

14TH INTEGRATED
ANNUAL REPORT
2020–2021 ———
KARDA CONSTRUCTIONS LIMITED

Creating

SMART NASHIK

With a sustainable future through **BUILDING**
preservation, green **ARCHITECTURE**,
and smart **DESIGN**.



ABOUT US

*K*arda Constructions Limited(KARDA) is a client-focused real estate development company. KARDA is one of the largest builder and developer in Nashik active since 1994 in real estate business, with promoter having over 25 years knowledge and experience in the Local Construction Industry.

Strong presence in Nashik's real estate market, KARDA pride itself on the relationships it has built with business partners, clients and suppliers and on the quality of the product and services. The various Projects along with Budget Housing Projects improves KARDA's presence across all segments i.e. Low, Medium and Premium Segments. KARDA constantly strive to sustain the maximum level of Client satisfaction.

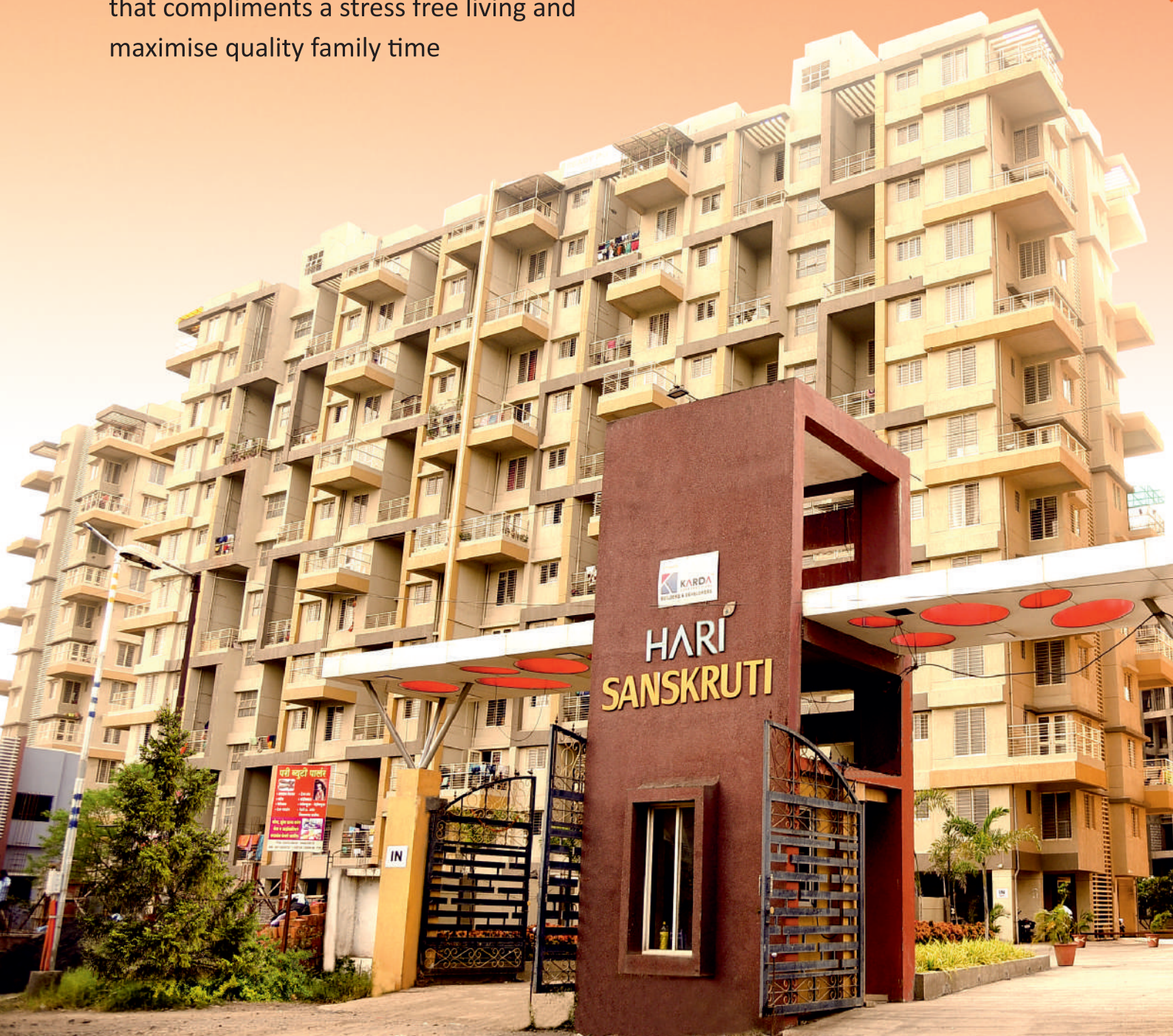
KARDA has Successfully completed and delivered approx. 31.18 Lakh sq. ft. of Salable area. The project names begin with word "Hari" (such as "Hari Vishwa", "Hari Sanskruti" "Hari Amrut", etc) that clearly differentiates projects from projects of other developers in Nashik.

Established and strengthen "Hari" brand enables KARDA to get a positive support for future projects, advance bookings, revenue share deals and development rights.



STRESS IS STRICKILY PROHIBITED IN OUR HOMES

Backed by 26 years of experience and
new age innovation, Every **Karda Construction**
Home comes with load of In / Outdoor features
that compliments a stress free living and
maximise quality family time



CSR ACTIVITY

The spread of the virus poses a serious threat to various countries across the globe. All the sections of the people in the society are affected due to lockdown imposed by the government for breaking the chain of the spread of COVID-19. The people faced a lot of hardships due to the imposition of lockdown in India. In this context, the company provided meals to the orphanages during the lockdown along with other CSR activities .



CSR ACTIVITY





DELIVERED APPROX
31.18 LAKH
SQ. FT. OF
SALABLE
AREA.

26 **YEARS**
(KARDA GROUP)

DIRECTORS



Mr. Naresh Jagumal Karda

Chairman and Managing Director



Mr. Manohar Jagumal Karda

Whole-time Director



Mrs. Disha Naresh Karda

Director



Mr. Rahul Kishor Dayama

Non-Executive Independent Director



Mrs. Shweta Raju Tolani

Non-Executive Independent Director



Mr. Sandeep Ravindra Shah

Non-Executive Independent Director

Contents

Page No. **1** Company's Information

Page No. **2** Awards & Recognition

Page No. **3** Chairman's Message

Page No. **5** Management Discussion

Page No. **14** Boards Reports & Annexures

Page No. **38** Report on Corporate Governance

Page No. **54** Financial Statements

Page No. **102** Notice



COMMITTEES OF THE BOARD AS ON 31ST MARCH, 2021

AUDIT COMMITTEE

Rahul Dayama (Chairman)
Shweta Tolani (Member)
Naresh Karda (Member)

STAKEHOLDERS RELATIONSHIP COMMITTEE

Rahul Dayama (Chairman)
Shweta Tolani (Member)
Disha Karda (Member)

NOMINATION, REMUNERATION AND GOVERNANCE COMMITTEE

Shweta Tolani (Chairman)
Rahul Dayama (Member)
Sandeep Shah (Member)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Rahul Dayama (Chairman)
Naresh Karda (Member)
Disha Karda (Member)

CORPORATE INFORMATION

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Mayura Marathe

CHIEF FINANCIAL OFFICER

Mr. Liyakat Khan

STATUTORY AUDITORS

SHARP AARTH & CO. | Address : 68, 6th Floor,
Business Bay, Shri Hari Kute Marg, Tidke
Colony, Nashik, Maharashtra - 422002

BANKERS

Tata Capital Housing Finance Limited
The Nashik Road Deolali Vyapari Sahakari
Bank Ltd Canara Bank
SBICAP Trustee Company 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

Karda Constructions Ltd CMD,
Shri Naresh Karda has been
honored with **Most Trusted Developer
of Nashik** form The Mid - Day The
Real Estate & Infrastructure Icons 2020.



AWARDS & RECOGNITION



Outstanding concrete
Structure Hari Sankalp



"Awarded for Brand Excellence
in Residential Project"



Outstanding concrete
Structure Hari Vishwa



"Lokmat Vishwakarma -
The Dream Builders Award "



"Awarded for Iconic Affordable
Homes - Capsule Homes"



"Awarded for Excellence in
Affordable group housing"



"Entrepreneur Excellence
in marketing strategy"



"Landmark Award"



"Awarded for Iconic budget
Homes - Capsule Homes"



"Goda sanman Puraskar "

Chairman Speech

“

The pandemic is a sharp reminder that nature does not need humans – it will continue to go on and evolve – but we humans need it for our own survival.”



I hope that you, your families, and loved ones are safe and doing well. I write to you amidst uncertain times. The global spread of COVID 19 and India's lockdown have created an economic environment filled with uncertainty and risk. The year gone by has been a dire one for society at large. The unprecedented toll on lives and livelihoods has been heart wrenching. Our first priority has been to ensure that our workforce is safe. For our employees, we've maintained salary levels and bonuses, and avoided any layoffs. All sites have been following the safety guidelines since the pandemic, and we have been constantly updating them thus offering our workforce a safe environment to function.

Homes have become more central to our wellbeing. The sharp rebound in housing demand over the latter part of the year underlines the increasing importance that Indian families are placing on owning a good quality home. Entire families being confined to their homes 24x7 for months on end has brought to the fore the compromises they were living with. This experience has prompted many to commit to the new home purchase they had been perhaps contemplating but dragging their feet on deciding on. While some families are upgrading for more space and better amenities, others are trading down as large and joint families get nuclearized.

Choices are being dominated by weighing community, neighbourhood, social infrastructure, and sustainable living. Low mortgage rates and supportive policy steps like reduction in Stamp Duty have provided a much-needed stimulus. Furthermore, developers with high brand equity, financial prudence, proven track record of construction quality and delivery saw a consolidation of demand in their favour. The convergence of these changing consumer preferences, consolidation in the sector and low home loan interest rates ensured a stupendous sales performance in FY21 for the company. Customer's comfort to deal with developers who have the financial stability will ensure that the market share for established players like us will continue to increase further.

I'm happy to share that on the whole, FY21 was another strong year for your company. Company had its best ever year measured by the value and volume of real estate sold. The fourth quarter was particularly strong, contributing approximately 40% of annual sales. We achieved this through a combination of strong new launches with sales of INR 120 crore and sustained momentum in sales from existing inventory. Strong sales from existing inventory led to greater percentage of cash collection from each sale, which in turn ensured our collections from residential sales.

I am grateful to each of them for their exceptional commitment and ambition. We would like to thank our customers, joint venture partners, and business associates for their support. Finally, we owe thanks to all, our shareholders, investors, and vendors for their continued belief and strong support to your company.

Thank you

With best wishes

Naresh Karda

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Environment

Global Economic Outlook

The Covid-19 pandemic led to an economic contraction in the Calendar Year ('CY') 2020 that was both sudden and deep compared to the previous global crises. The global economy contracted 3.3%, advanced economies contracted 4.7% whereas the emerging economies and developing markets contracted by 2.2%. China was the only major economy that grew (by 2.3%) in CY 2020. World trade volume (goods and services) declined by 8.5% and oil prices saw a sharp decline of 33% followed by a recovery in the second half of the year. Consumer prices in emerging economies increased by 5.1% whereas they were stable in the advanced economies. Global manufacturing contracted sharply in mid-2020 however, sharply recovered in the latter part of the year. Lingering uncertainties around the pandemic hindered the recovery of private investment. With the consideration of broad vaccine availability in advanced economies and some emerging economies, the global economy is projected to grow at 6% in CY 2021. Growth in the advanced economies is projected at 5.1% in CY 2021, whereas that in the Emerging Markets & Developing Economies ('EMDE') is expected to be 6.7%. Growth in the United States ('US') is expected to be 4.3% in CY 2021, regaining the pre-covid activity levels. The European Union and the United Kingdom ('UK') economies are expected to grow by 4.5% and 4.2% respectively in CY 2021. Among the EMDE, China is expected to grow by 8.5%, Russia and Brazil by 3% and 3.6% respectively in CY 2021. Downside risks to the outlook include resurgence of the pandemic and vaccine delays, withdrawal of policy support before recovery takes firm root and bankruptcies due to illiquidity & high debt and geopolitical trade risks such as ongoing tensions between the US and China. Source: IMF World

Economic Outlook (WEO), January and April 2021, OECD Interim Economic Assessment, March 2021.

India Economic

Outlook India was one of the most severely affected countries among the emerging economies. Its Gross Domestic Product ('GDP') contracted by 8% in CY 2021. While Government consumption was almost stable at (0.8)%, private consumption declined by 9.1%. Exports and imports of goods and services contracted by 9.3% and 17% respectively. The agriculture sector was resilient to the effects of Covid-19. The industrial production contracted by 11%. India's recovery in FY 2021-22, with estimated GDP growth of 11.5% at the beginning of CY 2021, has seen a downward revision between 9.6% and 10.5% due to rising Covid-19 infections at the beginning of FY 2021-22. Increasing unemployment, as reported by the Centre for Monitoring Indian Economy (CMIE) (7.9% in April 2021 against 6.9% in February 2021) and inflation (Wholesale Price Index – 7.4% highest in last 103 months) signal a risk to the recovery. However, the outlook is expected to become more positive by the middle of the year as vaccines become more widely available. The Government spending is estimated to be higher than the previous financial year with fiscal deficit at 7.2% of GDP as against a budgeted 6.8%, mainly due to a higher food subsidy bill and lower asset sale revenue. The export outlook is cautious as exporters are focusing on domestic issues. Monetary conditions are expected to remain accommodative as inflation increases with an upside risk caused by rising global commodity prices.

REAL ESTATE SECTOR INDUSTRY

Real estate sector India

Real estate sector is one of the most globally recognized sectors. It comprises of four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It is also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru is expected to be the most favored property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

Market Size

By 2040, real estate market will grow to ₹ 65,000 crore (US\$ 9.30 billion) from ₹ 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 from US\$ 120 billion in 2017 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

The office market in top eight cities recorded transactions of 22.2 msf from July 2020 to December 2020, whereas new completions were recorded at 17.2 msf in the same period. In terms of share of sectoral occupiers, Information Technology (IT/ITeS) sector dominated with a 41% share in second half of 2020, followed by BSFI and Manufacturing sectors with 16% each, while Other Services and Co-working sectors recorded 17% and 10%, respectively.

In 2020, the manufacturing sector accounted for 24% of office space leasing at 5.7 million square feet. SMEs and electronic component manufacturers leased the most between Pune, Chennai and Delhi NCR, followed by auto sector leasing in Chennai, Ahmedabad and Pune. The 3PL, e-commerce and retail segments accounted for 34%, 26% and 9% of office space leases, respectively. Of the total PE investments in real estate in Q4 FY21, the office segment attracted 71% share, followed by retail at 15% and residential and warehousing with 7% each.

Retail real estate and warehousing segment attracted private equity (PE) investments of US\$ 220 million and US\$ 971 million, respectively, in 2020. Grade-A office space absorption is expected to cross 700 msf by 2022, with Delhi-NCR contributing the most to this demand.

Housing launches were 86,139 units across the top eight Indian cities in the second half of 2020. Home sales volume across eight major cities in India jumped by 2x to 61,593 units from October 2020 to December 2020, compared with 33,403 units in the previous quarter, signifying healthy recovery post the strict lockdown imposed in the second quarter due to the spread of COVID-19 in the country.

