifting of Registered Office outside the local limits of the city Issue Of Bonus Shares Appointing Mr. Naresh Karda As Managing Director And Chairman
	Tuesday, 26th Day of December, 2017	2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik – 422005	NA

Postal Ballot:

During the year 2019-2020, no postal ballot has been conducted.

E-voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company provides remote e-voting facility to the shareholders. The Company has availed the services of Link Intime India Private Limited (LIPL) for providing the necessary e-voting platform to members of the Company for the ensuing Annual General Meeting. For detailed information on the e-voting procedure, members may please refer to the Notes to the Notice of the Annual General meeting.

MEANS OF COMMUNICATION

Website	Appropriate information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations are regularly posted on the website www.kardaconstruction.com . The 'Investors section' provides up-to-date information to shareholders on matters such as the shareholding pattern, outcome of Board and General Meetings, stock performance, unclaimed equity shares, unclaimed dividends and investor presentations
Financial Results	The quarterly, half-yearly and annual financial results are published in The Free Press Journal (All editions), The Free Press Journal (All editions), and Loksatta ,Deshdoot (Nashik Edition).
NEAPS	Stock exchange intimations are electronically submitted to NSE through the NSE Electronic Application Processing System (NEAPS)
BSE Listing Centre	Stock exchange intimations are electronically submitted to BSE through the BSE Listing Centre
Annual Report	The Chairman's Message, Directors' Report, the Management Discussion and Analysis Report and the Corporate Governance Report form part of the Company's Annual Report and are available on the website of the Company.
Stakeholder Satisfaction Survey	An online survey is available on the website of the Company for addressing the grievances of the stakeholders and for their feedback on the efficacy of investor services
Credit rating	ICRA BB- (pronounced ICRA double B minus)

General Shareholder information

Registered office	2nd floor Gulmohar status , above Business Bank, Mahatma Nagar, Nashik-422005
ISIN	INE278R01026

Date and Venue of the Annual General Meeting (AGM)	Date: September 26,2020 Venue: 2nd floor Gulmohar status, above Business Bank, Mahatma Nagar, Nashik-422005
Financial year	The financial year of the Company starts from 1st April of every year and ends on 31st March of the succeeding year.
Declaration of Financial Results for financial year 2019-20	For quarter ending June 30, 2019 – August 13, 2019. For quarter ending September 30, 2019 – November 13, 2019. For quarter ending December 31, 2019 – February 14, 2020. For year ending March 31, 2020 – June 29, 2020
Date of Book closure	September 13,2019 to September 21,2019
Interim dividend payment date	NA
Final dividend payment date	NA
Listing on stock exchanges	Bombay Stock Exchange- Scrip Code 541161 National Stock Exchange- Symbol Karda

Correspondence details of various authorities

The Securities and Exchange Board of India	Securities and Exchange Board of India SEBI Bhavan, Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Tel: 1800 266 7575 Website: www.sebi.gov.in www.scores.gov.in
National Stock Exchange of India Limited	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Tel: +91 22 2659 8100 – 8114 Website: www.nseindia.com
BSE Limited	The Bombay Stock Exchange Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400 001 Tel: +91 22 2272 1233/4 Website: www.bseindia.com
National Securities Depository Limited	National Securities Depository Limited 4th Floor, “A” Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Tel: +91 22 2499 4200 Website: www.nsdl.co.in
Central Depository Services (India) Limited	Central Depository Services (India) Limited 17th floor, P J Towers, Dalal Street, Fort, Mumbai – 400 001 Tel: +91 2272 8658 +91 2272 8645 Website: www.cdslindia.com
R&T Agents	Sharex Dynamic (India) Pvt. Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072 Ph no: 022 28515606 Email Id: sharexindia@vsnl.com Web Site: http://www.sharexindia.com

Website disclosures

Corporate Social Responsibility Policy	//www.kardaconstruction.com/uploads/investors-master/1528357531CSR POLICY-KCL.pdf
Vigil Mechanism	www.kardaconstruction.com/uploads/investors-master/1510048036Whistel-Blower-Policy.pdf
Code of Conduct	www.kardaconstruction.com/uploads/investors-master/1551247762code of conduct.pdf
Nomination and Remuneration Policy	www.kardaconstruction.com/uploads/investors-master/1510049470NRP.pdf
Code of Conduct for Prevention of Insider Trading	www.kardaconstruction.com/uploads/investors-master/1510049408INSIDER TRADING POLICY.pdf
Policy on Related Party Transactions	www.kardaconstruction.com/uploads/investors-master/1510138076RELATED PARTY TRANSACTION POLICY.pdf
Policy on Determination of Materiality of Events and Information	www.kardaconstruction.com/uploads/investors-master/1510224444materiality Policy.pdf
Terms and Conditions of Appointment of Independent Directors	www.kardaconstruction.com/terms-and-conditions
Composition of Various Committees of the Board of Directors	www.kardaconstruction.com/uploads/investors-master/1530942738Constitution of Committes.pdf

Market price data: high low during each month in FY 2019-2020

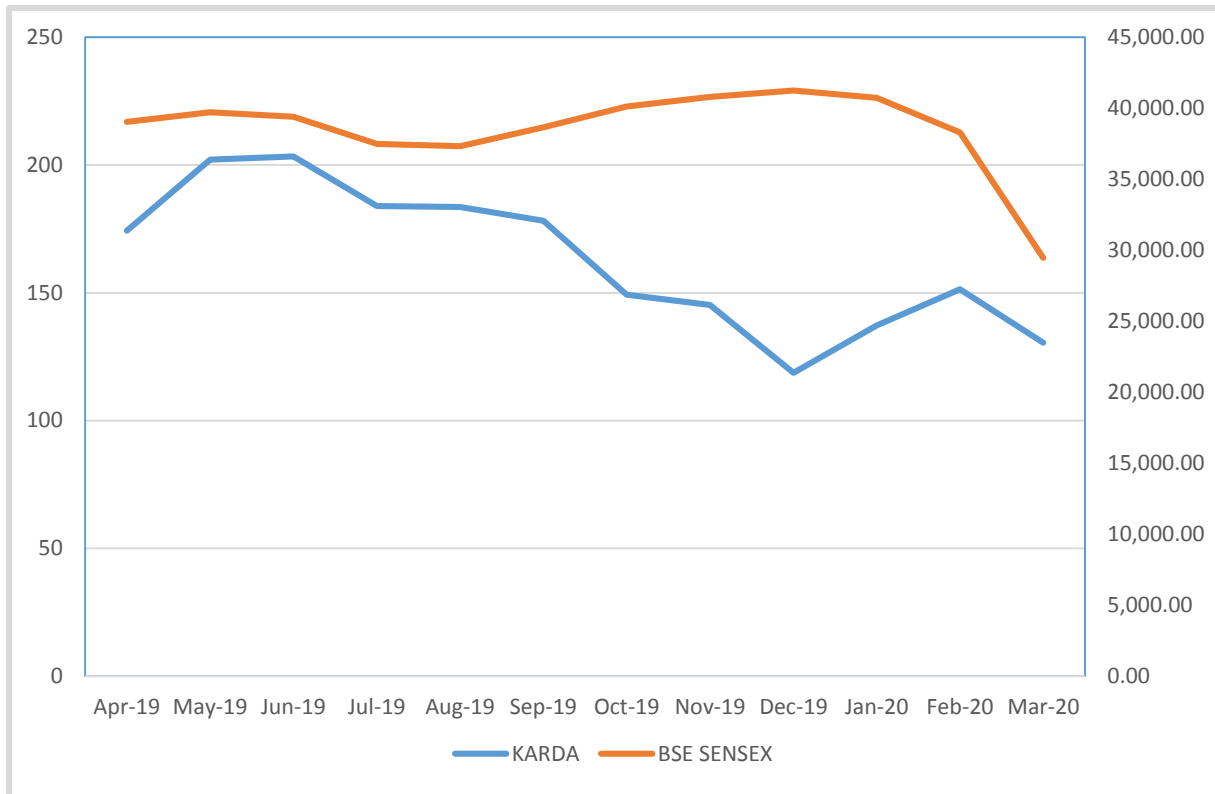
Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr 2019	200.30	172.00	201.00	171.00
May 2019	204.00	169.00	204.40	168.30
Jun 2019	217.25	193.70	217.40	193.20
July 2019	211.25	160.15	213.40	160.55
Aug 2019	192.00	165.30	193.95	165.00
Sept 2019	216.00	176.25	220.00	175.00
Oct 2019	186.00	148.00	184.00	147.70
Nov 2019	175.00	144.00	175.90	143.65
Dec 2019	149.00	89.00	146.25	91.15
Jan 2020	138.00	117.00	137.50	116.25
Feb 2020	153.20	138.00	154.50	136.00
Mar 2020	154.20	100.00	155.25	97.50

Performance in comparison to broad-based indices such as BSE Sensex

Chart below depicts the comparable movement of the Company's Equity Shares against BSE Sensex, during the year ended March 31, 2020.

Series 1- Karda Share closing

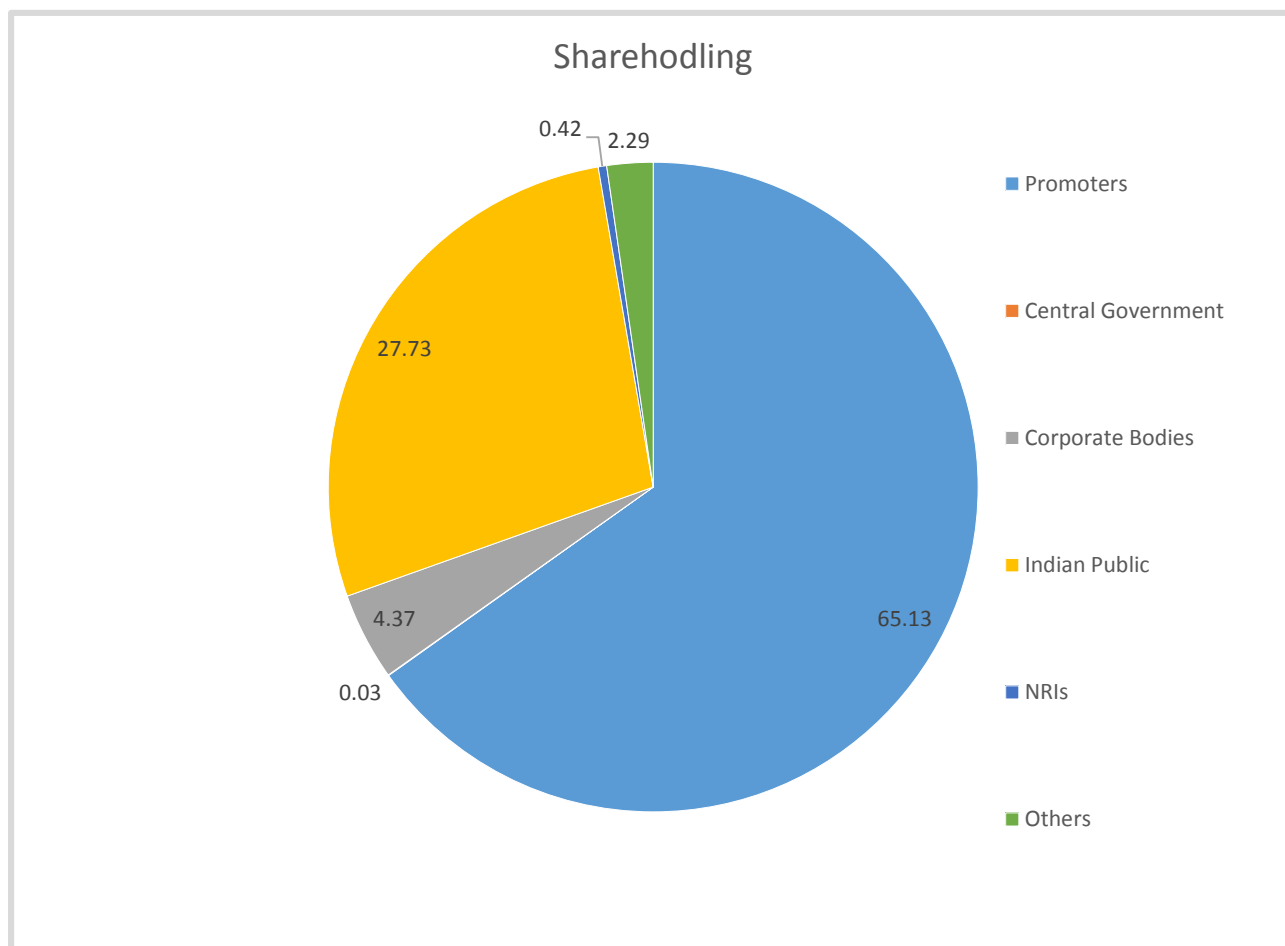
Series 2- Sensex closing (INR)



Distribution of shareholding

Category	No. of shares of ₹ 10/-	% of shareholding
Promoters	8015000	65.13
Mutual Funds	0	0
Central Government	3344	0.03
Banks/ Financial Institutions/	0	0
Foreign Institutional Investors (FIIs)	0	0
Corporate Bodies	537593	4.37
Indian Public	3410869	27.73
NRIs	51314	0.42
Others	281880	2.29
Total	12300000	100

Sr. No.	Category	No. of Shareholders	Total Shareholders (%)
1	1-2500	5905	97.78
2	2501-5000	37	0.61
3	5001 & above	97	1.61



Share Transfer system	The Share transfer is processed by the Registrar & Share Transfer Agent and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.
Dematerialisation of shares and liquidity	100% shares are in demat form as on March 31, 2020
Sub-divided share certificate in lieu of sub-divided each Equity old certificates	NA
Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments.
Plant locations	NA

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

SEBI vide circular dated 3rd June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redress portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status. The Company is registered with SEBI under the SCORES system.

The Company has paid fees of Rs. 2.50 Lakhs during Financial year 2019-2020 to the statutory auditor of the company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted a policy for the prevention and redressal of sexual harassment at the workplace. Pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013,

the requirement to constitute Internal Complaints Committee is not applicable.

Reconciliation of share capital audit

A practicing Company Secretary carries out reconciliation of share capital audit, on half-yearly basis to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

**BY ORDER OF THE BOARD
FOR KARDA CONSTRUCTION LIMITED**

Sd/-

Sd/-

NARESH KARDA
MANAGING DIRECTOR
Director

MANOHAR KARDA
Whole Time
Director

(DIN:01741279)

(DIN:01808564)

**(Authorised to sign and serve vide Board
Resolution dated 02.09.2020)**

Declaration –Code of Conduct

As per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2019-2020.

For Karda Constructions Limited

Sd/-

Naresh Karda

Chairman & Managing Director

DIN:01741279

Date : September 02,2020

Place: Nashik

CHIEF FINANCIAL OFFICER CERTIFICATE

[As per Regulation 17 and Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) 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 their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-

Liyakat Khan

Chief Financial Officer

Date: 02.09.2020

Independent Auditor's Report to the Members of Karda Constructions Limited

To
The Members of Karda Constructions Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Karda Constructions Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

The Key Audit Matter	How the matter was addressed in our audit
1. Accuracy of revenue recognition, measurement, presentation and disclosures as per IndAS 115 "Revenue from Contracts with Customers".	
Revenue from sale of residential and commercial units represents 89.95% of the total revenue	<p><i>Principle Audit Procedures</i></p> <ul style="list-style-type: none"> Evaluating that the Company's revenue recognition accounting policies are in line with the

from operations of the Company.

Revenue is recognized upon transfer of control of residential and commercial units to customers. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities. The Company records revenue over time till the actual possession to the customers or on actual possession to the customers, as determined by the terms of contract with customers.

Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete

Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on management's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete. Since revenue recognition has direct impact on the Company's profitability, the element of management bias is likely to be involved.

Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue.

applicable accounting standards;

- Identifying the impact on adoption of the new IndAS 115;
- Selection of samples of continuing and new contracts with the customers;
- Scrutinizing all the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals with relevant underlying documentation;
- Conducting site visits during the year for selected projects to understand the scope and nature of the projects and to assess the progress of the projects;
- Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers;
- Evaluation of industry wide procedures adopted for the revenue recognition under this standard.

Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete

- Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and whether the related revenue had been recognized in accordance with the Company's revenue recognition policies;
- Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects;
- Sighting approvals for changes in estimated costs with the rationale for the changes and related documentation.
- Comparison of the estimated costs with the

	costing details as mentioned for registration of the projects with the MahaRERA website.
2. Valuation of Inventories – Assessing the net realisable value	
<p>Inventory represents the capitalized project costs to date less amounts expensed on sales by reference to the aforementioned projections. It is held at the lower of cost and net realisable value (NRV), the latter also being based on the forecast for the project. As such inappropriate assumptions in these forecasts can impact the assessment of the carrying value of inventories.</p>	<p><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Discussion with the management to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units (“the NRV assessment”); • Evaluating the design and implementation of the Company’s internal controls over the NRV assessment. Our evaluation included assessing whether the NRV assessment was prepared and updated by appropriate personnel of the Company and whether the key estimates, including estimated future selling prices and costs of completion for all property development projects, used in the NRV assessment, were discussed and challenged by management as appropriate; • Evaluating the management’s valuation methodology and assessing the key estimates, data inputs and assumptions adopted in the valuations, which included comparing expected future average selling prices with available market data such as recently transacted prices for similar properties located in the nearby vicinity of each property development project and the sales budget plans maintained by the Company;
3. Tax Assessments	
<p>Review, effect and presentation of completed tax assessments</p>	<p><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Verification of details of completed tax assessments and demands as at 31st March, 2020, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of account and financial statements.

Other Information

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure's to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 standalone Ind AS 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 and Board of Directors are 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 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 auditors' 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard (Ind AS) 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.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 24 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.
 - h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we report that:

In our opinion and according to the information and explanations given to us, the remuneration paid by

the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act; and the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **JPL & Associates,**

Chartered Accountants

Firm Registration No. 132748W

Sd/-

CA. Vipul Lathi

Partner

Membership No: 134897

UDIN: 20134897AAAAAF5127

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report the following:

(i) In respect of Property, Plant and Equipments

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment and investment properties and investment property under construction.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment and investment properties during the year and no discrepancies were noticed in respect of assets verified during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

During the year, a major fire broke at the Registered Office premises of the Company located at 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik - 422005, on 7th September 2019, gutting the entire floor of the office. The said premises held certain office equipments, furniture & fixtures as well as the books of accounts, computers and servers holding financial and accounting data, financial records, and related supporting documents. The loss by fire shown as exceptional items in the financial results is INR 93.13 lakhs against the closing written down value (WDV) of Property, Plant & Equipments as on date of fire.