According to the Economic Times Housing Finance Summit, about 3 houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

Investments/Developments

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. Indian real estate attracted US\$ 5 billion institutional investments in 2020, equivalent to 93% of transactions recorded in the previous year. Investments from private equity (PE) players and VC funds reached US\$ 4.06 billion in 2020. The real estate segment attracted private equity investments worth ₹ 23,946 crore (US\$ 3,241 million) across 19 deals in Q4 FY21. Investments in the sector grew 16x compared with ₹ 1,470 crore (US\$ 199 million) in Q4 FY20. In value terms, these investments were 80% of that in 2020 and 48% of 2019, according to a report by Knight Frank.

Exports from SEZs reached ₹7.96 lakh crore (US\$ 113.0 billion) in FY20 and grew 13.6% from ₹ 7.1 lakh crore (US\$ 100.3 billion) in FY19.

According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development and construction activities) stood at US\$ 42.97 billion between April 2000 and September 2020.

Some of the major investments and developments in this sector are as follows:

- According to Anarock, housing sales in seven cities increased by 29% and new launches by 51% in Q4 FY21 over Q4 FY20
- Demand for residential real estate revived in Q4 FY21 as homebuyers took advantage of low mortgage rates and incentives rendered by developers. Residential sales in this quarter recovered to >90% volumes recorded in 2020 across the top seven cities.
- Blackstone is one of the largest private market investors in India, managing about ₹ 3,694 crore (US\$ 50 billion) of market value in the real estate sector. The company anticipates investing >₹ 1,625 crore (US\$ 22 billion) in the next 10 years.
- In 2021, working remotely is being adopted at a fast pace and demand for affordable houses with ticket size below ₹40-50 lakh is expected to rise in Tier 2 and 3 cities, leading to an increase in prices in those geographies.
- In April 2021, HDFC Capital Advisors (HDFC Capital) partnered with Cerberus Capital Management (Cerberus) to create a platform that will focus on high-yield opportunities in the residential real estate sector in India. The platform seeks to purchase inventory and provide last-mile funding for under construction residential projects across the country.
- In March 2021, Godrej Properties announced it would launch 10 new real estate projects in Q4.
- In March 2021, Godrej Properties increased its equity stake in Godrej Realty from 51% to 100% by acquiring equity shares from HDFC Venture Trustee Company.
- In January 2021, SOBHA Limited's wholly owned subsidiary, Sabha Highrise Ventures

Pvt. Ltd. acquired 100% share in Annalakshmi Land Developers Pvt. Ltd.

- In November 2020, Accor, a leading hospitality group, to launch seven new properties in India by 2022.
- In November 2020, Prestige Estates Projects Ltd. sold a large portfolio of office, retail and hotel properties to Blackstone for Rs. 12,745 crore (US\$ 1.7 billion).
- In November 2020, Taj Group partnered with real estate company Ambuja Neotia Group to launch three new hotels—two in Kolkata and one in Patna.
- The Godrej Group has forayed into the financial services industry with Godrej Housing Finance (GHF) through which it hopes to build a long-term and sustainable retail financial services business in India, aiming for a balance sheet of ₹ 10,000 crore (US\$ 1.35 billion) in the next three years.
- In October 2020, Brookfield Asset Management made a massive investments in India through a US\$ 2 billion real estate deal. Brookfield will buy 12.5 million square feet of commercial real estate assets from privately held developer RMZ Corp. The purchase includes rent-yielding office space and commercial co-working space.
- In October 2020, Rajasthan-based realty developer, Bhumika Group, announced its plans to invest ₹450 crore (US\$ 60.81 million) in two residential and one retail project in Udaipur, Alwar and Jaipur, respectively.
- In October 2020, Australia's REA Group Ltd. announced its agreement to acquire a controlling interest in Elara Technologies Pte. Ltd, the owner of Housing.com, PropTiger.com and Makaan.com.
- In September 2020, RMZ Corp. sold 12.8 million square feet real estate assets to a fund managed by the Brookfield Asset Management for ₹15,000 (US\$ 2 billion).
- According to the property consultant, Anarock, India is likely to have 100 new malls by 2022. Of this number, 69 malls in will be built in the top seven metropolis and the remaining 31 malls will be in Tier 2 & 3 cities.
- In March 2020, the Government approved

proposals from TCS and DLF to set up SEZs for IT sector in Haryana and Uttar Pradesh.

- Blackstone crossed US\$ 12 billion investment milestone in India.
- Puravankara Ltd, a realty firm, plans to invest around ₹ 850 crore (US\$ 121.6 million) over the next four years to develop three ultra-luxury residential projects in Bengaluru, Chennai and Mumbai.
- First REIT, which raised ₹ 4,750 crore (US\$ 679.64 million), was launched in the early 2019 by global investment firm Blackstone and realty firm Embassy group.
- In January 2020, RMZ Corp entered into a strategic and equal partnership with Mitsui Fudosan (Asia) Pte Ltd to expand its business footprint.

Government Initiatives

- Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:
- Under Union Budget 2021-22, tax deduction up to ₹1.5 lakh (US\$ 2069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.
- The Atmanirbhar Bharat 3.0 package announced by Finance Minister Mrs. Nirmala Sitharaman in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value (up to ₹2 crore (US\$ 271,450.60) from November 12, 2020 to June 30, 2021).
- In October 2020, the Ministry of Housing and Urban Affairs (MoHUA) launched an affordable rental housing complex portal.
- On October 27, 2020, the government announced the application of Real Estate (Regulation & Development) Act, 2016 in the union territory of Jammu & Kashmir. This has paved the way for any Indian citizen to buy

non-agricultural land and property, as opposed to the eligibility of only local residents earlier.

- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet has approved the setting up of ₹ 25,000 crore (US\$ 3.58 billion) alternative investment fund (AIF).
- Government has created an Affordable Housing Fund (AHF) in the National Housing Bank (NHB) with an initial corpus of ₹ 10,000 crore (US\$ 1.43 billion) using priority sector lending short fall of banks/financial institutions for micro financing of the HFCs.

References: Media Reports, Press releases, Knight Frank India, VCCEdge, JLL Research, CREDAI-JL, Union Budget 2021-22.

OPPORTUNITIES

Robust demand

Demand for residential properties has surged due to increased urbanisation and rising household income. India is among the top 10 price appreciating housing markets internationally.

The real estate sector is expected to grow significantly, with central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) Scheme of the Union Ministry of Housing and urban Affairs.

Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.

Increasing Investments

Indian real estate attracted US\$ 5 billion institutional investments in 2020, equivalent to 93% of transactions recorded in the previous year. The real estate segment attracted private equity investments worth ₹ 23,946 crore (US\$ 3,241 million) across 19 deals in Q4 FY21.

Real Estate sector in India is forecast to reach US\$ 650 billion, representing 13% of India's GDP by 2025. Co-living market size across India's top 30 cities is expected to grow more than double to reach US\$ 13.92 Billion by 2025 from current size of US\$ 6.67 Billion.

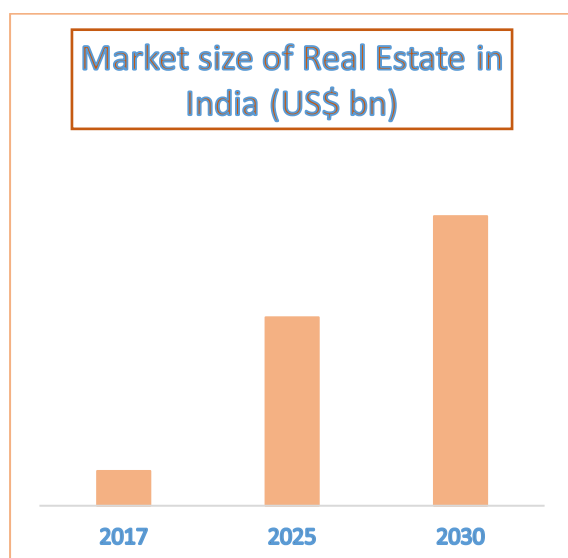
Policy support

Under Union Budget 2021-22, tax deduction up to ₹ 1.5 lakh (US\$ 2069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.

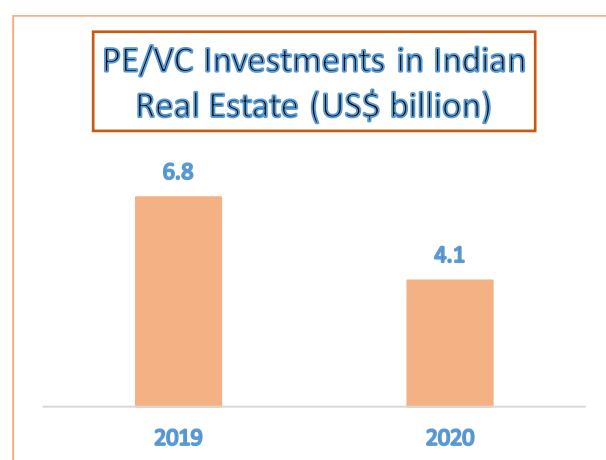
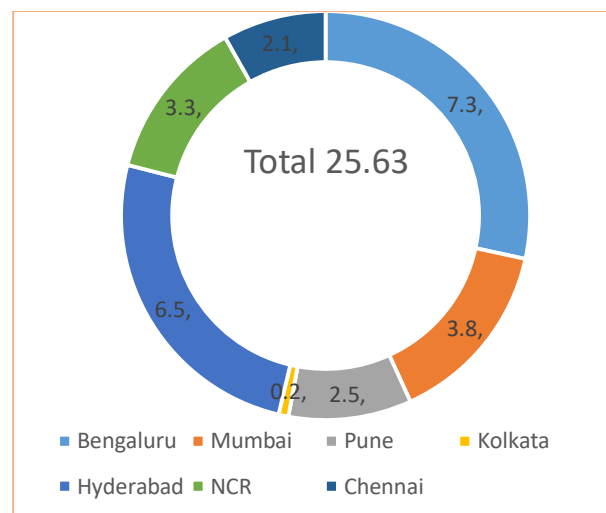
Attractive opportunities

Growing requirement of space from sectors such as education and healthcare, Ecommerce and logistics.

Driven by increasing transparency and returns, there's a surge in private investment in the sector.



Net Absorption of Office Space (2020) (million sq. ft.)



THREATS

Unavailability of land

There is a large share of underutilised and vacant land parcels that the Government should spare for development through land regulations, land readjustment and land pooling policies. This will help the real estate sector grow and improve the situation of financially aggrieved developers. There is a growing call to change or revise the Land Acquisition Resettlement and Rehabilitation Act of 2013.

Long-pending infrastructure projects

Indian real estate market is rigged with examples of delayed and long-pending infrastructure projects, be it the public sector projects or private sector housing colonies. The major

reason behind the delay is the uneven funding and lack of technologies to complete them on time. Besides, the protracted approval process is also a considerable challenge. Project approvals in India range from days to years due to the absence of a single-window clearance option, which results in time and cost escalations.

Overpopulation

By 2050, India will be the world's most populous country, with over 50 percent of people living in urban centers and Tier 1 cities. To sustain such a big population, India requires more new cities and urban centers on a large-scale to provide all necessary resources to the inhabitants. Thus, nationwide construction in the housing sector is essential.

Outdated building techniques

Indian real estate is the only sector in the world that still uses old building techniques and is overly dependent on extensive human labour. This, in turn, results in regular maintenance. On the contrary, new construction techniques require high-quality building materials such as concrete and iron slabs, which involve less human participation. Therefore, it is crucial that developers rely on modern building techniques as this will reduce not only the construction time but also the labour cost and ensure faster deliveries.

Surge in Covid-19 cases may derail real estate from recovery path

Amid a dramatic spike in the number of new Coronavirus cases in India, the demand for residential real estate in India might be thrown off track.

The surge in cases during the COVID-19 second wave, has resulted in large parts of India, especially in Delhi, Maharashtra, Rajasthan, Odisha and Gujarat, now being under

restrictions which included partial lockdowns, weekend lockdowns, night curfews, etc.

The demand for housing in India might also impact amid a change in stance in the banking system.

According to a recent report by QuantEco Research, the second wave of COVID-19 would hit the Indian economy by prompting people to save, rather than spend. This is in contrast with the first wave in 2020, when the contraction in economic growth was driven primarily by supply disruptions due to a prolonged nation-wide lockdown. This would particularly impact home purchases in the country that require big-ticket investments.

Housing affordability seen increasing

As India continues with its Coronavirus vaccination drive, the positive impact of the inoculation programme will also be seen in the country's real estate segment.

If the improving housing affordability is any cue, India's residential real estate sector is likely to witness better sales and supply in the January-March period of 2021, the lingering impact of the Coronavirus pandemic on the sector notwithstanding.

Amid the RBI continuing to keep the repo rate unchanged at 4%, home buyers can currently get home loans for as low as 6.65% annual interest. This is in contrast with the average home loan interest rate of 8% seen in January 2020. Price growth in the housing segment has also been under pressure in the past one year, due to the impact on demand.

In a report titled 'India Real Estate Outlook – A new growth cycle', property brokerage firm JLL India has also indicated that new housing supply in 2021 would continue to be in the affordable

and mid-segment, with developers attempting to reap the benefits of strong pent-up demand.

With most rating agencies making an upward revision in India's growth forecast, the recovery in the country's housing sector may also be better and earlier than expected.

On March 24, 2021, Fitch Ratings revised India's growth estimate for fiscal 2021-22 to 12.8%, from its previous estimate of 11%, saying that 'a stronger carryover effect, a looser fiscal stance and better virus containment' have led to the upgrade in growth projection. Many other rating agencies and global think-tanks, including Moody's Analytics and the Organisation for Economic Co-operation and Development (OECD), have also made upwards revisions in India's growth forecasts, amid the domestic inoculation programme against the virus picking up pace.

With the economy picking up and employment witnessing stability, the existing momentum in housing sales could sustain in the year 2021, the brokerage firm opined.

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 28 Karda Constructions Limited 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 ₹ 7,683.78 Lakhs as compared to revenue of ₹ 10,265.14 Lakhs of FY 2019-2020.

Further during the reporting period company has made revenue of ₹ 890.52 Lakhs from consulting services provided for project management.

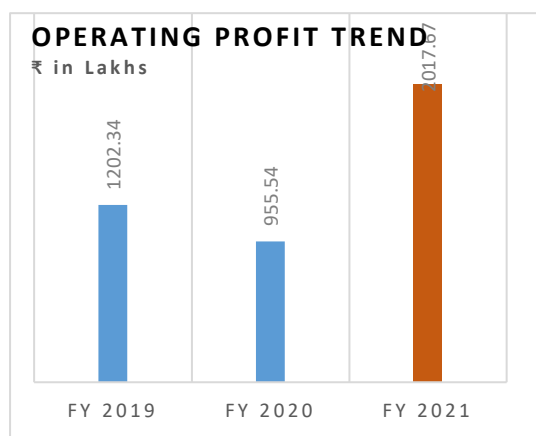
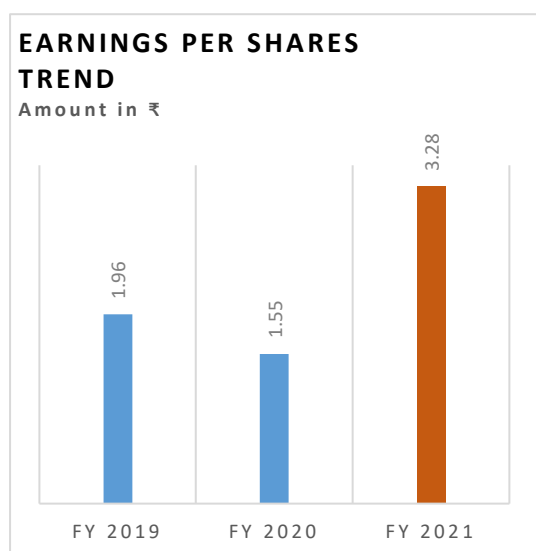
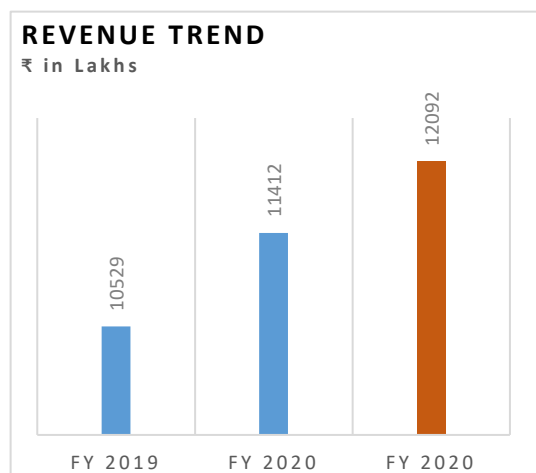
During the reporting period the income earned from contractual works in hand was ₹ 3,381.18 Lakhs as compared to income of ₹ 1,099.17 Lakhs of FY 2019-2020.