(ii) In respect of Inventories

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. The Company inventory includes construction work in progress accordingly the requirements under paragraph 3(ii) of the Order is not applicable for construction work in progress. The inventory comprising of finished goods has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records.

(iii) Compliance under section 189 of the Companies Act, 2013

As informed by the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- (a) Company has not granted such loan during the period.
- (b) As informed to us the Company has not granted any loans, secured or unsecured, hence the question of repayment of loans does not arise. Consequently, the said sub clause of the Order is not applicable to the Company.
- (c) As informed to us the Company has not granted any loans, secured or unsecured, during the year under audit, hence the question of overdue amount of loans does not arise. Consequently, the said sub clause of the Order is not applicable to the Company.

(iv) Compliance under section 185 and 186 of The Companies Act, 2013

In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act. Accordingly, compliance under Section 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per 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 rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) Maintenance of cost records

We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the same.

(vii) Deposit of Statutory Dues

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Goods and Service tax, Labour cess, Professional tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income tax have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Property Tax, Labour cess, Income-tax, Goods and 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.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Value added tax and Goods and Service tax as at 31 March 2020, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

(INR in Lakhs)

Name of the statute	Nature of the dues	Period to which the amount relates	Demand Amount	Amount Paid	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	A Y 2014-15	1.50	1.50	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	A Y 2015-16	36.13	36.13	

(viii) Repayment of Loans and Borrowings

In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to banks or financial institutions or dues to debenture holders. The Company does not have any loans or borrowings from government during the year.

(ix) Utilization of Money Raised by Public Offers and Term Loan for which they Raised

The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However, the company has raised money by way of term loans during the year. In our

opinion and according to the information and explanations given to us, the proceeds of term loans have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) Reporting of Fraud During the Period

During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) Managerial Remuneration

According to the information and explanations given to us and based on our examination of records of the Company, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) Related party compliance with Section 177 and 188 of Companies Act, 2013

In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) Compliance under section 42 of the Companies Act, 2013 regarding private placement of Shares or Debentures

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) Compliance under section 192 of Companies Act, 2013

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For JPL & Associates,

Chartered Accountants

Firm Registration No. 132748W

Sd/-

CA. Vipul Lathi

Partner

Membership No: 134897

UDIN: 20134897AAAAAF5127

Place: Nashik

Date: 29 June, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

(Referred to in paragraph (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **Karda Constructions Limited** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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”.

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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.

Auditor’s 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 Act, 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 auditor’s judgment, 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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

For JPL & Associates,

Chartered Accountants

Firm Registration No. 132748W

Sd/-

CA. Vipul Lathi

Partner

Membership No: 134897

UDIN: 20134897AAAAAF5127

Place: Nashik

Date: 29 June, 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

I. Company Overview

Karda Constructions Limited (“the Company”) having CIN: L45400MH2007PLC174194 is a public listed company, incorporated and domiciled in India having its registered office at 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik – 422005, Maharashtra, India. The Company is engaged primarily in the business of real estate construction, development, civil contracts (EPC) and other related activities. The equity shares of the Company are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

II. Summary of Significant Accounting Policies

(a) Basis of preparation and measurement

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) and the relevant provisions and amendments, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on June 29, 2020.

(b) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of

agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

(c) Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows::

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(d) Revenue Recognition

Ind AS 115 – Revenue from Contracts with Customers has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018, replaces existing revenue recognition requirements.

Under Ind AS 115, revenue is recognized when or as it satisfies each performance obligation by transferring a promised goods or services to a customer. A goods or service is considered to be transferred when the customer obtains control. Under Ind AS 115, transfer of control of a good or service over time rather than at a point in time is considered when one of the following criteria are met:

- The Customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If it is not possible to demonstrate that the performance obligation is satisfied over time, the revenue cannot be recognized over time (means revenue is to be recognized following Completed Control Method, instead of Percentage of Completion Method (POCM).

Costs incurred is being used to measure progress towards completion as there is a direct relationship between input and productivity. Determination of revenue under percentage of completion method necessarily involves making estimates, some of which are of technical nature, concerning where relevant, the percentage of completion, cost to completion, the expected revenue from the project or activity and the foreseeable losses to completion. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined.

Revenue in excess of invoicing are classified as contract assets (which is referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is referred as unearned/deferred income).

Rental income from operating leases is recognized on a straight line basis over the lease term.

The Company enters entering into Development and Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Company receives maintenance amount from the customers and utilize the same towards the maintenance of the respective projects. The balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Revenue from sale of land is recognized when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.

Interest income is recognized on accrual basis at effective interest rate.

Dividend income is accounted when right to receive is established.

Share of Profit / (Loss) from partnership firms in which the Company is partner is recognized based on the financial information provided and confirmed by the respective firms.

(e) Property, Plant and Equipment:

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Assets under construction include the cost of property, plant and equipment that are not ready to use at the balance sheet date.

Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation / Amortisation on property, plant & equipment of the Company has been provided using the straight line method based on the useful life specified in Schedule II to the Companies Act, 2013.

Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

Assets acquired on lease and leasehold improvements are amortised over the primary period of the lease on straight line basis.

The estimated useful lives and residual values of the property, plant & equipment and intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Investment property and depreciation

Investment properties are measured initially at cost, including transaction costs. Subsequent to

initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

(f) Impairment of non-financial assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the standalone statement of profit and loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a decrease to the extent a revaluation reserve is available for that asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the standalone statement of profit and loss, to the extent the amount was previously charged to the standalone statement of profit and loss. In case of revalued assets, such reversal is not recognised.

(g) Foreign currency transactions:

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are

translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous standalone financial statements are recognised in the standalone statement of profit and loss in the period in which they arise.

(h) Investment in subsidiaries, joint ventures, partnership firms and associates:

Investments in equity shares and preference shares of subsidiaries, joint ventures, partnership firms and associate are recorded at cost and reviewed for impairment at each reporting date and if any impairment is required, the same is recognized in the Statement of Profit and Loss.

(i) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both of the following criteria are met:

- These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and

interest (SPPI) on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in

profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when:

- the rights to receive cash flows from the assets have expired or
- the Company has transferred substantially all the risk and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction cost.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying

amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(j) Inventories:

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable value.

Construction work-in-progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

(k) Income Tax:

The tax expense comprises current and deferred tax. Tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) intends either to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax

assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(l) Employee benefits:

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Defined contribution plans

The Company's contribution to Provident Fund, Pension, Superannuation Fund and Employees State Insurance Fund are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contribution made to the respective fund/scheme and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefits obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss. Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the Statement of Change in Equity and in the Balance Sheet.

Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity

benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

(m) Leases:**Finance Lease**

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

(n) Borrowing Costs:

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects till the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(o) Earnings per share:

Basic earnings per share is calculated by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

(p) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(q) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed 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.

Contingent assets are neither recognized nor disclosed in the financial statements.

(r) Dividend:

Dividend to the equity shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is approved by the shareholders.

(s) Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(t) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised

in the periods in which the results are known/materialise.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

i. Evaluation of satisfaction of performance obligation over a time (percentage completion) for the purpose of revenue recognition

Determination of revenue under the satisfaction of performance obligation over a time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined. The Company recognises revenue when the company satisfies its performance obligation.

ii. Evaluation of Net Realisable Value (NRV) of Inventories

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable

value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the standalone financial statements for the period in which such changes are determined.

iii. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities. The period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligations. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in the aforesaid assumptions will affect the fair value of financial instruments.

v. Impairment losses on investment

The Company reviews its carrying value of investments carried at amortised cost annually or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying

amount, the impairment loss is accounted for.

vi. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making

this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

vii. Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

KARDA CONSTRUCTIONS LIMITED

CIN: L45400MH2007PLC174194

STANDALONE STATEMENT OF ASSETS & LIABILITIES AS ON MARCH 31, 2020

(INR in Lakhs)

Sr. No.	Particulars	Note No.	As at	As at
			March 31, 2020	March 31, 2019
	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3	86.25	166.07
	(b) Investment Properties	4	22.21	22.21
	(c) Financial Assets			
	(i) Investments	5(a)		
	- In Partnership Firms		0.22	0.22
	- In Others		30.03	30.03
	(ii) Loans & Advances	5(b)	1,074.98	825.32
	(iii) Other Financial Assets	5(c)	1,383.07	2,478.60
	(d) Deferred Tax Assets (Net)	12	23.95	-
	(d) Other Non-Current Assets	6	40.10	211.82
	Total Non-Current Assets		2660.80	3,734.27
2	Current Assets			
	(a) Inventories	7	16,400.82	15,468.13
	(b) Financial Assets			
	(i) Investments	5(a)	4,654.45	2,701.01
	(ii) Trade Receivables	5(d)	1,215.77	1,124.85
	(iii) Cash and Cash Equivalents	5(e)	36.82	650.47
	(iv) Loans & Advances	5(b)	3,412.76	2,229.19
	(v) Other Financial Assets	5(c)	1.92	1.01
	(c) Current Tax Assets (Net)	5(f)	593.11	522.71
	(d) Other Current Assets	6	83.05	114.72
	Total Current Assets		26,398.69	22,812.09
	Total Assets (1+2)		29,059.49	26,546.36
	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share Capital	8(a)	1,230.00	1,230.00
	(b) Other Equity	8(b)	9,087.86	8,194.03
	Total Equity		10,317.86	9,424.03

	LIABILITIES			
2	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9(a)	3,707.98	4,697.56
	(ii) Other Financial Liabilities	9(b)	3.50	57.38
	(b) Other Non-Current Liabilities	10	6,179.04	1,479.97
	(c) Provisions	11	32.31	24.22
	(d) Deferred Tax Liabilities	12	-	2.65
	Total Non-Current Liabilities		9,922.84	6,261.78
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9(a)	1,926.57	2,674.47
	(ii) Trade Payables	13		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		77.86	83.95
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		1,364.70	1,664.26
	(iii) Other Financial Liabilities	9(b)	4,750.82	5,983.53
	(b) Provisions	11	56.881	20.15
	(c) Current Tax Liabilities (Net)	14	577.02	395.00
	(d) Other Current Liabilities	15	64.94	39.20
	Total Current Liabilities		8,818.79	10,860.56
	Total Equity & Liabilities (1+2+3)		29,059.49	26,546.37
	Significant Accounting Policies	1		

The accompanying notes 1 to 40 form an integral part of the Financial Statements.

As per our report of even date

For JPL & Associates

Chartered Accountants

(Firm Registration No. 132748W)

For and on behalf of the Board of Directors of

Karda Constructions Limited

CIN – L45400MH2007PLC174194

Sd/-

CA VIPUL LATHI

Partner

Membership No.134897

Sd/-

NARESH KARDA

Chairman & MD

DIN: 01741279

Sd/-

MANOHAR KARDA

Whole Time Director

DIN : 01808564

Sd/-

LIYAKAT M KHAN

Chief Financial Officer

Sd/-

MAYURA MARATHE

Company Secretary

Mem No:ACS 44678

Place : Nashik

Date: 29 June, 2020

KARDA CONSTRUCTIONS LIMITED

CIN: L45400MH2007PLC174194

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(INR in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended	
			March 31, 2020	March 31, 2019
1	INCOME			
	(a) Revenue from Operations	16	11,412.14	10,529.66
	(b) Other Income	17	421.35	344.10
	Total Income		11,833.49	10,873.75
2	EXPENSES			
	(a) Cost of construction / development, land, plots and development rights	18	7,080.78	6,476.90
	(b) Employee Benefits Expense	19	345.34	277.16
	(c) Finance costs	20	1,785.18	1,707.76
	(d) Depreciation and amortization expense	3	17.53	27.82
	(e) Selling Expenses	21	615.71	423.77
	(f) Other Expenses	22	631.09	356.89
	Total Expenses		10,475.62	9,270.29
3	Profit Before Exceptional Items and Tax (1-2)		1,357.87	1,603.46
4	Exceptional Items – Loss by Fire		93.13	-
5	Profit Before Tax (3-4)		1,264.74	1,603.46
6	Tax Expense			
	(a) Current Tax		327.70	395.00
	(b) Deferred Tax Charge / (Credit)		(26.60)	(1.28)
	Total Tax Expenses		301.10	393.72
7	Profit for the year (3-4)		963.64	1,209.75
8	Other Comprehensive Income			
	Items that will not be subsequently reclassified to profit or loss – Re measurement of defined benefit plan		(8.10)	(7.40)
9	Total Comprehensive Income for the year (5+6)		955.54	1,202.35
10	Earning per Equity Share (EPS) (Face value of INR 10 each)			

	Basic EPS		7.77	9.78
	Diluted EPS		7.77	9.78
	Significant Accounting Policies	1		

The accompanying notes 1 to 40 form an integral part of the Financial Statements.

As per our report of even date

For JPL & Associates

Chartered Accountants

(Firm Registration No. 132748W)

**For and on behalf of the Board of Directors of
Karda Constructions Limited**

CIN – L45400MH2007PLC174194

Sd/-

CA VIPUL LATHI

Partner

Membership No.134897

Sd/-

NARESH KARDA

Chairman & MD

DIN: 01741279

Sd/-

MANOHAR KARDA

Whole Time Director

DIN : 01808564

Sd/-

LIYAKAT M KHAN

Chief Financial Officer

Sd/-

MAYURA MARATHE

Company Secretary

Place : Nashik

Date: 29 June, 2020

Place : Nashik

Date: 29 June, 2020

KARDA CONSTRUCTIONS LIMITED

CIN : L45400MH2007PLC174194

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A. EQUITY SHARE CAPITAL

(INR in Lakhs)

Particulars	As At March 31, 2020	As At March 31, 2019
Balance at the beginning of the year	1,230.00	1,230.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,230.00	1,230.00

B. OTHER EQUITY

(INR in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	General Reserve	
Balance as at 1st April, 2018	3,795.01	3,311.53	7,106.53
Changes in accounting policy or prior period errors	-	-	-
Profit / (Loss) for the year	-	1,209.75	1,209.75
Items of other comprehensive income:	-	(7.40)	(7.40)
Remeasurement of net defined benefit	-	(11.18)	(11.18)
Excess / (Short) Provision for Income Tax	-	(11.18)	(11.18)
Adjustments for Share Issue Expenses - IPO	(103.68)	-	(103.68)
Balance at 31stMarch, 2019	3,691.33	4,502.69	8,194.02
Balance as at 1stApril, 2019	3,691.33	4,502.69	8,194.02
Changes in accounting policy or prior period errors	-	-	-
Profit / (Loss) for the year	-	963.64	963.64
Items of other comprehensive income:	-	(8.10)	(8.10)
Remeasurement of net defined benefit	-	(3.64)	(3.64)
Excess / (Short) Provision for Income Tax	-	(3.64)	(3.64)
Share of Income Tax Expenses – Firm	-	(58.06)	(58.06)
Balance at 31st March, 2020	3,691.33	5,396.53	9,087.86

The accompanying notes are an integral part of the financial statements

(a) Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Act.

(b) General Reserves

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes.

The accompanying notes 1 to 40 form an integral part of the Financial Statements.

As per our report of even date

For JPL & Associates

Chartered Accountants

(Firm Registration No. 132748W)

**For and on behalf of the Board of Directors of
Karda Constructions Limited**

CIN – L45400MH2007PLC174194

Sd/-

CA VIPUL LATHI

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Membership No.134897

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DIN : 01808564

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LIYAKAT M KHAN

Chief Financial Officer

Sd/-

MAYURA MARATHE

Company Secretary

Place : Nashik

Date: 29 June, 2020

Place : Nashik

Date: 29 June, 2020

KARDA CONSTRUCTIONS LIMITED

CIN: L45400MH2007PLC174194

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(INR in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Cash Flow from Operating Activities		
Profit Before Tax:	1,264.74	1,603.46
<u>Adjustment for:</u>		
Depreciation and Amortisation	17.53	27.82
Provision for Gratuity	(8.10)	(7.40)
Finance Cost	1,785.18	1,707.76
Interest Income	(297.91)	(301.23)
Dividend Income	(1.06)	(0.91)
Profit from Redemption of Mutual Funds	(119.04)	(7.81)
Share of Profit from Partnership Firms	(21.34)	(89.39)
Share of Income Tax from Partnership Firms	(57.54)	-
Provisions for Deferred Taxes	26.60	1.28
Exceptional Items – Loss by Fire	93.13	-
Operating profit before working capital changes	2,682.18	2,933.59
Adjustments for changes in working capital		
(Increase) / Decrease in Financial Assets	(453.47)	(1,475.01)
(Increase) / Decrease in Non Financial Assets	132.99	176.21
(Increase) / Decrease in Inventories	(932.69)	(1,356.40)
Increase / (Decrease) in Financial Liabilities	(1,592.24)	234.50
Increase / (Decrease) in Non Financial Liabilities	4,766.99	(1,708.34)
	4,603.76	(1,195.46)
Taxes Paid (Net)	(149.84)	(594.38)
Net Cash Flow from Operating Activities	4,453.92	(1,789.84)
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(30.83)	(16.74)
Sale / (Purchase) of Investments	(1,953.43)	(2,499.15)
(Investments in) / Withdrawal from Partnership Firms	-	-
Interest Income	297.91	301.23
Dividend Income	1.06	0.91
Profit from Redemption of Mutual Funds	119.04	7.81
Share of Profit from Partnership Firms	21.34	89.39
Net Cash Flow from Investing Activities	(1,544.92)	(2,116.55)

Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital	-	-
Payment for Share Issue Expenses - IPO	-	(103.68)
Proceeds from / (Repayment of) Long Term Borrowings (Net)	(989.58)	(1,998.67)
Proceeds from / (Repayment of) Short Term Borrowings (Net)	(747.90)	(824.37)
Interest Paid	(1,785.18)	(1,707.76)
Net Cash Flow from Financing Activities	(3,522.65)	(4,634.48)
Net Increase / (Decrease) in Cash and Cash Equivalents	(613.66)	(8,540.88)
Cash and Cash Equivalents - Opening Balance	650.47	9,191.35
Cash and Cash Equivalents - Closing Balance	36.82	650.47
See accompanying notes forming part of the financial statements		

The accompanying notes 1 to 40 form an integral part of the Financial Statements.