HUMAN RESOURCES DEVELOPMENT

The Company had 78 permanent employees as on March 31, 2021 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.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Performance highlights



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 2020-2021	FY 2019-2020	Explanations
Trade Receivables Turnover	5.75	9.75	Average Trade receivables has been decreased during FY 2020-2021.
Current Ratio	2.66	2.99	There is slight reduce in current ratio as compared to last year
Net Debt Equity Ratio	0.75	0.96	There was repayment of debt in current financial year which resulted into reduce in debt equity ratio
Net Profit Margin %	15.71	8.07	Net profit margin has increased in current financial year
Return on Net Worth %	17.84	9.68	Return of Net worth margin has increased in current financial year

OUTLOOK

FY 2020-21 was an eventful year for the real estate sector which witnessed pandemic led disruption in Q1 FY 2020-21 and a strong bounce back during the second half of the year. The pandemic has forced the developers to change their legacy business models and the players who focus on innovation and digital transformation in realty will lead the way for the sector. We expect FY 2021-22 to start with weakness in the first quarter due to the significant impact of the second wave followed by a strong recovery thereafter and this will set the base for a multi-year growth cycle for the real estate sector.

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.

The real estate market in India has incurred significant investment opportunities since the past decade, driven by high growth due to rising demand for residential as well as office spaces. Company has witnessed ups and downs of its share price during the financial year, but its growth has been visible. Overall, the COVID-19 virus outbreak had a shattering impact on India's economy in general and its real estate sector, in particular – an area of work that requires human contact inherently.

As low interest rates and stamp duty reductions are being viewed as the biggest reasons for the revival, so far, the developer community opines that banks must continue to maintain rates at the present levels.

We believe that further rationalisation of stamp duty will also be instrumental, in keeping the momentum. There might be a period of slowdown after the 'panic buying' till April 2021, As we enter 2021-2022, the momentum of historic sales could slow a bit but will remain strong to narrate a positive story. Unlike the past year, the real estate sector is now picking up with home buyers willing to make the move. Company's most workers displaced during the lockdown now are back and construction activity has resumed and work is moving at a faster pace to fulfil commitments.

The real estate sector is like a cog in the wheel driving India's economy. Infrastructure development and housing are major players known to be crucial in reviving a country's economy in recession. The sector will have to adopt innovative ways of dealing with the requirements. While homes will continue to be sold, they will now be done with creative disruption. This reinvention will include technology playing a lead role in meeting altered norms being considered by home buyers.

The concept of leverage is important to the "profitability" factor of real estate development. With this the company intends to focus more on entering into joint venture agreements for project. Company would plan to launch new projects after assessing the location in terms of connectivity and social infrastructure, exact demand profile, the competition's projects, and the development pattern in and around the location.

Diversification is an extremely important process. Company along with two main segments of real estate development and contractual work contract orders segment, has started setting foot in providing consultation services for project management.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 14th Annual Report together with audited statement of accounts of the Company for the year ended on 31st March 2021.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the year ended March 31, 2021 is summarized below: -
(Amounts in Lakhs)

Particulars	2020-2021	2019-2020
Total Revenue	12845.78	11833.49
Total Expenses	8586.78	8672.91
Earnings before interest and tax	4259.00	3160.58
Finance Cost	1455.52	1785.18
Depreciation	10.87	17.53
Profit Before Tax	2792.61	1357.87
Exceptional Items-Loss by fire	-	93.13
Tax Expenses:		
Current Tax	760.50	327.70
Deferred Tax	6.34	(26.60)
Net Profit for the period	2025.77	963.64
Items that will not be subsequently reclassified to profit or loss	(8.10)	(8.10)
Total Comprehensive Income for the period	2017.67	955.54
Earnings per share (EPS)* (Face value of ₹ 2 each)		
Basic EPS	3.28	1.55
Diluted EPS	3.28	1.55

Standalone Financial Statement

During the Financial Year 2020-2021, revenue from operations is ₹12092.21 Lakhs as compared to ₹ 11412.14 Lakhs during the previous year. Profit after tax for the financial year is ₹ 2017.67 Lakhs as compared to profit of ₹ 955.54 Lakhs of previous year.

The financial statements of the Company for the year ended 31st March, 2021 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

The Board of Directors approved payment of interim dividends of ₹ 0.05/- per equity share of ₹ 2/- each fully paid-up on February 13, 2021. The interim dividend was paid to eligible Members as on February 25, 2021. The total interim dividend involved a cash outflow of ₹ 28.48 Lakhs. The interim dividend was paid to Members, subject to deduction of tax at source as per the applicable rate.

The Board of Directors has recommended a final dividend of ₹ 0.05/- per equity share of face value of ₹ 2/- each fully paid up i.e. 2.5%, for the Financial Year 2020-21 subject to approval by Members in the ensuing 14th Annual General Meeting (14th AGM) of the Company. With this the total dividend for the Financial Year 2020-21 will be ₹ 0.10/- per share (i.e. 5 %).

The company did not declare any dividend in previous 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.

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.

BUSINESS AND OPERATIONS

Business Overview

The Company is operating majorly 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, 2021 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.

Operational Overview

During the year under review, the Company handed over total 159 units with area of 1.30 Lakh square feet of its ongoing residential and residential cum commercial projects.

Company has total 11 work orders in hand. During the reporting period company has generated revenue of ₹ 33.81 Crore from contractual work orders.

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

SHARE CAPITAL RELATED MATTERS

Share Capital

At present the Authorised Share capital of the company is ₹20,00,00,000/- (Rupees Twenty Crores Only) comprising of 10,00,00,000 (Ten 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).

The Company had split the face value of per equity share from ₹10 each to ₹ 2/- each via postal ballot w.e.f. 02-07-2020.

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.

DIRECTORS

Composition of the Board of Directors

The management of the Company is immensely benefitted from the guidance, support and mature advice from members of the Board of Directors who are also members of various committees. The Board consists of directors possessing diverse skill, rich experience to enhance quality of its performance. The Company has adopted a Policy on Board Diversity formulated by the Nomination and Remuneration Committee. The Company's Remuneration Policy has laid down a framework for remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel. These Policies are available on the Company's website at www.kardaconstruction.com. The Company has formulated policy on Succession Planning for Directors and Key Managerial Personnel for continuity and smooth functioning of the Company.

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)

Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company

The disclosure in the board's report regarding reappointment by passing special resolution is not given as no Independent director has been reappointed.

Meetings of the board

15 (Fifteen) Board Meetings were held during the Financial Year. The details of the Board and various Committee meetings are given in the Corporate Governance Report.

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.

Re-appointment of Directors Retiring by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Disha Karda, Director

(DIN: 06424475) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

The Board of Directors based on the recommendations of the Nomination, Remuneration and Committee, have recommended the re-appointment of Mrs. Disha Karda, Director (DIN: 06424475), Director retiring by rotation. The Notice convening the Annual General Meeting includes the proposal for re-appointment of Mrs. Disha Karda, Director (DIN: 06424475), as a Director.

A brief profile of Mrs. Disha Karda, Director (DIN: 06424475), has been provided as an Annexure to the Notice convening the Annual General Meeting. Specific information about the nature of Mrs. Disha Karda's expertise in specific functional areas and the names of the companies in which she holds directorship and membership / chairmanship of Board Committees have also been provided in the Notice convening the Annual General Meeting.

Performance Evaluation

The Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its various Committees for the Financial Year 2020-21. The evaluation was conducted on the basis of a structured questionnaire which comprises performance criteria such as performance of duties and obligations, independence of judgement, level of engagement and participation, attendance of directors, their contribution in enhancing the Board's overall effectiveness, etc. The Board has expressed their satisfaction with the process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the management agreed on various action points to be implemented in subsequent meetings.

The evaluation process endorsed cohesiveness amongst directors, smooth communication between the Board and the management and the openness of the management in sharing the

information with the Board and placing various proposals for the Board's consideration and approval. The Independent Directors met on February 13, 2021 without the presence of other directors or members of Management.

All the Independent Directors were present at the meeting. In the meeting, the independent directors reviewed performance of Non-Independent Directors, the Board as a whole and Chairman. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. The minutes of the Independent Directors' meeting were placed before the Board Meeting held on February 26, 2021 and the same were noted by the Board.

The Independent Directors expressed satisfaction over the performance and effectiveness of the Board, individual Non Independent Directors and the Chairman. Considering the unhealthy and stressful background of lockdown the performance of the Managing Director and Chief Financial Officer was found to be outstanding and exemplary in cutting costs, ensuring collections and team building.

The Independent Directors also expressed improvement in the flow of information between the company management and the Board. The Independent Directors played active role in the committee meetings including Audit Committee.

DIRECTORS RESPONSIBILITY STATEMENT

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

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2021 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. 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, 2021.

- iii. 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.
- iv. That the Directors have prepared the Annual Accounts on a going concern basis.
- v. 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.
- vi. 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.
- vii. 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.
- viii. 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 2020-2021.

KEY MANAGERIAL PERSONNEL

There was no change (appointment/resignation) in the Key Managerial Personnel namely, Managing Director, the Chief Financial Officer and the Company Secretary of the Company during the financial year.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have recommended re-appointment of Mr. Naresh Karda as Chairman and Managing Director. Also the Board of Directors have recommended re-appointment of Mr. Manohar Karda as Whole Time Director.

DISCLOSURES AS PER THE SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

Conservation of Energy, Technical Absorption and Foreign Exchange Earnings and Outgo The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is as follows:

- a. The Company has no activity involving conservation of energy or technology absorption.
- b. The Company does not have any Foreign Exchange Earnings.
- c. The Company does not have any Foreign Exchange outgo.

AUDIT RELATED MATTERS

Audit Committee

The Audit Committee comprised of following directors:

Sr No	Name of Committee members	Category
1	Mr. Rahul Kishor Dayma	Non-Executive Independent Director,

		Chairperson
2	Mr.Naresh Jagumal Karda	Executive Director, Member
3	Mrs. Shweta Raju Tolani	Non-Executive-Independent Director, Member

Statutory Auditors

At the Eleventh General Meeting held on 29th September, 2018, the members appointed M/S Sharp Arth & Co, (Formerly known as 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, 2021.

The auditor has mentioned following disputes pending with revenue authorities in the audit report:

(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	
Income Tax Act, 1961	Income Tax	AY 2015-16	16.39	-	CIT Appeal

The company is in process of repayment of 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.

Secretarial Audit

Secretarial Audit of the Company for the year ended March 31, 2021 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 in Annexure I. The secretarial auditor has mentioned observation regarding the delay in dividend payment. The board of directors have taken the note of the same and delay of 2 days was due to technical error on the Bank's portal.

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 2021-2022. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for financial year 2021-2022 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.

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 Sharp Arth & Co, on the Internal Financial Controls forms a part of the Annual Report.

POLICY MATTERS

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 and Committee and reviews its implementation and compliance. The Nomination and Remuneration Policy is available under the investor tab on the Company's website: www.kardaconstruction.com. The extract of policy is reproduced in Annexure II to this report.

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.

Whistle Blower Policy/ Vigil Mechanism

The Company's Whistle Blower policy provides a mechanism under which an employee/director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company.

The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle Blower Policy/Vigil Mechanism is available under the investor tab on the Company's website: www.kardaconstruction.com.

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 under investor tab on the Company's website: www.kardaconstruction.com.

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.

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 Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace. No complaints were received by the Company during the year under review.

AWARDS AND RECOGNITIONS

During financial year 2020-2021, 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 2020-2021 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 analysis by Management and discussion is presented in a separate section of the Annual Report titled as 'Management Discussion and Analysis Report'.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website at www.kardaconstruction.com.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under section 186 of the Companies Act, 2013 appear in the notes to the financial statements.

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 2020-21 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 V 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.

GENERAL

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:

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.

Regulation 32 (4) of SEBI LODR Regulations regarding explanation for the variation in utilisation of money raised by public issue.

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

NARESH KARDA	MANOHAR KARDA
MANAGING DIRECTOR	WHOLE TIME DIRECTOR
(DIN: 01741279)	(DIN: 01808564)
(Authorised to sign and serve vide Board Resolution dated 16.07.2021)	
Date: July 16, 2021	
Place: Nashik	

ANNEXURE I

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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, 2021 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;
- 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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. 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 made delay in distribution of dividend amount to shareholders with in stipulated time.

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 following 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.

The following items were approved by the shareholders through postal ballot on June 16, 2020:

- i. Sub-division of equity shares of the Company from ₹ 10/- to ₹ 2/-;
- ii. Alteration of Capital Clause viz., Clause V of the Memorandum of Association of the Company, by replacing with new Clause V. Consequent to this, the authorized Share Capital of the Company stands at ₹ 14,00,00,000/- (Rupees Fourteen Crore only) divided into 7,00,00,000 (One Seven only) Equity Shares of ₹ 2/- (Rupee Two only) each.

The following items were approved by the shareholders in Annual General Meeting of the Company held on 26th September, 2020:

- i. Offer, issue and allot equity of the company on preferential allotment basis to qualified institutional buyers by way of qualified institutional placement (QIP);
- ii. Alteration of Capital Clause viz., Clause V of the Memorandum of Association of the Company, by replacing with new Clause V. Consequent to this, the authorized Share Capital of the Company stands at ₹ 20,00,00,000/- (Rupees Twenty Crore only) comprising of 10,00,00,000 (Ten Crore) Equity Shares of ₹ 2/- (Rupees Two only) each.

For, G K Shah & Associates

Gajara Shah

Company Secretary in practice

ACS No.: 37875

C P No.: 22522

UDIN: A037875C000641291

Date: 16.07.2021

Place: Ahmedabad

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.

For, G K Shah & Associates

Gajara Shah
Company Secretary in practice
ACS No.: 37875
C P No.: 22522
UDIN: A037875C000641291

Place: Ahmedabad
Date: 16.07.2021

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.

Term of Office

Whole-time Director

- The Whole-time Director(s) of the Company shall be appointed for a term not exceeding five years at a time.
- 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.
- No such re-appointment shall be made earlier than one year before the expiry of the current term.

Independent Director(s)

- An Independent Director shall hold office for a term up to five consecutive years on the Board of Directors of the Company.