As per our report of even date

For JPL & Associates

Chartered Accountants

(Firm Registration No. 132748W)

For and on behalf of the Board of Directors of

Karda Constructions Limited

CIN – L45400MH2007PLC174194

Sd/-

CA VIPUL LATHI

Partner

Membership No.134897

Place : Nashik

Date: 29 June, 2020

Sd/-

NARESH KARDA

Chairman & MD

DIN: 01741279

Sd/-

LIYAKAT M KHAN

Chief Financial Officer

Place : Nashik

Date: 29 June, 2020

Sd/-

MANOHAR KARDA

Whole Time Director

DIN : 01808564

Sd/-

MAYURA MARATHE

Company Secretary

Karda Constructions Limited

Notes to the Financial Statements for the year ended 31 March 2020

Note 3: Property, Plant and Equipment and Capital work-in-progress

(INR in Lakhs)

Particulars	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at April 1, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 1, 2019	For the year	Deductions	Upto 31 March, 2020	As at 31 March, 2020	As at March 31, 2019
a) Plant Property & Equipment										
Buildings	27.37	-	-	27.37	2.20	0.43	-	2.63	24.73	25.17
Plant & Machinery	18.10	-	3.76	14.34	7.35	1.51	0.28	8.59	5.75	10.75
Furniture & Fixtures	171.44	16.89	145.16	43.17	78.10	8.30	78.12	8.28	34.89	93.34
Computers & Laptops	26.89	7.62	27.35	7.16	17.82	2.60	18.96	1.47	5.69	9.06
Vehicles	14.62	-	-	14.62	4.80	1.78	-	6.58	8.04	9.82
Office Equipments	43.10	6.32	14.22	35.21	25.18	2.89	-	28.07	7.14	17.92
Total Plant Property & Equipment	301.52	30.83	190.48	141.87	135.45	17.53	97.35	55.62	86.25	166.07
b) Intangible Assets									-	-
c) Capital Work-in-Progress									-	-

(INR in Lakhs)

Particulars	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at April 1, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 1, 2018	For the year	Deductions	Upto 31 March, 2019	As at 31 March, 2019	As at March 31, 2018
a) Plant Property & Equipment										
Buildings	27.37	-	-	27.37	1.77	0.43	-	2.20	25.17	25.60
Plant &	14.34	3.76	-	18.10	5.90	1.45	-	7.35	10.75	9.18

Machinery										
Furniture & Fixtures	169.97	1.48	-	171.44	62.44	15.66	-	78.10	93.34	107.53
Computers & Laptops	19.82	7.07	-	26.89	14.36	3.46	-	17.82	9.06	5.46
Vehicles	14.62		-	14.62	3.02	1.78	-	4.80	9.82	11.60
Office Equipments	38.67	4.43	-	43.10	20.14	5.04	-	25.18	17.92	17.78
Total Plant Property & Equipment	284.78	16.74	-	301.52	107.63	27.82	-	135.45	166.07	177.15
b) Intangible Assets									-	-
c) Capital Work-in-Progress									-	-

Note: Deductions during the year was on account of loss by fire at their registered office premises on 7th September, 2019. Net loss by fire after considering the accumulated depreciation was INR 93.13 Lakhs.

Karda Constructions Limited

Notes to the Financial Statements for the year ended 31 March 2020

Note 4: Investment Properties

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Farm House Plot (at S.No.292/1A & 2A, Bhagur)	22.21	22.21
Total	22.21	22.21

Footnote:

The said investment property is a farm house plot on which construction is in progress and hence no depreciation is charged on it. The Company has not determined the fair value of property from any independent valuer as at 31st March, 2020.

Note 5: Financial Assets

5(a) Non Current Investments

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
A) Investment in Fully paid-up Equity Instruments (Unquoted)		
Navjeevan Bank	1.00	1.00
10,000 (As at 31 Mar, 2019: 10,000) Equity shares of INR 10/- each		

Nashik Road Deolali Vyapari Bank Ltd.	5.03	5.03
50,250 (As at 31 Mar, 2019: 50,250) Equity shares of INR 10/- each		
Shree Sainath Land & Development (India) Private Limited*	24.00	24.00
2,40,000 (As at 31 Mar, 2019: 2,40,000) Equity shares of INR 10/- each		
Total	30.03	30.03
B) Investment in Partnership Firms (Refer Footnote a)		
Karda Infrastructures	0.17	0.17
Bhakti Enterprises	0.05	0.05
Total	0.22	0.22
Total Non Current Investments (A+B)	30.24	30.24

*Refer Related Party Disclosure in Note 25.

Footnote:

a) Details of investments made in the capital of partnership firms:

Partnership Firms	Share in profits (%)	
	31 March 2020	31 March 2019
1. M/s. Karda Infrastructures (Refer Footnote c)		
Karda Constructions Ltd	33.33	33.33
Naresh Jagumal Karda	33.34	33.34
Rahul Kalani	33.33	33.33
Total Capital of the firm (In Lakhs)*	2,871.10	1,142.00
2. M/s. Bhakti Enterprises		
Naresh Karda	55.00	55.00
Manohar Karda	5.00	5.00
Laxman Karda	5.00	5.00
Prem Karda	5.00	5.00
Bharati M Karda	5.00	5.00
Disha N Karda	5.00	5.00
Karamchand Karda	5.00	5.00
Karda Constructions Ltd	5.00	5.00
Komal Karda	5.00	5.00
Neha Karda	5.00	5.00
Total Capital of the firm (In Lakhs)*	1,677.42	694.56
3. M/s. Green Entreprises		
Basant Nathumal Gurnani	16.67	16.67

Sujyoti Fininvest Pvt Ltd	33.33	33.33
Karda Constructions Limited	11.67	11.67
Maharaj Birmani	33.33	33.33
Naresh Karda	5.00	5.00
Total Capital of the firm (In Lakhs)*	103.74	(15.63)
*Total Capital of the firm consists of fixed & current capital (including excess withdrawals from the firm). Refer Note 5(a) & Note 15.		

- b) The Company has investments in certain partnership firms aggregating INR 0.22 lakhs (31st March, 2019: INR 0.22 lakhs). The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities, which are considered good and fully recoverable.
- c) In a partnership firm M/s. Karda Infrastructures, profit sharing ratio for Hari Smruti Project is 80:20 between Karda Constructions Limited & Naresh Karda.

5(a) Current Investments

Particulars	<i>(INR in Lakhs)</i>	
	31 March 2020	31 March 2019
A) Investment in Mutual Funds (Quoted) (At cost)		
ICICI Prudential Savings Funds - DP Growth	2.349	564.67
755.394 units (As at March 31, 2019 : 20,7641.226 units)		
SBI Short Term Debt Fund	-	300.00
<i>NIL</i> units (As at March 31, 2019 : 14,05,797.509 units)		
B) Investment in Partnership Firm (Current Capital)		
Karda Infrastructures	2,870.93	1,141.83
Bhakti Enterprises	1,677.42	694.51
Green Enterprises	103.74	-
Total	4,654.45	2,701.01

5(b) Non-Current Loans and Advances

Particulars	<i>(INR in Lakhs)</i>	
	31 March 2020	31 March 2019
Loans to Related Parties	-	-
Loans to Others - Secured (Refer Footnote 1 below)		
(a) Advance against Shop	10.00	10.00
(b) Advances & Deposits - Land Purchase	1,064.98	815.32
Total	1,074.98	825.32

Footnote:

- Loans & Advances are secured against Terms of Development Agreement / Agreement for sale.

5(b) Current Loans and Advances*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Loans to Related Parties	-	-
Loans to Others - Unsecured, Considered Good	3,412.76	2,229.19
Total	3,412.76	2,229.19

Footnote:

- The company is charging interest at the rate of 12% p.a. and 15% p.a. on the loans and advances given to others as per the terms of the agreement. Such advances are given for the short term and are recoverable on demand.

Note 5: Financial Assets**5(c) Other Financial Assets - Non Current***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Deposits with Banks (Refer Footnote)	629.97	217.30
Security Deposits	114.57	194.88
Development Agreement Deposits	634.43	2,066.43
Rent Deposits	4.10	-
Total	1383.07	2,478.60

Footnote:

- Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

5(c) Other Financial Assets - Current*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Advance against salaries	1.92	1.01
Total	1.92	1.01

Note 5: Financial Assets**5(d) Trade Receivables***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Non-current		
Related Party	-	-
Unsecured, considered good	-	-
Total	-	-
Current		
Related Party		-
Unsecured, considered good		
(a) Receivables from Customers - Real Estate	1,067.08	848.15
(b) Receivables from Customers – Civil Contracts	146.50	273.33
(c) Rent Receivable	2.19	3.37
Total	1,215.77	1,124.85
Less: Allowance for doubtful debts	-	-
Total	1,215.77	1,124.85

Footnote:

a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

b) As per the management, there is no uncertainty in recovering dues receivable from trade debtors and thus no provision has been made for doubtful debts.

Note 5: Financial Assets**5(e) Cash and Cash Equivalents***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Balances with Banks		
Current Accounts <i>(Refer Footnote)</i>	-	439.60
Goa- Current - in EEFC accounts	1.15	5.90
Escrow Accounts	25.41	173.15
RERA Accounts	2.75	28.41
Cash on Hand	7.51	3.41
Total	36.82	650.47

Footnote:

a) The current accounts figures for the year are classified under Current Borrowings as these accounts were having overdraft balances.