- An Independent Director shall be eligible for reappointment for another term up to five consecutive years on passing of a special resolution in this regard by the members of the Company.
- No Independent Director shall hold office for more than two consecutive terms. An Independent Director shall be eligible for reappointment 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:

- 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.
- 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.
- 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:

- 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.
- 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.
- 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.
- 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:

- Establishment of distinct performance objectives and comparison of performance against such objectives.
- Contribution of the Board to the development of strategy.
- Contribution of the Board in developing and ensuring robust and effective risk management system.
- Response of the Board to problems or crises that have emerged.
- Suitability of matters being reserved for the Board under the Listing Agreement.
- 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.
- Appropriateness, quality and timeliness of flow of information to the Board.
- Adequacy and quality of feedback by the Board to management on its requirements.
- Adequacy of frequency and length of Board and Committee meetings.
- Appropriate mix of knowledge and skills in the composition of the Board and its Committees.

Committees of the Board of Directors

- Suitability of matters being reserved for the Committee(s).
- Communication of the Committee(s) with the management team, Key Managerial Personnel

and other employees.

- Appropriateness, quality and timeliness of flow of information to the Committee(s).
- Adequacy and quality of feedback by the Committee(s) to management on its requirements.
- Adequacy of frequency and length of the Committee meetings.
- Appropriate mix of knowledge and skills in the composition of the Committees.

Independent Directors:

- Level of preparedness for the meetings of the Board and Committees.
- Willingness to devote time and effort to understand the Company and its business.
- Quality and value of their contributions at Board and Committees meetings.
- Contribution of their knowledge and experience to the development of strategy of the Company.
- Effectiveness and pro-activeness in recording and following up their areas of concern.
- Relationship with fellow Board members, Key Managerial personnel and Senior Management.
- Knowledge and understanding of current industry and market conditions.
- 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

- 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.
- 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

- The overall remuneration paid by the Company to the Directors including Independent Directors shall not exceed 11% of net profit for that year.
 - 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.
 - 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.
 - 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.
 - 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]

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, environment, communities, stakeholders and the society. The CSR policy of the company is available under the investor tab on web site of the company i.e. www.kardaconstruction.com.

The Company's focus areas under CSR are:

- Education
- Environment
- Eradicating hunger, poverty and malnutrition

The CSR Policy has been put up on the Company's Website and can be accessed through the following link: www.kardaconstruction.com

The composition of the CSR committee:

The CSR committee of the Board is responsible for inter alia overseeing the execution of the Company's CSR policy.

WEB-LINKS

Composition of CSR committee: www.kardaconstruction.com

CSR Policy: www.kardaconstruction.com

CSR projects: NA

Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (corporate social responsibility policy) rules, 2014, if applicable (attach the report): Not Applicable

The composition of the CSR Committee of the Company as on 31.03.2021 was:

Sr. No.	Name of the Director (and designation in relation to membership of the committee)	Nature of directorship (Executive / Non-executive/ Independent / Non-independent)	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr.Rahul Dayama (Chairman)	Non-executive Independent Director	4	4
2	Mr.Naresh Karda (Member)	Chairman & Managing Director	4	4
3	Mrs.Disha Karda (Member)	Executive Director	4	4

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (corporate social responsibility policy) rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

Average net profit of the company for last Three Financial Years (Section 135(5)): ₹15,78,51,766/-.

Prescribed CSR expenditure: ₹ 31,57,035/-.
(2% of Average Net Profit)

Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: ₹ 31,57,035/-.
- Surplus arising out of the CSR projects or

programmes or activities of the previous financial years: Nil

(a+b-c): ₹ 31,57,035/-.

• Total amount spent during the financial year: ₹ 34,81,250/-.

c. Amount required to be set off for the financial year, if any: Nil

• Amount unspent: Nil

d. Total CSR obligation for the financial year

Details of CSR amount spent against ongoing projects for the financial year: NIL

Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No .	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation -Direct (Yes/No)	Mode of implementation Through implementing agency.	
				State	District			Name	CSR registration number
1	NA	Eradicating hunger, poverty & malnutrition	Yes	Maharashtra, Nashik		₹ 2,81,250/-	Yes	NA	
2	NA	Promoting Education among children and Women and Adult Literacy	Yes	Maharashtra, Nashik		₹ 31,00,000/-	Yes		
3	NA	Creating Health Infrastructure for COVID-19 care	Yes	Maharashtra, Nashik		₹ 1,00,000/-	Yes		

Amount spent in Administrative Overheads: Nil

Amount spent on Impact Assessment, if applicable: NA

Total amount spent for the Financial Year: ₹34,81,250/-

Excess amount for set off, if any: ₹ 3,24,215/-

Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹) (in Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2019-20	Not Applicable					
2.	2018-19						
3.	2017-18						
	Total						

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):
Nil

In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year: No creation or acquisition of capital asset during the current financial year

The reasons for unspent amount: Not Applicable

For Karda Constructions Limited

Naresh Karda
(DIN: 01741279)

Chairperson & Managing Director

Rahul Dayama
(DIN: 07906447)

Chairperson, CSR Committee

Date: July 16, 2021

Place: Nashik

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 2021, 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 31st March 2021 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

Gajara Shah
Company Secretary in practice
ACS No.: 37875
C P No.: 22522
UDIN: A037875C000641269

Place: Ahmedabad
Date: 16.07.2021

ANNEXURE V

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 2021

Sr. No.	Names of Directors	Designation	Ratio of Directors remuneration	% increase in the remuneration
1.	Mr. Naresh Karda	Managing Director	346.19%	-
2.	Mrs. Disha Karda	Director	230.77%	-
3.	Mr. Manohar Karda	Whole time Director	230.77%	-
4.	Mrs. Shweta Tolani	Non-Executive Independent Director	66.92%	NA
5.	Mr. Rahul Dayama	Non-Executive Independent Director	5.69%	
6.	Mr. Sandeep Shah	Non-Executive Independent Director	23.08%	
7.	Mr. Liyakat Khan	CFO	307.31%	-
8.	Mrs. Mayura Marathe	Company Secretary	170%	6.25

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:

As per details provided in the table given above.

- iii. The median remuneration of employees during the financial year was 2.60 Lakh (Rupees Two Lakh Sixty Thousand only).

- iv. There has been increase by 12% in median remuneration of employees in the financial year 2020-2021.

- v. The number of permanent employees on the rolls of Company as on March 31, 2021 was 78.

- vi. Average percentile increase in the salaries of employees other than the managerial personnel during 2020-2021 was 24.60%.

There has been no increase in the managerial remuneration during the same period.

- viii. No variable component form the part of remuneration paid to the directors and key Managerial personnel of the company during the Financial year 2020-2021.

- x. The remuneration is as per the Nomination and Remuneration Policy formulated by the by the Nomination and Remuneration and Committee and approved by the Board of Directors of the Company.

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 whole time 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.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

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

NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)

MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)

(Authorised to sign and serve vide Board Resolution dated 16.07.2021)

Date: July 16, 2021

Place: Nashik

ANNEXURE VI

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 – 422005

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	Mr. Naresh Karda	01741279	17/09/2007
2	Mrs. Disha Karda	06424475	29/02/2016
3	Mr. Manohar Karda	01808564	10/10/2008
4	Mrs. Shweta Tolani	07575484	06/02/2017
5	Mr. Rahul Dayama	07906447	30/08/2017
6	Mr. Sandeep Shah	0640269	16/02/2018

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, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

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

Gajara Shah

Company Secretary in practice

Place: Ahmedabad

ACS No.: 37875C

P No.: 22522

UDIN: A037875C000641271

Date: 16.07.2021

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

Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times

BOARD OF DIRECTORS

As on March 31, 2021, the Board comprised six members, consisting of one executive Chairman, two executive directors, and three non-executive independent directors.

An independent director is the chairperson of each of the Board committees – audit committee, nomination and remuneration committee, stakeholders relationship committee and corporate social responsibility (CSR) committee.

Size and composition of the Board is in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

Sr No.	Name of the Director	DIN	Designation
1	Mr.Naresh Karda	01741279	Chairman and Managing Director
2	Mrs.Disha	06424475	Executive Director

	Karda		
3	Mr.Manohar Karda	01808564	Whole time director
4	Mrs.Shweta Tolani	07575484	Non-Executive Independent Woman Director
5	Mr.Rahul Dayama	07906447	Non-Executive Independent Director
6	Mr. Sandeep 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.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Woman Director. Out of total 6 Directors as on March 31, 2021, the Non-Executive Independent Directors constitute 50% of the Board.

The Company has 1 Women Directors on the Board as on the said date, who holds office as Non-Executive Independent Directors. Detailed profile of the Directors is available on the Company's website at www.kardaconstruction.com.

The Board met Fifteen (15) times during FY 2020-21 on the following dates:

April 1,2020	September 2, 2020	December 15, 2020
May 8, 2020	September 4, 2020	February 3, 2021
June 29, 2020	October 10, 2020	February 13, 2021
July 13, 2020	November 12, 2020	February 26, 2021
August 29, 2020	December 8, 2020	Mach 29,2021

Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities as on March 31, 2021 are as follows:

Name of the Director	Category	No of Board Meetings attended during the year	Number of directorships in other public limited companies*		Number of committee positions held in other public limited companies**	
			Chairperson	Member	Chairperson	Member
Mr.Naresh Karda	Chairman & Managing Director	14	-	-	-	-
Mrs.Disha Karda	Executive Director	15	-	-	-	-
Mr.Manohar Karda	Whole Time Director	15	-	-	-	-
Mr.Rahul Dayma	Non-Executive Independent Director	6	-	-	-	-
Mrs.Shweta Tolani	Non-Executive Independent Director	15	-	-	-	-
Mr.Sandeep Shah	Non-Executive Independent Director	3	-	1	-	1
*Excludes directorships in private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships						
**Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in other public limited companies as required under Regulation 26(1)(b) of the SEBI Listing Regulations.						

The Thirteenth (13th) Annual General Meeting ('E-AGM') of the Company for the Financial Year ('FY') 2019-20 was held on September 26, 2020 through video conferencing ('VC') / other audio visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

All the Directors of the Company were present at the 13th AGM.

Shareholding of Directors as on March 31, 2021:

Name of director	Category	No of shares held
Naresh Karda	CMD	2,80,75,000
Disha Karda	Director	12,50,000
Manohar Karda	WTD	13,50,000

Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments.

The Company has not issued any convertible instruments.

Apart from Mr. Naresh Karda, Chairman & Managing Director, Mrs. Disha Karda, Director and Mr. Manohar Karda, Whole Time Director are related, none of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director.

All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act.

No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the SEBI Listing Regulations. Further, the Managing Director and the Executive Director do not serve as Independent Directors in any listed company.

Board Procedure

Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings and tracking of action taken reports at every Meeting. The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director apprises the Board on the overall performance of the Company every quarter. The Board periodically reviews the strategy, annual business plan, business performance of the Company and its

quality, customer centricity, capital expenditure budgets and risk management, safety and environment matters.

Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, minutes, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, minutes of the Meetings of the Audit and other Committees of the Board.

In compliance with the relaxations granted by the MCA due to the outbreak of Covid-19, the Company has also conducted some of its Board and Committee Meetings through video conferencing during the year.

Independent Directors

The Company currently has 3 Non-Executive Independent Directors (including 1 Women Directors) which comprise 50% of the total strength of the Board of Directors. During the year under review, none of the Independent Director(s) of the Company resigned.

Independence of Directors

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6

of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA').

Meeting of Independent Directors

During the year under review, one (1) meeting of the Independent Directors of the Company was held on February 13, 2021 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of Executive Directors and Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.kardaconstruction.com>.

Induction and Familiarisation Programme for Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory

environment applicable to it. Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Cyber Security, Information Technology, Tax, Digital Strategy and Litigation updates.

The Directors are also regularly updated by sharing various useful reading material/newsletters relating to the Company's performance, operations, business highlights, developments in the industry, sustainability initiatives, customer-centric initiatives, its market and competitive position on the Board Application.

Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report

Code of Conduct

The Company has adopted the COC for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the website of the Company at www.kardaconstruction.com.

As on March 31, 2021, all the Board Members of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, none of the Directors have any other material pecuniary

relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries during the two immediately preceding financial years.

Senior Management of the Company 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.

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

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.

Audit Committee

The Audit Committee's role is to assist the Board fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its charter/terms of reference that defines its composition, authority, responsibilities and reporting functions. The Board has adopted a charter of the Audit Committee for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

Meetings Held

During FY 2020-21, Six (6) Meetings of the Audit Committee were held on the following dates:

- April 1, 2020
- June 29, 2020
- August 29, 2020
- November 12, 2020
- December 15, 2020
- February 13, 2021

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Rahul Dayama (Chairman)	Non-Executive Independent Director	6	6
Mrs. Shweta	Non-Executive	6	6

Tolani (Member)	Independent Director		
Mr.Naresh Karda (Member)	Managing Director	6	6

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Committee, from time to time, also invites such executives, as it considers appropriate, to be present at the Meetings. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems.

The Audit Committee also reviewed the reports on dealings under Prohibition of Insider Trading Regulations and Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code.

The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee. Mr. Rahul Dayama, Chairperson of the Audit Committee, was present at the last e-AGM held on September 26, 2020.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the

expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Terms of Reference

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration and Board development. The key terms of reference of the NRC, inter alia, are:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;

Meetings Held

During FY 2020-21, Five (5) Meetings of the NRC were held on the following dates:

- July 1, 2020
- September 2, 2020
- November 11, 2020
- December 15, 2020
- February 13, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Rahul Dayama (Chairman)	Non-Executive Independent Director	5	5
Mrs. Shweta Tolani (Member)	Non-Executive Independent Director	5	5
Mr. Sandeep Shah (Member)	Non-Executive Independent Director	5	5

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meeting

Board and Director Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

Criteria for Evaluation

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of

confidentiality and independence of behaviour and judgement. The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

Terms of Reference

The terms of reference of the SRC, inter alia, are as under:

- Resolving the grievances of the security holders;
- Reviewing the transfer, transmission, dematerialisation of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends; and
- Ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company

Meetings Held During FY 2020-21, four (4) Meetings of the SRC were held on the following dates:

- July 1, 2020
- November 12, 2020
- September 2, 2020
- February 13, 2021

The necessary quorum was present for all the

Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Rahul Dayama (Chairperson)	Non-Executive Independent Director	4	4
Mrs. Shweta Tolani (Member)	Non-Executive Independent Director	4	4
Mrs. Disha Karda (Member)	Executive Director	4	4

Status of Investor Complaints

During the reporting period no complaints by investor was filed under Regulation 13(3) of the SEBI Listing Regulations.

Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act.

The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes.

The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends.

Terms of Reference

The terms of reference of the CSR Committee, inter alia, are as under:

- Formulate and recommend to the Board the CSR policy containing guiding principles for selection, implementation and monitoring of

CSR activities as specified under Schedule VII of the Act;

- Recommend the amount to be spent on CSR activities and review reports on performance of CSR
- review and monitor the Company's CSR policy and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislations;
- Provide guidance to management to evaluate long term strategic proposals (including technologies adopted) with respect to CSR implications;
- Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation;
- Review the impact assessment carried out for the projects of the Company as per the requirements of the law.

The Board has adopted a charter for the CSR Committee for its smooth functioning. The Company has revised the CSR Policy and the Charter pursuant to the Companies (Corporate Social Responsibility) Amendment Rules, 2021. The same is displayed on the website of the Company ie. www.kardaconstruction.com.

A CSR Report giving details of the CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report.

Meetings Held

During FY 2020-21, four (4) Meetings of the CSR Committee were held on the following dates:

- July 1, 2020
- September 2, 2020
- November 12, 2020
- February 12, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Rahul Dayama (Chairperson)	Non-Executive Independent Director	4	4
Mr. Naresh Karda (Member)	Managing Director	4	4
Mrs. Disha Karda (Member)	Executive Director	4	4

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 2020-2021.