Note 5: Financial Assets**5(f) Current Tax Assets***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Balances with Government Authorities		
Advance Tax & Income Tax Payment	42.00	58.00
Tax Deducted at Source	96.95	87.52
Excess Credit Balances of GST & Service Tax	454.15	377.19
Total	593.11	522.71

Note 6: Other Non Financial Assets*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Other Non-Current Assets		
Deposits for Income Tax Appeals (Refer Footnote)	40.10	211.82
Total	40.10	211.82
Other Current Assets		
Advances to Suppliers	21.97	3.04
Other Receivables	61.08	111.68
Misc. Assets - IPO Expenses		-
Total	83.05	114.72

Footnote:

a) Deposits are made with the Income Tax - Commissioner (Appeals) for the A.Y. 2015-16 Rs. 40.10 Lakhs.

Note 7: Inventories*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Inventories (lower of cost or net realizable value)		
Stock of material at site	476.09	-
Completed Projects	439.11	83.27
Incomplete Projects Work-In-Progress	12,754.50	13,726.01
Land Bank	755.59	919.55
Civil Construction Work-In-Progress	471.16	21.69
Closing stock (Contract) – Asset	1,504.37	717.61
Total	16,400.82	15,468.13

Footnote:

- a) Refer Note 18 for cost of inventories recognized as an expense during the period.
- b) Nil amount of inventories were written down to net realisable value during the current and comparable periods. Similarly, Nil amount of reversal of write down was accounted during the current and comparable periods
- c) Mode of valuation of inventories is stated in Note 2

Note 8 (a): Equity Share Capital*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Authorised Share Capital		
1,40,00,000 (As at 31st March, 2018: 1,40,00,000) Equity Shares of Rs.10/- each	1,400.00	1,400.00
Issued and subscribed capital comprises:		
1,23,00,000 (As at 31st March, 2018: 1,23,00,000) Equity Shares of Rs.10/- each fully paid-up	1,230.00	1,230.00

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year*(INR in Lakhs)*

Particulars	31 March 2020		31 March 2019	
	Number of Equity Shares	Share Capital (INR)	Number of Equity Shares	Share Capital (INR)
Fully paid equity shares (in Lakhs)				
Shares outstanding at the beginning of the year	123.00	1,230.00	123.00	1,230.00
Add : Issued during the year (Bonus Issue)	-	-	-	-
Add : Issued during the year (Fresh Issue in IPO)	-	-	-	-
Less: Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	123.00	1,230.00	123.00	1,230.00

1. Terms/ rights attached to equity shares

The Company has a single class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The Board of Directors have not declared dividend for the year ending 31st March, 2020.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations

2. Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Number of shares held	% holding	Number of shares held	% holding
Fully paid up equity shares (In Lakhs)				
Naresh Jagumal Karda	56.15	45.65%	56.00	45.53%
Prem Jagumal Karda	5.90	4.80%	5.90	4.80%
Laxman Jagumal Karda	5.50	4.47%	5.50	4.47%

Footnote:

a) Information regarding issue of shares in the last five years:

- The Company has not issued any shares without payment being received in cash.
- The Company has issued bonus shares during the F.Y. 2019-20 – NIL, F.Y. 2018-19 - NIL & F.Y. 2017-18 - 10.00 Lakhs.
- The Company has not undertaken any buy-back of shares.
- The Company has issued fresh equity shares during the F.Y. 2017-18 - 23.00 Lakhs in an IPO.

8(b): Other Equity

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Securities Premium Reserve		
Balance at the beginning of the year	3,691.33	3,795.01
Add / (Less) :		
Fresh Issue of Equity Shares in IPO	-	-
Adjustments for Shares Issue Expenses – IPO	-	(103.68)
Balance at the end of the year (A)	3691.33	3,691.33

The amount received in excess of face value of the equity shares is recognized in Securities Premium Reserve. The reserve is utilized in accordance with the provisions of the Act.

(INR in Lakhs)

General Reserve	31 March 2020	31 March 2019
Balance at the beginning of the year	4,502.69	3,311.53
Add / (Less) :		
Profit attributable to the owners of the company	963.64	1,209.75
Items of OCI recognized directly in retained earnings	(8.10)	(7.40)
Excess / (Short) Provision of Income Tax	(3.64)	(11.18)
Share of Income Tax Expenses – Firm	(58.06)	-
Balance at the end of the year (B)	5,396.53	4,502.69
Total (A+B)	9,087.86	8,194.03

Note 9: Financial Liabilities**9(a) Borrowings - Non Current***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Secured		
(a) Term loans		
From Banks & Financial Institutions - Rupee loan	7,979.43	10,152.61
	7,979.43	10,152.61
Unsecured	-	-
Total Non-Current Borrowings	7,979.43	10,152.61
Less: Transferred to Current Maturities	4,271.45	5,455.06
Total	3,707.98	4,697.56

9(a) Borrowings - Current*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Secured		
(a) Loan against Construction Projects		
Working Capital Loan / Cash Credit from Banks	1,772.50	2,582.52
	1,772.50	2,582.52
Unsecured		
(a) Other Loans - Repayable on Demand		
From Related Parties	154.07	91.94
	154.07	91.94
Total	1,926.57	2,674.47

Footnote:

- a) Secured term loans from banks carry interest rates within a range of 12.50% to 15.50%. The nature of securities are:

Name of the Lenders	ROI	Security Offered (Further secured by personal guarantee of one or more promoters)
1. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects)	15.00%	1. Registered mortgage of Project Land of project 'Hari Om Phase II'

2. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects)	13.50%	1. Registered mortgage of Project Land & Building to the extent of Developer share in the project Hari Sanskruti 2. Hypothecation / Assignment of Developer share of Receivables (Sold & Unsold) of Project 'Hari Sanskruti Phase I'
3. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects)	14.50%	1. Registered mortgage on unsold proportion of Project Land & Building 'Hari Krishna 4' along with present & future
4. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects)	15.00%	1. Registered mortgage on 90 unsold units in the project 'Hari Vishwa'
5. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects)	14.50%	1. Registered mortgage on unsold proportion of Project Land & Building of 'Hari Laxmi' along with present & future construction
6. LIC Housing Finance Ltd. (Term Loan against Constructions of Projects)	13.00%	1. Registered mortgage on entire Project Land of 'Hari Sanskruti Phase II' 2. Hypothecation of share of receivables from the project 'Hari Sanskruti Phase II'
7. State Bank of India (Cash Credit)	12.50%	1. Registered mortgage of Hari Bhakti Project 2. Registered Mortgage of Plot No. 1, 2, 10 of Gat No.376/1B + 378/2 + NA Plot of Land area admeasuring 968.25 Sq. Mtr. on S. No. 254/3/1 + N.A. Plot No. 7 & 8 3. Hypothecation of Company's Stock & Receivable of Hari Bhakti Project
8. State Bank of India (Term Loan)	12.50%	1. Registered Mortgage of Hari Vasant Project 2. Registered Mortgage of Plot No. 1, 2, 10 of Gat No.376/1B + 378/2 + NA Plot of Land area admeasuring 968.25 Sq. Mtr. on S. No. 254/3/1 + N.A. Plot No. 7 & 8 3. Hypothecation of Company's Stock & Receivable of Hari Vasant Project
9. The Nashik Road Deolali Vyapari Sahakari Bank Ltd (Term Loan and Overdraft Facility)	13.00%	1. Registered Mortgage Plot Survey No.13/3/1, Hectar 6060 Sq. Mtr 4549 Sq Mtr and Survey 306/2, Hectar 0.36R Bhagur, Nashik.

- b) Loans from related parties are unsecured and repayable on demand. Interest on the same is provided at the rate of 15.00% p.a.

Note 9: Financial Liabilities

9(b) Other Financial Liabilities - Non Current

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Lease Deposits from tenants	3.50	11.96
EMD Deposits	-	45.42
Total	3.50	57.38

9(b) Other Financial Liabilities - Current

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Current Maturities of Long Term Debts	4,271.45	5,455.06
Branch - KCL DDUGKY Project	64.20	(48.14)
Shree Sainath Land & Development	398.28	544.51
Viva Highways Limited	15.70	32.11
GST Refund Application	1.19	-
Total	4750.82	5,983.53

Footnote:

The company has received civil works contracts from Shree Sainath Land & Development and from Viva Highways Limited and amount in their account represents advance received by the company against such civil works contracts.

Note 10: Other Non Current Liabilities

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Booking Advances from Customers:		
Against Real Estate Project	4,517.32	-
Against Plots & Land	1,661.72	1,479.97
Total	6,179.04	1,479.97

Note 11: Provisions

Non Current Provisions

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Employee Benefits		
Provision for Gratuity	32.31	24.22
	32.31	24.22

Footnote:

- (a) The provision for Gratuity is non fund based provision and is made on the basis of actuarial report.

Current Provisions

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Employee Benefits		
Salary Payable	45.31	14.43
Other Provisions for Operating Expenses	11.57	5.72
Total	56.88	20.15

Note 12: Deferred Tax Liabilities / (Deferred Tax Assets)

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Opening Balance	2.65	3.93
Temporary difference on account of depreciation on Property, Plant and Equipment	(26.60)	(1.28)
Deferred Tax Liabilities / (Deferred Tax Assets) – (Net)	(23.95)	2.65

Note 13: Trade Payables

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Trade Payables		
Dues to MSME	77.86	83.95
Dues to Others	1,364.70	1,664.26
Total	1,442.56	1,748.21

Footnotes:

- a) The average credit period on purchases is 3 to 6 months.

Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006:

- a) Trade payables include INR 77.86 Lakhs (As at 31st March, 2019: INR 83.95 Lakhs) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- b) Company has not made any provision for interest to be paid / payable to micro and small enterprises during the year.
- c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.
- d) Trade payables include INR 1.69 lakhs (31st March, 2019: INR 6.51 lakhs) due to related parties. Kindly refer Note 25.

Note 14: Current Tax Liabilities*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Provision for Income Tax (FY 2019-20)	327.70	395.00
Provision for Income Tax (FY 2018-19)	249.32	-
Total	577.02	395.00

Note 15: Other Current Liabilities*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Payable to Partnership Firms		
Green Enterprises	-	15.63
	-	15.63
Other Payables		
Statutory Dues	64.94	23.57
Total	64.94	39.20

Footnote:

Payable to Partnership Firms represent excess withdrawal made from the firm. Also refer the Related Parties Transactions Note No. 25

Note 16: Revenue from Operations*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Sale from operations		
(a) Sale of Properties / Flats (Residential and Commercial)	10,265.14	8,693.60
(b) Sale of Land	-	-
(c) Contract Revenue Income	1,099.17	1,732.67
(d) Rental Income	26.49	14.00
(e) Other Operating Revenue		
- Profit from Partnership Firms (Net)	21.34	89.39
Total	11,412.14	10,529.66

Footnote:

Revenue from Operation includes Company's share of profit (net) INR 21.34 lakhs (31st March 2019: INR 89.39 lakhs) from its investment in partnership firms whose financial statements have been audited by other auditors.

Note 17: Other Income*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
(a) Interest Income		
- On Bank Deposits	32.41	25.04
- Other Financial Assets	265.50	276.18
(b) Dividend Income from		
- Current Investments (Mutual Funds)	-	-
- Equity Investments (Dividend Income from Bank)	1.06	0.91
(c) Profit from Redemption of Mutual Funds	119.04	7.81
(d) Other Miscellaneous Income	-	-
- Interest on IT Refund	3.34	34.15
Total	421.35	344.10

Note 18: Cost of Construction / Development*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Opening Stock	15,468.13	14,111.73
Add: Cost incurred during the year		
Cost of Land / Development Rights	462.54	692.36
Consumption of Material	4,785.08	4,146.00
Contract cost, labour and other charges	2,566.86	2,427.61
Other construction expenses	1.01	7.34
Contract Expenses	197.98	559.99
Sub Total	8,013.47	7,833.30
Less : Closing stock	16,400.82	15,468.13
Total	7,080.78	6,476.90

Note 19: Employee Benefit Expenses*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Salaries, wages and bonus	246.58	186.91
Salary – Directors	48.00	48.00
Sitting Fees	3.60	2.91
Contribution to Provident Fund	14.98	11.43
Contribution to ESIC Fund	3.36	3.39

Incentive to Staff	24.84	19.59
Staff Welfare Expenses	3.97	4.94
Total	345.34	277.16

Footnote:

- a) Salary to Directors is the managerial remuneration paid to the directors and the same is within the limit of 11% of eligible profits of the Company as per the provisions of section 197 & 198 of the Companies Act, 2013.

Note 20: Finance costs*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Interest Expenses on Borrowings	1,484.56	1,449.46
Other Borrowing Cost	254.96	198.85
Goa Site	45.66	59.45
Total	1,785.18	1,707.76

Footnote:

In line with Ind AS-23 'Borrowing Costs', the borrowing costs of INR 1785.18 Lakhs (For 2018-19: INR 1707.76 Lakhs) have been capitalized to inventory.

Note 21: Selling Expenses*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Marketing Expenses	615.71	423.77
Total	615.71	423.77

Note 22: Other Expenses*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Legal Fees – Project	5.81	6.70
Site Expenses – Indirect	0.59	38.13
Rates and Taxes	32.34	83.22
Compensation on Cancellation of Flat Sale	354.60	74.21
Office Rent	18.00	25.64
Professional Fees	103.38	45.68
Printing and Stationery	9.10	3.58
Other Expenses	70.16	49.08
Corporate Social Responsibility (CSR) (Note 22b)	33.61	27.14
Payments to Auditors (Refer Note 22a)	3.50	3.50
Total	631.09	356.89

Note 22(a): Details of Payments to Auditors*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
Payment to Auditors		
As Auditor:		
Audit Fees	2.50	2.50
Tax Audit Fees	1.00	1.00
Total	3.50	3.50

Note 22(b): Corporate Social Responsibility Expenditure*(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
CSR Expenses under DDUGKY Scheme	31.63	20.00
Donations for Social Cause	-	1.50
Tree Plantation & Garden Development Expenses	-	0.30
Other	1.98	5.34
Total	33.61	27.14

Footnote:

CSR expenses under DDUGKY scheme of INR 31.63 lakhs (31st March 2019 : INR 20.00 lakhs) is in respect of contribution made by the company for the Deen Dayal Upadhyaya Grameen Kaushalya Yojana aimed at enhancing the employability of rural youth as part of the government's skill development initiative

Note 23: Earnings Per Share:**(a) Basic Earnings Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019
Profit attributable to equity shareholders of the Company	955.54	1,202.35
Weighted average number of equity shares	123.00	123.00
Nominal Value of Equity Shares	INR 10/-	INR 10/-
Basic EPS	7.77	9.78
Diluted EPS	7.77	9.78

For calculation of Earnings Per Share, in case of bonus issue the number of equity share outstanding before the bonus issue is adjusted for proportionate change in number of equity shares outstanding as if the bonus issue had occurred at the beginning of the earliest period reported.

*Note 24: Commitments and Contingencies***Contingent Liabilities & Commitments (Not Provided For)***(INR in Lakhs)*

Particulars	31 March 2020	31 March 2019
(A) Claims against the Company not acknowledged as debts on account of :		
1. Income Tax and MVAT matters under appeal	37.63	37.63
2. TDS liability on account of short deduction, short payment and interest thereon as per TRACES	-	-
3. Towards pending legal cases	-	-
(B) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding there against.) (Refer Footnote c)	9,823.59	10,103.49
Total	9,861.22	10,141.12

Footnote:

- a) Interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.
- b) Contingent liabilities include corporate guarantees issued by the Company and relied upon by the Auditors.
- c) The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Company in respect of these corporate guarantees.

The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Company are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the fair value of the corporate guarantees is accepted to be immaterial.

Note 25: Disclosure pursuant to Indian Accounting Standard (Ind-AS) 24 Related Party Disclosures

Related parties have been identified on the basis of representation and information given by the Key Management Personnel.

Sr. No.	Key Management Personnel	Nature of Relation
1	Mr. Naresh Jagumal Karda	Key Managerial Personnel
2	Mr. Manohar Jagumal Karda	Key Managerial Personnel
3	Mrs. Disha Naresh Karda	Key Managerial Personnel
4	Mr. Sandeep Ravindra Shah	Independent Director
5	Mrs. Shweta Raju Tolani	Independent Director
6	Mr. Rahul Kishor Dayama	Independent Director
7	Mr. Anil Nahata (Resigned from the post w.e.f. November 13,2020)	Key Managerial Personnel (CFO)
8	Mr. Liyakat Khan (Appointed as CFO with effect from November 13,2019)	Key Managerial Personnel (CFO)
9	Mrs. Mayura Shinde	Key Managerial Personnel (CS)
10	Mr. Prem Jagumal Karda	Relative of Director
11	Mr. Karamchand Karda	Relative of Director
12	Drishti Ceramics	Proprietary Firm of Director
13	Karda Constructions	Proprietary Firm of Director
14	Green Enterprises	Partnership Firm
15	Karda Infrastructures	Partnership Firm
16	Bhakti Enterprises	Partnership Firm
17	Devesh Infrastructures	Partnership Firm of Director
18	Karda Buildcon Private Limited	Associate
19	Shree Sainath Land and Development Pvt.Ltd.	Associate
	The Address Hotel	Partnership Firm of Director

Footnote:

- a) The transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions.
- b) No amount has been provided as doubtful debt or advance written off or written back in the year in .

Transactions entered during the year with related parties:*(INR in Lakhs)*

Sr. No.	Name of the Party	Nature of Transactions	31 March 2020	31 March 2019
1	Mr. Prem Karda	Remuneration	12.00	12.00
2	Mrs. Disha Karda	Remuneration	12.00	12.00
3	Mr. Naresh Karda	Remuneration	12.00	12.00
4	Mr. Manohar Karda	Remuneration	12.00	12.00
5	Mrs. Disha Karda	Rent Payment	6.00	6.00
6	Mr. Naresh Karda	Rent Payment	6.00	6.00
7	Mr. Karamchand Karda	Rent Payment	6.00	6.00
8	Mrs. Shweta Tolani	Sitting Fees	1.68	1.30
9	Mr. Mohanlal Gurnani (Resigned)	Sitting Fees	-	-
10	Mr. Rahul Kishor Dayama	Sitting Fees	1.44	1.12
11	Mr. Sandeep Ravindra Shah	Sitting Fees	0.48	0.49
12	Mr. Kishor Karda	Sitting Fees	-	-
13	Mr. Rahul Kalani (Resigned)	Sitting Fees	-	-
14	Karda Constructions	Interest Payment	18.79	11.22
15	Karda Constructions	Unsecured Loans	3,236.81	2,896.29
16	Karda Constructions	Repayment of Unsecured Loans	3,218.67	3,208.68
17	Karda Constructions	Rent income	0.31	0.31
18	Drishti Ceramics	Purchase of Material	21.77	47.49
19	Devesh Infrastructures	Labour Charges	0.31	-
20	Devesh Infrastructures	Rent income	0.31	0.31
21	Karda Buildcon Pvt. Ltd.	Rent income	18.00	0.31
22	The Address Hotel	Rent income	(0.13)	1.50
23	Green Enterprises	Profit from Firm	21.33	(0.34)
24	Karda Infrastructures	Profit from Firm	-	160.96
25	Karda Infrastructures	Interest Payment	89.55	32.45
26	Karda Constructions	Rent income	0.31	0.31
27	Bhakti Enterprises	Profit from Firm	0.14	0.29
28	Bhakti Enterprises	Interest Receipt	57.22	3.68
29	Bhakti Enterprises	Rent income	0.31	0.31
30	Shree Sainath Land and Development Pvt. Ltd.	Civil Contract Receipts (Sales)	446.83	1,059.24
31	Shree Sainath Land and Development Pvt. Ltd.	Rent income	0.31	0.31

Balances outstanding at the end of the year				
1	Mr. Prem Karda	Remuneration	10.78	-
2	Mrs. Disha Karda	Remuneration	4.43	-
3	Mr. Naresh Karda	Remuneration	1.00	-
4	Mr. Manohar Karda	Remuneration	8.78	-
5	Mrs. Disha Karda	Rent Payment	0.90	-
6	Mr. Naresh Karda	Rent Payment	0.54	-
7	Mr. Karamchand Karda	Rent Payment	5.40	-
8	Karda Constructions	Unsecured Loans	127.00	91.94
9	Drishti Ceramics	Purchase of Material	1.69	6.51
10	Green Enterprises	Closing Capital Balance in Partnership Firms	103.74	(15.63)
11	Karda Infrastructures		2870.93	1,142.00
12	Bhakti Enterprises		1677.42	694.56
13	Shree Sainath Land and Development Pvt. Ltd.	Advance received against Civil Contract	398.28	544.51

Note 26: Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

1. 1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

(a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate and thus interest rate risk is limited for the Company.

(b) Foreign currency risk

The Company is engaged in real estate business and the imports made by the company are very minimal for which hedging instruments are not required.

(c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after exercising due diligence

which may affect the market related risk.

2. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets is contributed by trade receivables, unbilled revenue, cash and cash equivalents and receivables from group companies.

- (a) **Receivables resulting from sale of properties:** Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, thereby substantially eliminating the Company's credit risk in this respect.
- (b) **Receivables resulting from other than sale of properties:** Credit risk related to such receivables is managed as per Company's established policy, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Company does not hold collateral as security. The Company's credit period generally ranges from 30 to 90 days.
- (c) **Credit risk on cash and cash equivalents is limited as the Company generally invests deposit with banks which have high credit ratings.**

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other debt instruments. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

Note 27:

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's management is to maximize shareholders value and to ensure the company's ability to continue as a going concern.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the Company.

Gearing Ratio

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows:

(INR in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings including current maturities	9906.00	12,827.08
Interest accrued and due/and but not due	-	-
Unpaid matured debentures and interest accrued thereon	-	-
Total Debt	9906.00	12,827.08
Less : Cash & Cash Equivalents	-	-
Net Debt (A)	9906.00	12,827.08
Equity Share Capital	1,230.00	1,230.00
Other Equity	9,087.86	8,194.03
Total Equity (B)	10,317.86	9,424.03
Debt Equity Ratio (A/B)	0.96	1.36

Note 28: Categories of Financial Instruments

Fair Value Measurement

(INR in Lakhs)

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
Financial Assets				
Investments	-	4684.69	-	2,731.25
Trade Receivables	-	1,215.77	-	1,124.85
Cash and cash equivalents	-	36.82	-	650.47
Loans & Advances	-	4,487.74	-	3,054.51
Other Financial Assets	-	1,384.99	-	2,479.61
Total	-	11,810.01	-	10,040.70
Financial Liabilities				
Borrowings	-	5,634.55	-	7,372.03
Trade Payables	-	1,442.56	-	1,748.21

Other Financial Liabilities	-	4,754.32	-	6,040.91
Total	-	11,831.43	-	15,161.15

Note 29: Employee Benefits**a) Defined Contribution Plans:**

Contribution to Defined Contribution Plans recognized as expense for the year are as under:

(INR in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Employer's Contribution to Provident Fund (Gross before Allocation)	14.98	11.43
Employer's Contribution to ESIC	3.36	3.39

b) Defined Benefit Plans:**Contribution to Gratuity Fund (Non-Funded)**

Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 30: Leases

The company has entered into cancellable operating leasing arrangements for commercial premises and office premises:

(INR in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Operating lease expenses recognised in profit and loss account	19.38	25.64

The lease term do not contain any exceptional / restrictive covenants nor are there any options given by the lesser to purchase the properties. The agreement provide for changes in the rentals along with taxes leviable.

Note 31: Disclosure Pursuant To Indian Accounting Standard (Ind-AS) 12 Income Taxes:

The company has recognized Deferred Tax Assets of Rs.26.60 Lakhs in the Profit and Loss Account, the details of which are as under:

(INR in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Deferred Tax Liabilities (Opening balance)	2.65	3.93
Income Tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment	(26.60)	(1.28)
Deferred Tax Liabilities (Net)	(23.95)	2.65

Note 32:

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realizable, as the case may be.

*Note 33: Segment Reporting***a) Basis of Segmentation****Factors used to identify the entity's reportable segments, including the basis of organization**

For management purposes, the Company's business activity falls within a two business segment viz. 'Development of Real Estate Property' & 'Civil Contracting Business', the financial statements are reflective of the information required by Ind AS 108 "Operating Segments". The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

b) Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property & Civil Contracting Business in India, it has only one reportable geographical segment.

c) Information about major customers

None of the customers for the years ended March 31, 2020 and March 31, 2019 constituted 10% or more of the total revenue of the Company.

Audited Standalone Segment wise Revenue, Results, Assets and Liabilities for the year ended March 31, 2020:

(INR in Lakhs)

	Particulars	Year Ended	
		31-Mar-20	31-Mar-19
		Audited	Audited
I	Segment Revenue		
	(a) Real Estate	10,312.97	8,797.03
	(b) Civil Contracting Business	1,099.17	1,732.63
	Total Segment Revenue	11,412.14	10,529.66
	Less: Inter segment revenue	-	-
	Net income from Operations	11,412.14	10,529.66
II	Segment Results (Profit before unallocable (expenditure) / income, interest and finance charges and tax)		
	(a) Real Estate	2,438.53	2,608.31
	(b) Civil Contracting Business	291.27	358.82
	Total Segment Results	2,729.80	2,974.53
	Add/(Less):		
	Less : Finance Cost	(1,785.18)	(1,707.76)
	Add: Unallocated Income	421.35	344.10
	Less: Unallocated Expenses	(101.23)	(7.40)
	Profit Before Tax	1,264.74	1,603.46
III	Segment Assets		
	(a) Real Estate	25,881.24	23,908.91
	(b) Civil Contracting Business	2,226.66	1,002.06
	Total Segment Assets	28,107.90	24,910.97
	Add: Unallocated assets	951.59	1,635.40
	Total Assets	29,059.49	26,546.36
	Segment Liabilities		

(a) Real Estate	17,433.24	15,914.35
(b) Civil Contracting Business	629.88	759.37
Total Segment Liability	18,063.12	16,673.72
Add: Unallocated liabilities	678.50	448.62
Total Liabilities	18,741.62	17,122.34

- (1) Unallocated income comprise of other income shown in the financial results.
(2) Unallocated assets primarily comprise of corporate investments and property, plant and equipment.
(3) Unallocated liabilities include deferred tax liabilities.

Note 34 : Corporate Social Responsibility

The Company has spent INR 33.61 Lakhs during the year (Previous Year 2019 : INR 27.14 Lakhs) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

- (a) Gross amount required to be spend by the Company during the year is INR 31.43 Lakhs (Previous Year 2019: INR 27.04 Lakhs).
(b) Amount spent during the year on:

(INR in Lakhs)

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ended March 31, 2020			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	33.61	-	33.61
Year ended March 31, 2019			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	27.14	-	27.14

Note 35 :

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

Note 36 :

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2020.

Note 37 :

Cash and Cash Equivalents and Bank Balances include balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

Note 38 :

The financial statements for the year ended 31 March 2020 were approved by the Board of Directors and authorised for issue on 29 June 2020.

Note 39 :

Previous period figures have been regrouped and reclassified wherever necessary, to confirm with current years' presentation

Note 40:

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

As per our report of even date

For JPL & Associates**Chartered Accountants**

(Firm Registration No. 132748W)

Sd/-

CA VIPUL LATHI

Partner

Membership No.134897

Place : Nashik

Date: 29 June, 2020

For and on behalf of the Board of Directors of**Karda Constructions Limited**

CIN – L45400MH2007PLC17419

Sd/-

NARESH KARDA

Chairman & MD

DIN: 01741279

Sd/-

LIYAKAT M KHAN

Chief Financial Officer

Place : Nashik

Date: 29 June, 2020

Sd/-

MANOHAR KARDA

Whole Time Director

DIN : 01808564

Sd/-

MAYURA MARATHE

Company Secretary