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

There were no such instances during the Financial year 2020-2021.

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.

DETAILS OF AUDIT FEES

The Company has paid fees of ₹ 2.50 Lakhs during Financial year 2020-2021 to the statutory auditor of the company.

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.

General Body Meetings

Annual General Meetings held and Special Resolution(s) passed: Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day, Date and Time	Venue	Special Resolution(s)
2019-2020	Saturday, 26 th September, 2020	VC/OAVM Deemed Venue: 2nd Floor, Gulmohar Status Above Business Bank, Samarth Nagar Nashik Nashik - 422005	Following special resolution was passed: 1. Offer, issue and allot equity of the company on preferential allotment basis to qualified institutional buyers by way of qualified institutional placement (QIP)
2018-2019	Saturday, 21st September, 2019	BLVD Nashik at P20, Trambakeshwar Rd, MIDC, Sap-v.1, Nashik-42200	No Special Resolution was passed
2017-2018	Saturday, 29 th 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

Postal Ballot

During the year 2020-2021, Pursuant to Section 110 of the Companies Act, 2013 the shareholders of the Company approved the following resolutions by means of Postal Ballot. The Postal Ballots were conducted by Amar pal Proprietor of Amar Pal & Associates, Company Secretaries (M No: ACS 45835; C P No: 16694) appointed as scrutinizer by the board of Directors. There were 5976 shareholders on the record date. Results of the aforesaid Postal Ballot Notice dated May 8, 2020:

Item no 1:

To Sub-Divide equity shares from the Face Value of ₹ 10/- to Face Value of ₹ 2/- per share

The result of the Postal Ballot was as follows:-

Resolution (1)								
Resolution required: (Ordinary / Special)				Ordinary				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Description of resolution considered				To Sub-Divide equity shares from the Face Value of ₹10/- to Face Value of ₹ 2/- per share				
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes on polled outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter	E-Voting	801500	8015000	100.00	8015000	0	100.00	0
	Poll	0	0	0.00	0	0	0.00	0
	Postal	0	0	0.00	0	0	0.00	0

Group	Ballot (if applicable)							
	Total	8015000	8015000	100.00	8015000	0	100.00	0
Public- Institutions	E-Voting	0	0	0	0	0	0.00	0
	Poll		0	0	0	0	0.00	0
	Postal Ballot (if applicable)		0	0	0	0	0.00	0
	Total	0	0	0	0	0	0.00	0
Public- non Institutions	E-Voting	834	832	100.00	832	0	99.75	0
	Poll		0	0	0	0	0.00	0
	Postal Ballot (if applicable)		0	0	0	0	0.00	0
	Total	834	832	100.00	832	0	99.75	0
Total			8015832	100.00	8015832	0	100.00	0
Whether resolution was Passed or Not								Yes

Item no 2:

To alter Clause V of the Memorandum of Association of the company

The result of the Postal Ballot was as follows:-

Resolution (2)								
Resolution required: (Ordinary / Special)				Ordinary				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Description of resolution considered				To alter Clause V of the Memorandum of Association of the company				
Category	Mode of voting	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	8015000	8015000	100.00	8015000	0	100.00	0
	Poll		0	0.00	0	0	0.00	0
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0
	Total	8015000	8015000	100.00	8015000	0	100.00	0
Public- Institutions	E-Voting	0	0	0	0	0	0.00	0
	Poll		0	0	0	0	0.00	0
	Postal Ballot (if applicable)		0	0	0	0	0.00	0
	Total	0	0	0	0	0	0.00	0
Public- non Institutions	E-Voting	834	832	99.76	752	80	90.39	9.62
	Poll		0	0	0	0	0.00	0
	Postal Ballot (if applicable)		0	0	0	0	0.00	0
	Total	834	832	99.76	752	80	90.39	9.62
Total			8015832	100.00	8015752	80	99.99	0.001

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.

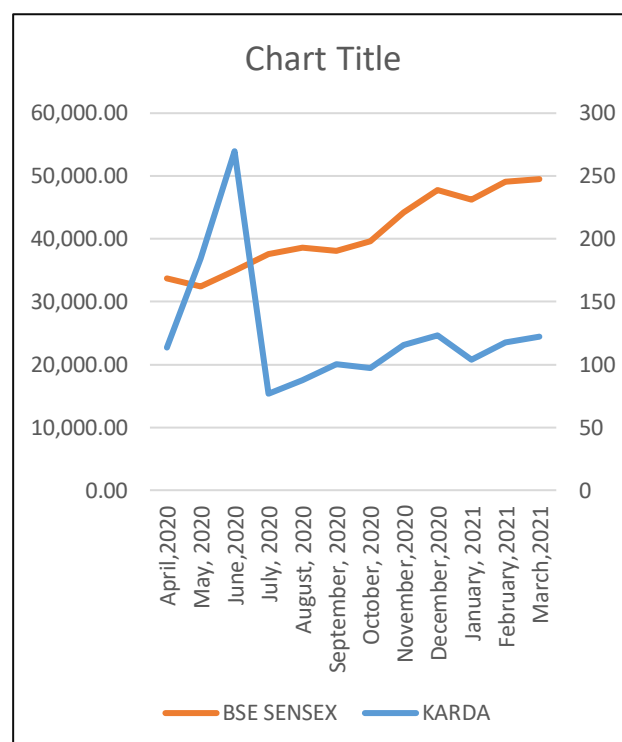
Market Price Data

Market price data - monthly high/low, number of shares traded and number of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

Month	NSE		BSE	
	High	Low	High	Low
April,2020	130.05	102.95	130.0	109.20
May, 2020	197.00	111.40	197.95	112.60
June,2020	278.75	169.00	278.90	175.25
July, 2020	282.50	56.90	283.20	58.00
August, 2020	95.40	74.10	97.25	73.15
September, 2020	108.25	81.00	108.50	80.75
October, 2020	112.05	92.55	111.85	92.70
November, 2020	117.30	94.60	117.45	93.35
December,2020	133.85	108.00	135.45	109.00
January, 2021	127.90	103.90	130.00	103.95
February, 2021	139.45	100.95	139.45	101.00
March, 2021	124.00	109.00	127.45	110.00

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, 2021.



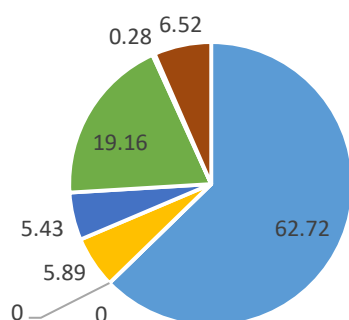
Share Transfer system	The Share transfer is processed by the Registrar & Share Transfer Agent and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.
Dematerialisation of shares and liquidity	100% shares are in demat form as on March 31, 2021
Sub-divided share certificate in lieu of subdivided each Equity old certificates	100% shares are in demat form as on March 31, 2021
Plant locations	NA

Distribution of shareholding

Category	No. of shares of ₹ 2/- each	% of shareholding
Promoters	38575000	62.72
Mutual Funds	0	0
Central Government	0	0
Banks/ Financial Institutions/ Foreign Institutional Investors (FIIs)	3622698	5.89
Corporate Bodies	3338489	5.43
Indian Public	11783700	19.16
NRIs	172082	0.28
Others	4008031	6.52
Total	61500000	100

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

Shareholding pattern



- Promoters
- Mutual Funds
- Central Government
- Banks/ Financial Institutions/ Foreign Institutional Investors (FIIs)
- Corporate Bodies
- Indian Public
- NRIs
- Others

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.
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	Company is in the process of obtaining credit rating

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: August 7, 2021 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 2020-2021	For quarter ending June 30, 2020 – August 29, 2020. For quarter ending September 30, 2020 – November 12, 2020. For quarter ending December 31, 2020 – February 13, 2021. For year ending March 31, 2021 – May 31, 2021
Date of Book closure	July 31, 2021 to August 7, 2021
Interim dividend payment date	Company has paid interim dividend on March 15, 2021
Final dividend payment date	To be decided by the board subject to approval of members
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	Link Intime India Pvt. Ltd, C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. 001 Tel: +91020 - 26161629 website: www.linkintime.com

Website disclosures

Corporate Social Responsibility Policy	https://www.kardaconstruction.com/uploads/investors-master/1528357531CSR%20POLICY-KCL.pdf
Vigil Mechanism	http://www.kardaconstruction.com/uploads/investors-master/1510048036Whistle-Blower-Policy.pdf
Code of Conduct	http://www.kardaconstruction.com/uploads/investors-master/1551247762code
Nomination and Remuneration Policy	http://www.kardaconstruction.com/uploads/investors-master/1510049470NRP.pdf
Code of Conduct for Prevention of Insider Trading	http://www.kardaconstruction.com/uploads/investors-master/1510049408INSIDERTRADING POLICY.pdf
Policy on Related Party Transactions	http://www.kardaconstruction.com/uploads/investors-master/1510138076RELATED PARTY TRANSACTION POLICY.pdf
Policy on Determination of Materiality of Events and Information	http://www.kardaconstruction.com/uploads/investors-master/1510224444materialityPolicy.pdf
Terms and Conditions of Appointment of Independent Directors	http://www.kardaconstruction.com/terms-and-conditions
Composition of Various Committees of the Board of Directors	http://www.kardaconstruction.com/uploads/investors-master/1530942738Constitution
Policy on dividend distribution policy	https://www.kardaconstruction.com/announcements/

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.

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

NARESH KARDA **MANOHAR KARDA**
MANAGING DIRECTOR **WHOLE TIME DIRECTOR**
(DIN: 01741279) **(DIN: 01808564)**
(Authorised to sign and serve vide Board Resolution dated 16.07.2021)

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 2020-2021.

For Karda Constructions Limited

Naresh Karda
Chairman & Managing Director
DIN:01741279
Date: July 16,2021
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, 2021 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.

Liyakat Khan
Chief Financial Officer
Date: 16.07.2021

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 March 31, 2021, 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 ended on that date, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, 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 audit 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
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 63.54% of the total revenue 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	<p>Principle Audit Procedures</p> <ul style="list-style-type: none"> Evaluating that the Company's revenue recognition accounting policies are in line with the applicable accounting standards; Identifying the impact on adoption of the new Ind AS 115; Selection of samples of continuing and new contracts with the customers; Scrutinizing all

<p>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</p>	<p>the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals with relevant underlying documentation;</p> <ul style="list-style-type: none"> • 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. <p>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <ul style="list-style-type: none"> • 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
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<p>is likely to be involved.</p> <p>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.</p>	<p>had been recognized in accordance with the Company's revenue recognition policies;</p> <ul style="list-style-type: none"> • 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.
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>Principle Audit Procedures</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

	<p>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;</p> <ul style="list-style-type: none"> 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;
Tax Assessments	
Review, effect and presentation of completed tax assessments	<p>Principle Audit Procedures</p> <p>Verification of details of completed tax</p>

	assessments and demands as at 31st March, 2021, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of account and financial statements.
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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the 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 Responsibility for the Standalone Financial Statements

The Company's 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.

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

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

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

independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of

Changes in Equity and the 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- 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**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the 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 2021 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; and
- 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 2021;
- 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 Sharp Aarth & Co
Chartered Accountants
Firm Registration No – 132748W

CA Vipul Lathi
Partner
Membership No.134897
UDIN: 21134897AAAAAY2591
Place: Nasik
Date: May 31, 2021

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT – 31 MARCH 2021

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 2021, 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.

(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 2021 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 2021, 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	
Income Tax Act, 1961	Income Tax	A Y 2015-16	16.39	-	CIT (Appeal)

(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 Sharp Aarth & Co
Chartered Accountants
Firm Registration No – 132748W

CA Vipul Lathi
Partner
Membership No.134897
UDIN: 21134897AAAAAY2591
Place: Nasik
Date: May 31, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2021

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, 2021 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 2021, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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 authorizations

of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sharp Aarth & Co
Chartered Accountants
Firm Registration No – 132748W

CA Vipul Lathi
Partner
Membership No.134897
UDIN: 21134897AAAAAY2591

Place: Nasik
Date: May 31, 2021

KARDA CONSTRUCTIONS LIMITED

CIN: L45400MH2007PLC174194

STANDALONE STATEMENT OF ASSETS & LIABILITIES AS ON MARCH 31, 2021

(INR in Lakhs)

Sr. No.	Particulars	Note No.	As at	As at
			March 31, 2021	March 31, 2020
	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3	101.24	86.25
	(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)	1,287.98	1,074.98
	(iii) Other Financial Assets	5(c)	1,715.60	1,383.07
	(d) Deferred Tax Assets (Net)	12	17.61	23.95
	(d) Other Non-Current Assets	6	40.10	40.10
	Total Non-Current Assets		3,214.99	2,660.80
2	Current Assets			
	(a) Inventories	7	15,165.95	16,400.82
	(b) Financial Assets			
	(i) Investments	5(a)	5,570.98	4,654.45
	(ii) Trade Receivables	5(d)	2,988.74	1,215.77
	(iii) Cash and Cash Equivalents	5(e)	36.79	36.82
	(iv) Loans & Advances	5(b)	3,806.55	3,412.76
	(v) Other Financial Assets	5(c)	0.88	1.92
	(c) Current Tax Assets (Net)	5(f)	451.27	593.11
	(d) Other Current Assets	6	139.66	83.05
	Total Current Assets		28,160.83	26,398.69
	Total Assets (1+2)		31,375.82	29,059.49
	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share Capital	8(a)	1,230.00	1,230.00
	(b) Other Equity	8(b)	11,074.24	9,087.86
	Total Equity		12,304.24	10,317.86

	LIABILITIES			
2	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9(a)	1,700.42	3,707.98
	(ii) Other Financial Liabilities	9(b)	3.50	3.50
	(b) Other Non-Current Liabilities	10	6,723.21	6,179.04
	(c) Provisions	11	40.41	32.31
	(d) Deferred Tax Liabilities	12	-	-
	Total Non-Current Liabilities		8,467.54	9,922.84
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9(a)	2,170.62	1,926.57
	(ii) Trade Payables	13		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		68.70	77.86
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		1,503.60	1,364.71
	(iii) Other Financial Liabilities	9(b)	5,601.88	4,750.82
	(b) Provisions	11	66.532	56.881
	(c) Current Tax Liabilities (Net)	14	1,019.66	577.02
	(d) Other Current Liabilities	15	173.05	64.94
	Total Current Liabilities		10,604.04	8,818.79
	Total Equity & Liabilities (1+2+3)		31,375.82	29,059.49
	Significant Accounting Policies	1		

The accompanying notes 1 to 39 form an integral part of the Financial Statements.

As per our report on even date

For Sharp Aarth & Co
Chartered Accountants

For and on behalf of the Board of
Directors of Karda Constructions
Limited
CIN –L45400MH2007PLC174194

CA VIPUL LATHI
Partner
Membership No.134897
(Firm Registration No. 132748W)
Place : Nashik
Date: 31 May, 2021

NARESH KARDA
Chairman & MD
DIN: 01741279

MANOHAR KARDA
Whole Time
Director
DIN : 01808564

LIYAKAT M KHAN
Chief Financial Officer

MAYURA MARATHE
Company Secretary

KARDA CONSTRUCTIONS LIMITED
CIN: L45400MH2007PLC174194
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(INR in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended	
			March 31, 2021	March 31, 2020
1	INCOME			
	(a) Revenue from Operations	16	12,092.21	11,412.14
	(b) Other Income	17	753.56	421.35
	Total Income		12,845.78	11,833.49
2	EXPENSES			
	(a) Cost of construction / development, land, plots and development rights	18	7,763.04	7,080.78
	(b) Employee Benefits Expense	19	304.68	345.34
	(c) Finance costs	20	1,455.52	1,785.18
	(d) Depreciation and amortization expense	3	10.87	17.53
	(e) Selling Expenses	21	339.50	615.71
	(f) Other Expenses	22	179.57	631.09
	Total Expenses		10,053.17	10,475.62
3	Profit Before Exceptional Items and Tax (1-2)		2,792.61	1,357.87
4	Exceptional Items – Loss by Fire		-	93.13
5	Profit Before Tax (3-4)		2,792.61	1,264.74
6	Tax Expense			
	(a) Current Tax		760.50	327.70
	(b) Deferred Tax Charge / (Credit)		6.34	(26.60)
	Total Tax Expenses		766.84	301.10
7	Profit for the year (3-4)		2,025.77	963.64
8	Other Comprehensive Income			
	Items that will not be subsequently reclassified to profit or loss – Re measurement of defined benefit plan		(8.10)	(8.10)
9	Total Comprehensive Income for the year (5+6)		2,017.67	955.54

10	Earning per Equity Share (EPS) (Face value of INR 2 each)			
	Basic EPS		3.28	1.55
	Diluted EPS		3.28	1.55
	Significant Accounting Policies	1		

The accompanying notes 1 to 39 form an integral part of the Financial Statements.

As per our report of even date

For Sharp Aarth & Co
Chartered Accountants
(Firm Registration No. 132748W)

For and on behalf of the Board of Directors of
Karda Constructions Limited
CIN – L45400MH2007PLC174194

CA VIPUL LATHI
Partner
Membership No.134897
Place : Nashik
Date: 31 May, 2021

NARESH KARDA
Chairman & MD
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DIN : 01808564

LIYAKAT M KHAN
Chief Financial Officer

MAYURA MARATHE
Company Secretary

Place : Nashik
Date: 31 May, 2021

KARDA CONSTRUCTIONS LIMITED**CIN : L45400MH2007PLC174194****STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021****A. EQUITY SHARE CAPITAL***(INR in Lakhs)*

Particulars	As At March 31, 2021	As At March 31, 2020
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, 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: Remeasurement of net defined benefit	-	(8.10)	(8.10)
Excess / (Short) Provision for Income Tax	-	(3.64)	(3.64)
Adjustments for Share Issue Expenses - IPO	-	(58.06)	(58.06)
Balance at 31 st March, 2020	3,691.33	5,396.53	9,087.86
Balance as at 1 st April, 2020	3,691.33	5,396.53	9,087.86
Changes in accounting policy or prior period errors	-	-	-
Profit / (Loss) for the year	-	2,017.67	2,017.67
Items of other comprehensive income: Remeasurement of net defined benefit	-	-	-
Excess / (Short) Provision for Income Tax	-	(0.54)	(0.54)
Dividend Paid	-	(30.75)	(30.75)
Balance at 31st March, 2021	3,691.33	7,382.90	11,074.24

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 39 form an integral part of the Financial Statements.

As per our report of even date

For Sharp Aarth & Co
Chartered Accountants
 (Firm Registration No. 132748W)

For and on behalf of the Board of Directors of
Karda Constructions Limited
 CIN – L45400MH2007PLC174194

CA VIPUL LATHI
Partner
 Membership No.134897

NARESH KARDA
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 DIN: 01741279

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LIYAKAT M KHAN
Chief Financial Officer

MAYURA MARATHE
Company Secretary

Place : Nashik
 Date: 31 May, 2021

Place : Nashik
 Date: 31 May, 2021

KARDA CONSTRUCTIONS LIMITED

CIN: L45400MH2007PLC174194

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(INR in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Cash Flow from Operating Activities		
Profit Before Tax:	2,792.61	1,264.74
Adjustment for:	-	-
Depreciation and Amortisation	10.87	17.53
Provision for Gratuity	(8.10)	(8.10)
Finance Cost	1,455.52	1,785.18
Interest Income	(706.20)	(297.91)
Dividend Income	-	(1.06)
Profit from Redemption of Mutual Funds	(1.05)	(119.04)
Share of Profit from Partnership Firms	(3.51)	(21.34)
Share of Income Tax from Partnership Firms	-	(57.54)
Provisions for Deferred Taxes	(6.34)	26.60
Exceptional Items – Loss by Fire	-	93.13
Operating profit before working capital changes	3,533.79	2,682.18
Adjustments for changes in working capital		
(Increase) / Decrease in Financial Assets	(2,704.92)	(453.47)
(Increase) / Decrease in Non Financial Assets	85.22	132.99
(Increase) / Decrease in Inventories	1,234.87	(932.69)
Increase / (Decrease) in Financial Liabilities	980.79	(1,592.24)
Increase / (Decrease) in Non Financial Liabilities	670.03	4,766.99
	3,799.79	4,603.76
Taxes Paid (Net)	(349.14)	(149.84)
Net Cash Flow from Operating Activities	3,450.65	4,453.92
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(25.86)	(30.83)
Sale / (Purchase) of Investments	(916.54)	(1,953.43)
(Investments in) / Withdrawal from Partnership Firms	-	-
Interest Income	706.20	297.91
Dividend Income	-	1.06
Profit from Redemption of Mutual Funds	1.05	119.04
Share of Profit from Partnership Firms	3.51	21.34
Net Cash Flow from Investing Activities	(231.63)	(1,544.92)

Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital	-	-
Payment for Share Issue Expenses - IPO	-	-
Proceeds from / (Repayment of) Long Term Borrowings (Net)	(2,007.56)	(989.58)
Proceeds from / (Repayment of) Short Term Borrowings (Net)	244.05	(747.90)
Interest Paid	(1,455.52)	(1,785.18)
Net Cash Flow from Financing Activities	(3,219.04)	(3,522.65)
Net Increase / (Decrease) in Cash and Cash Equivalents	(0.02)	(613.66)
Cash and Cash Equivalents - Opening Balance	36.82	650.47
Cash and Cash Equivalents - Closing Balance	36.79	36.82
See accompanying notes forming part of the financial statements		

The accompanying notes 1 to 39 form an integral part of the Financial Statements.

As per our report of even date

For Sharp Aarth & Co
Chartered Accountants
 (Firm Registration No. 132748W)

For and on behalf of the Board of Directors of
Karda Constructions Limited
 CIN – L45400MH2007PLC174194

CA VIPUL LATHI

Partner

Membership No.134897

Place : Nashik

Date: 31 May, 2021

NARESH KARDA

Chairman & MD

DIN: 01741279

LIYAKAT M KHAN

Chief Financial Officer

Place : Nashik

Date: 31 May, 2021

MANOHAR KARDA

Whole Time Director

DIN : 01808564

MAYURA MARATHE

Company Secretary

Karda Constructions Limited

Notes to the Financial Statements for the year ended 31 March 2021

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, 2020	Additions during the year	Deductions during the year	As at March 31, 2021	Upto March 31, 2020	For the year	Deductions	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020
a) Plant Property & Equipment										
Buildings	42.69	8.38	-	51.07	2.63	0.43	-	3.06	48.00	40.06
Plant & Machinery	12.18	6.95	1.60	17.53	7.71	1.01	1.60	7.12	10.41	4.47
Furniture & Fixtures	27.85	0.02	-	27.87	8.28	2.64	-	10.92	16.95	19.57
Computers & Laptops	7.16	2.19	(0.33)	9.68	1.47	2.41	(0.33)	4.21	5.47	5.69
Vehicles	14.62	-	(0.39)	15.00	6.58	1.78	(0.39)	8.74	6.26	8.04
Office Equipments	37.37	8.33	26.45	19.26	28.95	2.60	26.45	5.09	14.16	8.42
Total Plant Property & Equipment	141.87	25.86	27.34	140.40	55.62	10.87	27.34	39.15	101.24	86.25
b) Intangible Assets	-	-	-	-	-	-	-	-	-	-
c) 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 March 31, 2020	As at March 31, 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	-	-	-	-	-	-	-	-	-	-

Karda Constructions Limited

Notes to the Financial Statements for the year ended 31 March 2021

Note 4: Investment Properties

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
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, 2021.

Note 5: Financial Assets

5(a) Non-Current Investments

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
A) Investment in Fully paid-up Equity Instruments (Unquoted)		
Navjeevan Bank	1.00	1.00
10,000 (As at 31 Mar, 2020: 10,000) Equity shares of INR 10/- each		
Nashik Road Deolali Vyapari Bank Ltd.	5.03	5.03
50,250 (As at 31 Mar, 2020: 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, 2020: 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 2021	31 March 2020
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)*	3,467.76	2,871.10
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)*	1,999.79	1,677.42
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)*	102.25	103.74
*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, 2020: 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

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
A) Investment in Mutual Funds (Quoted) (At cost)		
ICICI Prudential Savings Funds - DP Growth	1.18	2.35
3.075 units (As at March 31, 2020 : 755.394 units)		
B) Investment in Partnership Firm (Current Capital)		
Karda Infrastructures	3,467.76	2,870.93
Bhakti Enterprises	1,999.79	1,677.42
Green Enterprises	102.25	103.74
Total	5,570.98	4,654.45

Note 5: Financial Assets

5(b) Non-Current Loans and Advances

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
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	1277.98	1,064.98
Total	1,287.98	1,074.98

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 2021	31 March 2020
Loans to Related Parties	-	-
Loans to Others - Unsecured, Considered Good	3,806.55	3,412.76
Total	3,806.55	3,412.76

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 2021	31 March 2020
Deposits with Banks (Refer Footnote)	847.28	629.97
Security Deposits	184.59	114.57
Development Agreement Deposits	653.43	634.43
Rent Deposits	30.30	4.10
Total	1,715.60	1,383.07

Footnote:

1. 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 2021	31 March 2020
Advance against salaries	0.88	1.92
Total	0.88	1.92

Note 5: Financial Assets**5(d) Trade Receivables***(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Non-current		
Related Party	-	-
Unsecured, considered good	-	-
Total	-	-
Current		
Related Party		-
Unsecured, considered good		
(a) Receivables from Customers - Real Estate	1,843.01	1,067.08
(b) Receivables from Customers – Civil Contracts	1,139.16	146.50
(c) Rent Receivable	6.58	2.19
Total	2,988.74	1,215.77
Less: Allowance for doubtful debts		
Total	2,988.74	1,215.77

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 2021	31 March 2020
Balances with Banks		
Current Accounts (Refer Footnote)	-	-
Goa- Current - in EEFC accounts	0.21	1.15
Escrow Accounts	34.33	25.41
RERA Accounts	1.67	2.75
Cash on Hand	0.59	7.51
Total	36.79	36.82

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 2021	31 March 2020
Balances with Government Authorities		
Advance Tax & Income Tax Payment	--	42.00
Tax Deducted at Source	137.14	96.95
Tax Collected at Source	0.18	--
Excess Credit Balances of GST & Service Tax	313.96	454.15
Total	451.27	593.11

Note 6: Other Non-Financial Assets

(INR in Lakhs)		
Particulars	31 March 2021	31 March 2020
Other Non-Current Assets		
Deposits for Income Tax Appeals (Refer Footnote)	40.10	40.10
Total	40.10	40.10
Other Current Assets		
Advances to Suppliers	19.28	21.97
Other Receivables	120.38	61.08
Total	139.66	83.05

Footnote:

- a) Deposits are made with the Income Tax - Commissioner (Appeals) for the A.Y. 2015-16 ₹ 40.10 Lakhs.

Note 7: Inventories*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Inventories (lower of cost or net realizable value)		
Stock of material at site	1,773.62	476.09
Completed Projects	479.10	439.11
Incomplete Projects Work-In-Progress	9,202.78	12,754.50
Land Bank	944.42	755.59
Civil Construction Work-In-Progress Goa	490.23	471.16
Civil Construction Work-In-Progress	661.40	
Closing stock (Contract) – Asset	1,614.41	1,504.37
Total	15,165.95	16,400.82

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 2021	31 March 2020
Authorized Share Capital		
10,00,00,000 (As at 31st March, 2020: 1,40,00,000 Equity Shares of ₹10/- each) Equity Shares of ₹2/- each	2,000.00	1,400.00
Issued and subscribed capital comprises:		
6,15,00,000 (As at 31st March, 2020: 1,23,00,000 Equity Shares of ₹10/- each) Equity Shares of ₹ 2/- each fully paid-up	1,230.00	1,230.00

Footnote:

- (a) The Company has sub-divided (1:5) its fully paid-up equity shares from ₹ 10/- each to five (5) fully paid-up equity ₹ 2/- each which is quoted on ex-split basis w.e.f. 02-07-2020.

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year
(INR in Lakhs)

Particulars	31 March 2021		31 March 2020	
	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	615.00	1230.00	123.00	1,230.00
Add : Issued during the year (Bonus Issue)	-	-	-	-
Add : Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	615.00	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 ₹ 2 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 has declared dividend for the year ending 31st March, 2021.

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 on 31 March 2021		As on 31 March 2020	
	Number of shares held	% holding	Number of shares held	% holding
Fully paid up equity shares (In Lakhs)				
Naresh Jagumal Karda	280.75	45.65%	56.00	45.53%
Prem Jagumal Karda	19.50	4.80%	5.90	4.80%
Laxman Jagumal Karda	27.50	4.47%	5.50	4.47%

Footnote:

a) Information regarding issue of shares in the last five years:

- The Company has declared dividend of ₹0.10 per share
- 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 23.00 Lakhs fresh equity shares during the F.Y. 2017-18 in an IPO.
- The Company has sub-divided (1:5) its fully paid-up equity shares from ₹ 10/- each to five (5) fully paid-up equity ₹ 2/- each which is quoted on ex-split basis w.e.f. 02-07-2020.

8(b): Other Equity*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Securities Premium Reserve		
Balance at the beginning of the year	3,691.33	3,691.33
Add / (Less) :		
Fresh Issue of Equity Shares in IPO	-	-
Adjustments for Shares Issue Expenses – IPO	-	-
Balance at the end of the year (A)	3,691.33	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 2021	31 March 2020
Balance at the beginning of the year	5,396.53	4,502.69
Add / (Less) :		
Profit attributable to the owners of the company	2,017.67	955.54
Items of OCI recognized directly in retained earnings	--	--
Excess / (Short) Provision of Income Tax	--	(58.06)
Share of Income Tax Expenses – Firm	(58.06)	-
Dividend Paid	(30.75)	
Balance at the end of the year (B)	7,382.91	5,396.53
Total (A+B)	11,074.24	9,087.86

Note 9: Financial Liabilities**9(a) Borrowings - Non Current***(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Secured		
(a) Term loans		
From Banks & Financial Institutions - Rupee loan	7,044.08	7,979.43
	7,044.08	7,979.43
Unsecured	-	-
Total Non-Current Borrowings	7,044.08	7,979.43
Less: Transferred to Current Maturities	5,343.67	4,271.45
Total	1,700.42	3,707.98

9(a) Borrowings - Current

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
Secured		
(a) Loan against Construction Projects		
Working Capital Loan / Cash Credit from Banks	2,137.32	1,772.50
	2,137.32	1,772.50
Unsecured		
(a) Other Loans - Repayable on Demand		
From Related Parties	33.30	154.07
	33.30	154.07
Total	2,170.62	1,926.57

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 on S.No.484/3/1/2 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 on S.No.4/2A 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 on S.No.484/3/1/2 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.
10. Shri Sai Samarth N S Pathsanstha	18.00%	1. Registered mortgage of Plot Survey No. 136/5 Mounje Pathardi and Survey No.218/5B/2/1 Mouje Pathardi
11. Capri Global Capital Ltd	16.00%	1. Registered mortgage of Project Land & Development Rights of Hari Vasant Project, Hari Aakruti Phase II Project and Hari Niketan Phase II (in the name of Karda Infrastructures) + Hypothecation of Present & Future cash flows the all above projects. 2. First & Exclusive charge by way of Registered mortgage on All piece & parcels of S.No.376/1B/378/2, out of that Plot No.10, 1 & 2 admeasuring 322.89 Sq.Mtr. , 575.15 Sq.Mtr. & 876.50 Sq.Mtr respectively situated at Village Adgaon.

12. The Navjeevan Co-op Bank	12.50%	<ol style="list-style-type: none"> 1. Registered mortgage Plot Survey No. 34/3B, Hectar 10R, Mouje Sansari, Deolali Camp, Taluka Nashik, Plot Survey No 146/1+2+3, Hectar 70R, Mauje Sansari, Deolali Camp Nashik. 2. Plot at Survey No 70/1+2+3, P.No 3, 4128.53sq.mtrs. at Panchak, Taluka Nashik along with personal guarantee of Directors.
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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 2021	31 March 2020
Lease Deposits from tenants	3.50	3.50
Total	3.50	3.50

9(b) Other Financial Liabilities - Current

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
Current Maturities of Long Term Debts	5,343.67	4,271.45
Branch - KCL DDUGKY Project	95.33	64.20
Shree Sainath Land & Development	162.89	398.28
Viva Highways Limited	-	15.70
GST Refund Application	-	1.19
Total	5,601.88	4,750.82

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 2021	31 March 2020
Booking Advances from Customers:		
Against Real Estate Project	5,340.77	4,517.32
Against Plots & Land	1,382.44	1,661.72
Total	6,723.21	6,179.04

Note 11: Provisions**Non-Current Provisions***(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Employee Benefits		
Provision for Gratuity	40.41	32.31
	40.41	32.31

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 2021	31 March 2020
Employee Benefits		
Salary Payable	48.47	45.31
Other Provisions for Operating Expenses	18.07	11.57
Total	66.53	56.88

Note 12: Deferred Tax Liabilities / (Deferred Tax Assets)*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Opening Balance	(23.95)	2.65
Temporary difference on account of depreciation on Property, Plant and Equipment	6.34	(26.60)
Deferred Tax Liabilities / (Deferred Tax Assets) – (Net)	(17.61)	(23.95)

Note 13: Trade Payables*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Trade Payables		
Dues to MSME	68.70	77.86
Dues to Others	1,503.60	1,364.71
Total	1,572.30	1,442.56

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:

- b) Trade payables include INR 68.70 Lakhs (As at 31st March, 2020: INR 77.86 Lakhs) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- c) Company has not made any provision for interest to be paid / payable to micro and small enterprises during the year.
- d) 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.
- e) Trade payables include INR 1.61 lakhs (31st March, 2019: INR 1.69 lakhs) due to related parties. Kindly refer Note 25.

Note 14: Current Tax Liabilities

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
Provision for Income Tax (FY 2020-21)	760.50	327.70
Provision for Income Tax (FY 2019-20)	188.74	-
Provision for Income Tax (FY 2018-19)	70.42	249.32
Total	1,019.66	577.02

Note 15: Other Current Liabilities

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
Other Payables		
Statutory Dues	173.05	64.94
Total	173.05	64.94

Note 16: Revenue from Operations

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
Sale from operations		
(a) Sale of Properties / Flats (Residential and Commercial)	7,683.78	10,265.14
(b) Sale of Land	-	-
(c) Contract Revenue Income	3,381.18	1,099.17
(d) Rental Income	18.70	26.49
(e) Other Operating Revenue		
- Profit from Partnership Firms (Net)	3.51	21.34
- Project Management Income	890.52	-
- Sales of Traded Goods – Steel & Cement	114.53	-
Total	12,092.21	11,412.14

Footnote:

Revenue from Operation includes Company's share of profit (net) INR 3.51 lakhs (31st March 2020: INR 21.34 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 2021	31 March 2020
(a) Interest Income		
- On Bank Deposits	50.09	32.41
- Other Financial Assets	656.12	265.50
(b) Dividend Income from		
- Current Investments (Mutual Funds)	-	-
- Equity Investments (Dividend Income from Bank)	-	1.06
(c) Profit from Redemption of Mutual Funds	1.05	119.04
(d) Other Miscellaneous Income		
- Interest on IT Refund		3.34
- Cessation of Liability	46.31	-
Total	753.56	421.35

Note 18: Cost of Construction / Development*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Opening Stock	16,400.82	15,468.13
Add: Cost incurred during the year		
Cost of Land / Development Rights	589.56	462.54
Consumption of Material	3432.92	4785.08
Contract cost, labour and other charges	2322.37	2566.86
Other construction expenses	1.06	1.01
Contract Expenses	182.26	197.98
Sub Total	6,528.17	8,013.47
Less : Closing stock	15,165.94	16,400.82
Total	7,763.04	7,080.78

Note 19: Employee Benefit Expenses*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Salaries, wages and bonus	253.80	246.58
Salary - Directors	27.00	48.00
Sitting Fees	3.84	3.60
Contribution to Provident Fund	14.34	14.98
Contribution to ESIC Fund	2.80	3.36
Incentive to Staff	1.38	24.84
Staff Welfare Expenses	1.53	3.97
Total	304.68	345.34

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 2021	31 March 2020
Interest Expenses on Borrowings	1,302.23	1,484.56
Other Borrowing Cost	129.95	254.96
Goa Site	23.35	45.66
Total	1,455.52	1,785.18

Footnote:

In line with Ind AS-23 'Borrowing Costs', the borrowing costs of INR 1455.52 Lakhs (For 2018-19: INR 1785.18 Lakhs) have been capitalized to inventory.

Note 21: Selling Expenses*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Marketing Expenses	339.50	615.71
	339.50	615.71

Note 22: Other Expenses*(INR in Lakhs)*

Particulars	31 March 2021	31 March 2020
Legal Fees - Project	-	5.81
Site Expenses - Indirect	-	0.59
Rates and Taxes	8.42	32.34
Compensation on Cancellation of Flat Sale	-	354.60
Office Rent	23.76	18.00
Professional Fees	60.99	103.38
Printing and Stationery	14.99	9.10
Other Expenses	33.10	70.16

Corporate Social Responsibility (CSR) (Note 22b)	34.81	33.61
Payments to Auditors (Refer Note 22a)	3.50	3.50
Total	179.57	631.09

Note 22(a): Details of Payments to Auditors

(INR in Lakhs)

Particulars	31 March 2021	31 March 2020
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 2021	31 March 2020
CSR Expenses under DDUGKY Scheme	31.00	31.63
Donations for Social Cause	1.00	-
Other	2.81	1.98
Total	34.81	33.61

Footnote:

CSR expenses under DDUGKY scheme of INR 31.00 lakhs (31st March 2020 : INR 31.63 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 2021	31 March 2020
Profit attributable to equity shareholders of the Company	2,017.67	955.54
Weighted average number of equity shares	615.00	615.00
Nominal Value of Equity Shares	INR 2/-	INR 2/-
Basic EPS	3.28	1.55
Diluted EPS	3.28	1.55

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 2021	31 March 2020
(A) Claims against the Company not acknowledged as debts on account of :		
1. Income Tax and MVAT matters under appeal	54.02	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)	10,129.81	9,823.59
Total	10183.83	9,861.22

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. Liyakat Khan	Key Managerial Personnel (CFO)
8	Mrs. Mayura Shinde	Key Managerial Personnel (CS)
9	Mr. Prem Jagumal Karda	Relative of Director
10	Mr. Karamchand Karda	Relative of Director
11	Drishti Ceramics	Proprietary Firm of Director
12	Karda Constructions	Proprietary Firm of Director
13	Green Enterprises	Partnership Firm
14	Karda Infrastructures	Partnership Firm
15	Bhakti Enterprises	Partnership Firm
16	Devesh Infrastructures	Partnership Firm of Director
17	Karda Buildcon Private Limited	Associate – Common Director
18	Shree Sainath Land and Development Pvt.Ltd.	Associate – Common Director
19	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 respect of debts due from/to above related parties

Transactions entered during the year with related parties:				
(INR in Lakhs)				
Sr. No.	Name of the Party	Nature of Transactions	31 March 2021	31 March 2020
1	Mr. Prem Karda	Remuneration	6.00	12.00
2	Mrs. Disha Karda	Remuneration	6.00	12.00
3	Mr. Naresh Karda	Remuneration	9.00	12.00
4	Mr. Manohar Karda	Remuneration	6.00	12.00
5	Mrs. Disha Karda	Rent Payment	3.00	6.00
6	Mr. Naresh Karda	Rent Payment	3.00	6.00
7	Mr. Karamchand Karda	Rent Payment	3.00	6.00
8	Mrs. Shweta Tolani	Sitting Fees	1.74	1.68
9	Mr. Rahul Kishor Dayama	Sitting Fees	1.50	1.44
10	Mr. Sandeep Ravindra Shah	Sitting Fees	0.60	0.48
11	Karda Constructions	Interest Payment	12.07	18.79
12	Mr. Manohar Karda	Interest Payment	3.25	-
13	Karda Constructions	Unsecured Loans	1,714.43	3,236.81
14	Mr. Manohar Karda	Unsecured Loans	-	25.71
15	Karda Constructions	Repayment of Unsecured Loans	1,849.37	3,218.67
16	Karda Constructions	Rent income	0.31	0.31
17	Drishti Ceramics	Purchase of Material	0.31	21.77
18	Devesh Infrastructures	Rent income	0.31	0.31
19	Karda Buildcon Pvt. Ltd.	Rent income	0.31	0.31
20	Karda Buildcon Pvt. Ltd.	Contract Receipt (BSS)	30.10	-
21	The Address Hotel	Rent income	12.00	18.00
22	Green Enterprises	Profit from Firm	0.47	(0.13)
23	Karda Infrastructures	Profit from Firm	7.34	21.33
24	Karda Infrastructures	Interest Receipts	147.86	89.55
25	Karda Constructions	Rent income	0.31	0.31
26	Bhakti Enterprises	Profit from Firm	0.01	0.14
27	Bhakti Enterprises	Interest Receipt	117.20	57.22
28	Bhakti Enterprises	Rent income	0.31	0.31
29	Shree Sainath Land and Development Pvt. Ltd.	Civil Contract Receipts (Sales)	1,126.83	446.83
30	Shree Sainath Land and Development Pvt. Ltd.	Contract Receipt (BSS)	523.42	-
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	16.21	10.78
2	Mrs. Disha Karda	Remuneration	3.89	4.43
3	Mr. Naresh Karda	Remuneration	-	1.00
4	Mr. Manohar Karda	Remuneration	10.76	8.78
5	Mrs. Disha Karda	Rent Payment	0.15	0.90
6	Mr. Naresh Karda	Rent Payment	-	0.54
7	Mr. Karamchand Karda	Rent Payment	8.15	5.40
8	Karda Constructions	Unsecured Loans	3.22	127.00
9	Mr. Manohar Karda	Unsecured Loans	30.08	27.07
10	Drishti Ceramics	Purchase of Material	1.61	1.69
11	Green Enterprises	Closing Capital Balance in Partnership Firms	102.25	103.74
12	Karda Infrastructures		3467.76	2870.93
13	Bhakti Enterprises		1999.79	1677.42
14	Shree Sainath Land and Development Pvt. Ltd.	Advance received against Civil Contract	162.89	398.28
15	Karda Buildcon Private Limited	Receivable against Contract (BSS)	33.26	-

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. 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, 2021	As at 31st March, 2020
Borrowings including current maturities	9,214.70	9,906.00
Interest accrued and due/and but not due	-	-
Unpaid matured debentures and interest accrued thereon	-	-
Total Debt	9,214.70	9,906.00
Less : Cash & Cash Equivalents	-	-
Net Debt (A)	9,214.70	9,906.00
Equity Share Capital	1,230.00	1,230.00
Other Equity	11,074.24	9,087.86
Total Equity (B)	12,304.24	10,317.86
Debt Equity Ratio (A/B)	0.75	0.96

Note 28: Categories of Financial Instruments
Fair Value Measurement

(INR in Lakhs)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
Financial Assets				
Investments	-	5,601.23	-	4684.69
Trade Receivables	-	2,988.74	-	1,215.77
Cash and cash equivalents	-	36.79	-	36.82
Loans & Advances	-	5,094.54	-	4,487.74
Other Financial Assets	-	1,715.60	-	1,384.99
Total	-	15,436.90	-	11,810.01
Financial Liabilities				
Borrowings	-	9214.71	-	9906.00
Trade Payables	-	1,572.30	-	1,442.56
Other Financial Liabilities	-	5,605.38	-	4,754.32
Total	-	16,392.39	-	16,102.88

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, 2021	As at 31 st March, 2020
Employer's Contribution to Provident Fund (Gross before Allocation)	14.34	14.98
Employer's Contribution to ESIC	2.80	3.36

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, 2021	As at 31 st March, 2020
Operating lease expenses recognised in profit and loss account	23.76	19.38

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 ₹6.34 Lakhs in the Profit and Loss Account, the details of which are as under:

(INR in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred Tax Liabilities (Opening balance)	(23.95)	2.65
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	6.34	(26.60)
Deferred Tax Liabilities (Net)	(17.61)	(23.95)

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

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, 2021 and March 31, 2020 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, 2021:

(INR in Lakhs)

	Particulars	Year Ended	
		31-Mar-21	31-Mar-20
		Audited	Audited
I	Segment Revenue		
	(a) Real Estate	8,711.04	10,312.97
	(b) Civil Contracting Business	3,381.18	1,099.17
	Total Segment Revenue	12,092.21	11,412.14
	Less: Inter segment revenue		-
	Net income from Operations	12,092.21	11,412.14
II	Segment Results (Profit before unallocable (expenditure) / income, interest and finance charges and tax)		
	(a) Real Estate	2,431.90	2,438.53
	(b) Civil Contracting Business	1,070.76	291.27
	Total Segment Results	3,502.66	2,729.80
	Add/(Less):		
	Less : Finance Cost	1,455.52	1,785.18
	Add: Unallocated Income	753.56	421.35
	Less: Unallocated Expenses	8.10	101.23
	Profit Before Tax	2,792.61	1,264.74
III	Segment Assets		
	(a) Real Estate	25,847.56	25,881.24
	(b) Civil Contracting Business	4,353.50	2,226.66
	Total Segment Assets	30,201.06	28,107.90
	Add: Unallocated assets	1,174.76	951.59
	Total Assets	31,375.82	29,059.49
	Segment Liabilities		
	(a) Real Estate	17,315.73	17,433.24
	(b) Civil Contracting Business	515.51	629.88
	Total Segment Liability	17,831.24	18,063.12
	Add: Unallocated liabilities	1,240.34	678.50
	Total Liabilities	19,071.58	18,741.62

- (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 34.81 Lakhs during the year (Previous Year 2020 : INR 33.61 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 31.57 Lakhs (Previous Year 2019: INR 31.43 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, 2021			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	34.81	-	34.81
Year ended March 31, 2020			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	33.61	-	33.61

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, 2021 and March 31, 2020 to Micro, Small and Medium Enterprises on account of principal or interest.

Note 36 :

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 37 :

The financial statements for the year ended 31 March 2021 were approved by the Board of Directors and authorized for issue on 31 May 2021.

Note 38:

Previous period figures have been regrouped and reclassified wherever necessary, to confirm with current years' presentation.

Note 39:

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 For Sharp Aarth & Co
Chartered Accountants
 (Firm Registration No. 132748W)

For and on behalf of the Board of Directors of
Karda Constructions Limited
 CIN – L45400MH2007PLC174194

NARESH KARDA
Chairman & MD
 DIN: 01741279

MANOHAR KARDA
Whole Time Director
 DIN : 01808564

CA VIPUL LATHI
Partner
 Membership No.134897

LIYAKAT M KHAN
Chief Financial Officer

MAYURA MARATHE
Company Secretary

Place : Nashik
 Date: 31 May, 2021

Place : Nashik
 Date: 31 May, 2021

Notice

Notice is hereby given that the 14th Annual General Meeting of the members of KARDA CONSTRUCTIONS LIMITED will be held on Saturday, 7th August, 2021 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, 2021, the report of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on equity shares for the financial year ended March 31, 2021
3. To appoint a Director in place of Mrs. Disha Karda (DIN: 06424475), who retires by rotation and being eligible, offers herself for reappointment.

Special Businesses: -

4. To ratify remuneration payable to the Cost Auditors, M/s. C Y & Associates for the Financial Year 2021-2022

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 ₹ 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 2021-22 as approved by the Board of Directors of the Company, at its Meeting held on 31st

May, 2021, 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."

5. Sub-Division of equity shares from the Face Value of ₹ 2/- to Face Value of ₹ 1/- per share

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 provision of Section 61(d), 64 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and in accordance with provisions of Memorandum of Association and Article 15 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, the consent of the members of the company be and is hereby accorded to sub-divide each Equity Share of the Company having Face value of ₹ 2/- (Rupees Two only) into ₹ 1/- (Rupee One only) each fully paid-up of the Face value of Equity shares and consequently, the Authorized Share Capital of the Company of ₹ 20,00,00,000 /- (Rupees Twenty Crore only) would comprise of 20,00,00,000 (Twenty Crore) Equity Shares of ₹1/- (Rupee One only) each with effect from the "Record Date" to be determined by the Board for this purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of face value of ₹ 2/- (Rupees Two only) each of the Company existing on the record date to be fixed by the Company shall stand sub-divided

into equity shares of face value of ₹ 1/- (Rupees One only) each fully paid up, without altering the aggregate amount of such capital and shall rank pari passu in all respects with the existing fully paid equity share of ₹ 2/- each of the company and shall be entitled to participate in full dividend to be declared after subdivided Equity shares are allotted.

RESOLVED FURTHER THAT upon sub-division of Equity Shares the members holding the equity shares in dematerialised form, the subdivided equity shares of nominal value of ₹ 1/- (Rupee One only) each shall be credited to the respective beneficiary account of the members with their respective depository participants.”

6. Alteration of Clause V of the Memorandum of Association of the company

To consider and if thought fit, to give assent or dissent to the following resolution proposed to be passed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions contained in Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), amendment or re-enactment thereof), with the approval of the members the existing Clause V of the Memorandum of Association of the Company be and is hereby amended by deletion of the existing Clause V and by substitution thereof by the following clause:

‘V. The Authorized Shares Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crore only) divided into 20,00,00,000 (Twenty Crore) Equity Shares of ₹ 1/- (Rupee One only) each.’

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any committee of board thereof be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters, and things and to give such directions as may be

necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

7. Increase the Authorised Share Capital of the Company to enable further issue of shares and alter the Capital clause of the ‘Memorandum of Association’ of the Company:

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

“RESOLVED THAT in accordance with the provisions of Sections 13 and 61 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from ₹ 20,00,00,000/- (Rupees Twenty Crores) divided into 20,00,00,000 (Twenty Crores) equity shares of ₹ 1/- (Rupees One only) each to ₹ 75,00,00,000/- (Rupees Seventy Five Crores Only) by creation of additional 55,00,00,00 (Fifty Five Crore) equity shares of ₹ 1/- (Rupees One only) each ranking pari-passu in all respect with the existing Equity Shares of the Company and consequently, the existing Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following as new Clause:

‘V. The Authorised Share Capital of the Company is ₹ 75,00,00,000/- (Rupees Ninety Crores Only) divided into 75,00,00,000 (Ninety Crores) equity shares of ₹ 1/- (Rupees One only) each.’

Any shares of the original or increased capital may, from time to time be issued with such terms, conditions, restrictions and guarantees, or any rights of preference whether in respect of dividend or of repayment of capital or both or any other special privileges or advantage over any shares previously issued or then about to be

issued, or with deferred or qualified rights to any provisions or conditions and with any special rights or limited rights, or without any rights of voting and generally on such terms as the Company may from time to time determine. The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three fourths of the issued shares of the class or with the sanction of a special Resolution passed at a separate meeting of the holders of those shares.

RESOLVED FURTHER THAT the Board of Directors ('the Board', which term shall include any Committee authorised by the Board to exercise its powers including powers conferred on the Board by this resolution) of the Company be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper, expedient or desirable for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto, including delegation of any of the powers herein conferred to on any Director(s), Company Secretary or any other officer of the Company."

8. Issue of Bonus Shares in the ratio of 4:1

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 63 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Foreign Exchange and Management Act, 1999, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions of regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) and Reserve Bank

of India (RBI) from time to time, and in accordance with the provisions contained in the Articles of Association of the Company and pursuant to the recommendation of the Board of Directors of the Company ('the Board', which term shall include any Committee authorised by the Board to exercise its powers including powers conferred on the Board by this resolution), and subject to such other approvals, consents, permissions as may be necessary, consent of the members be and is hereby accorded to capitalize the sum of ₹ 49,20,00,000/- (Rupees Forty Nine Crore Twenty Lakhs only) out of the ₹ 73,82,91,096/- (Rupees Seventy Crores Eighty Two Lakhs Ninety One Thousand Ninety Six only) i.e. permissible reserves (Free Reserves and/ or Securities Premium Account) for the purpose of issuance of fully paid up bonus equity shares to the shareholders of the Company, whose names appear in the Register of Members maintained by the Company/ List of Beneficial Owners of the Depositories as on the record date to be determined by the Board in proportion of 4:1 i.e. 4 (Four) equity shares of nominal value ₹ 1/- (Rupees One only) each fully paid up for every 1 (One) equity share of nominal value of ₹ 1/- (Rupees One only) each and that the new bonus equity shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such Member.

RESOLVED FURTHER THAT all such bonus equity shares as and when issued shall be issued subject to the provisions of Articles of Association of the Company and shall rank pari passu and carry same rights with the existing equity shares of the Company in all respect.

RESOLVED FURTHER THAT the allotment of bonus equity shares to the extent that they relate to nonresident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as may be necessary or applicable.

RESOLVED FURTHER THAT in case of members

who hold shares in dematerialisation form, the bonus equity shares shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s) and in case of the members who hold equity shares in physical form, the share certificate(s) in respect of the bonus equity shares shall be dispatched, within such times as prescribed under the law and by the relevant authorities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the Equity Shares so allotted at the Stock Exchanges where the equity shares of the Company are listed as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable Laws, Rules and Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things whatsoever, including settling any questions, doubts or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority (ies) and which the Board in its discretion thinks fit and proper.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers conferred by this resolution on it, to any committee or subcommittee of Board of Directors or any other Director(s), Company Secretary or any other Officer(s) of the Company to give effect to this resolution, with the power to such committee/ sub- committee of the Board to further delegate all or any of its powers/ duties to any of its members."

9. Change of Name by the Company

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

"RESOLVED THAT pursuant to Section 13(2) of

the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from "KARDA CONSTRUCTIONS LIMITED" to "KBC GLOBAL LIMITED" or any other name as may be approved by the Central Government, Registrar of Companies, Mumbai, whether under the Companies Act, 2013 or any other Rules, Laws, Acts, Statutes or Regulations as may be applicable to the Company.

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is KBC Global Limited

FURTHER RESOLVED THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company. **FURTHER RESOLVED THAT** the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval."

10. Substitution of main Object Clause of the Company

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

“RESOLVED THAT pursuant to Section 13(9) of the Company Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made under there under and subject to approval of the Registrar of Companies, Mumbai and all other relevant authorities governed by SEBI, if any, Company be and is hereby authorised to alter the Main Object clause as following new clause:

1. To carry on all the business of builders, real estate-developers, contractors, sub-contractors, dealers and by advancing money to and enter into contracts and arrangements of all kinds with builders, tenants, occupiers and others, land development, service apartments ,serviced plots, constructions of residential and commercial premises including business centers and offices, securing lands ,private or Government for formation and development of town ships, and to deal in and act as agents for lands ,buildings, factories, houses, .flats and other residential and commercial plots ,and construct/maintain and alter residential, commercial , industrial plots and properties and sale or lease them out by providing with all modern amenities and development thereof and securing capital, funds and raising loans for construction and advancing to other organizations for similar purposes.
2. To provide City and region level urban infrastructure facilities, to lay-out, develop, construct, build, acquire, erect, demolish, re-erect, alter, modify, repair, re-model, or to do any other work in connection with any building or building works, roads, highways, bridges, sewers, canals, wells, dams, power plants, reservoirs, tramways, railways, sanitary, water, gas, electric lights, telephonic and telegraphic works, and such purposes to prepare in designing, estimating, planning, modelling.
3. To carry on the business of construction, builders, contractors, engineers, colonizers, town planners, surveyors, values, appraisers, decorators, furnishers, manufacturers of prefabricated and pre casted houses, and to

acts agents and contractors for the purposes of real estates, residential complexes / flats / enclave / commercial complexes / multi storied buildings etc., and to carry on all types of construction activities, and act as consultants, advisors, technical consultants, collaborators, designers and architects for all kinds of construction activities in India and abroad and to undertake all civil, mechanical, electrical works, all types of infrastructure facilities like BOOT (Built, Operate, Own and Transfer), BOT (Built, operate and Transfer), BOLT (Built, Operate, Lease and Transfer), BOO (Built, Operate and Own) in India or abroad either or its own or with joint venture with any other Indian or Foreign participant.

4. To carry on in India or elsewhere the business of prospecting, exploring, operating and working on mines, quarries and to win, set, crush, smelt, manufacture, process, excavate, dig, break, acquire, develop, exercise, turn to account, survey, produce, prepare, remove, undertake, barter, convert, finish, load, unload, handle, transport, buy sell, import, export, supply, and to act as agent, broker, stockiest, distributor, consultant, contractor, manager, operator or otherwise to deal in all sorts of presents and future ores, minerals, deposits, goods, substances & materials, including sands, stones, and soils

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all the requisite, incidental, consequential steps to implement the above resolution and to perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, any question, query, or doubt that may arise in this regard, and to execute/publish all such notices, deeds, agreements, papers and writings as may be necessary and required for giving effect to this resolution.”

11. Re-appointment of Mr. Naresh Karda as Chairman & Managing Director of the Company

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

Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the approval of the Members be and is hereby accorded for the re-appointment of Mr. Naresh Karda (DIN: 01741279), as a chairman & Managing Director of the Company for a period of 5 (five) consecutive years as per the following terms:

Term of Appointment:

With effect from February 2, 2021 till February 1, 2026.

Remuneration:

Fixed Salary: In the range of ₹ 12,00,000 (Rupees Twelve Lakhs only) per annum. The fixed salary can be paid as basic salary and various allowances like Leave Travel Allowance, Commutation Allowance, House Rent Allowance, and Company leased car & accommodation, etc. which one can plan as per the Company policy.

Commission: The commission may be paid on the quarterly net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.

Other Perquisites and Benefits:

- a. Furniture & Equipment Program: As per Company’s policy.
- b. Personal Accident Insurance, Group Life Insurance: Personal accident cover and group life insurance cover is as per the Company’s policy.
- c. Medical: Reimbursement of self, spouse and dependent children up to maximum of one month’s basic pay as per the Company’s policy. In addition, he will be entitled to medical insurance

and annual health check-up as per Company’s policy.

Other Perquisites and Benefits:

- a. Leave with full pay and allowance: Leave with full pay and allowance as per Company’s policy.
- b. Reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per the Company’s policy.
- c. Minimum remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Executive Chairman, the Company has no profits, or its profits are inadequate, the Company will pay remuneration by way of salary including perquisites and allowance as specified under Section II of Part II of Schedule V to the Companies Act, 2013.
- d. Sitting Fees: The Executive Chairman shall not be entitled to sitting fees for attending the meetings of the Board of Directors of the Company or committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Board Nomination and Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

12. Re-appointment of Mr. Manohar Jagumal Karda as Whole-Time Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the approval of the Members be and is hereby accorded for the re-appointment of Mr. Manohar Jagumal Karda (DIN: 01808564), as Whole-Time Director of the Company for a period of 5 (five) consecutive years as per the following terms:

Term of Appointment:

With effect from February 2, 2021 till February 1, 2026.

Remuneration:

Fixed Salary: In the range of ₹ 12,00,000 (Rupees Twelve Lakhs only) per annum. The fixed salary can be paid as basic salary and various allowances like Leave Travel Allowance, Commutation Allowance, House Rent Allowance, and Company leased car & accommodation, etc. which one can plan as per the Company policy.

Commission: The commission may be paid on the quarterly net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.

Other Perquisites and Benefits:

a. Furniture & Equipment Program: As per Company's policy.

b. Personal Accident Insurance, Group Life

Insurance: Personal accident cover and group life insurance cover is as per the Company's policy.

c. Medical: Reimbursement of self, spouse and dependent children up to maximum of one month's basic pay as per the Company's policy. In addition, he will be entitled to medical insurance and annual health check-up as per Company's policy.

d. Leave with full pay and allowance: Leave with full pay and allowance as per Company's policy.

e. Reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per the Company's policy.

f. Minimum remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Executive Chairman, the Company has no profits, or its profits are inadequate, the Company will pay remuneration by way of salary including perquisites and allowance as specified under Section II of Part II of Schedule V to the Companies Act, 2013.

g. Sitting Fees: The Executive director shall not be entitled to sitting fees for attending the meetings of the Board of Directors of the Company or committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Board Nomination and Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents,

instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

13. To approve raising of funds in one or more tranches, by issuance of securities by way of private offerings, qualified institutions placement(s) and/or any combination thereof or any other method as may be permitted under applicable law for an amount up to ₹ 750 crore

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Sections 23, 41, 42, 62, 71, and other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), each including any amendment(s), statutory modification(s), or re-enactment(s) thereof (“Companies Act”) and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Foreign Exchange Management Act, 1999 and the regulations made thereunder, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time, the Issue of Foreign Currency Convertible Bonds and Ordinary / Equity Shares (Through Depository Receipt Mechanism) Scheme, 1993, the Depository Receipts Scheme, 2014 each as amended, the listing agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed (“Stock Exchanges”, and such equity shares, the “Equity Shares”); and any other provisions of applicable laws (including all other

applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India (“GoI”), Ministry of Corporate Affairs (“MCA”), Reserve Bank of India (“RBI”), Securities and Exchange Board of India (“SEBI”), Stock Exchanges, and such other statutory / regulatory authorities), and subject to all approvals, permissions, consents, and / or sanctions as may be necessary or required from SEBI, the Stock Exchanges, RBI, MCA, GoI, or any other concerned statutory / regulatory authorities, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and / or sanctions by any of the aforesaid authorities, which will be considered by the Board of Directors of the Company (“Board”, which term shall include any committee which the Board may have constituted or may hereinafter constitute to exercise its powers, including the powers conferred by this resolution), approval of the members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorised to offer, issue, and allot (including with provisions for reservations on firm and / or competitive basis, or such part of the issue and for such categories of persons as may be permitted) any instrument or security, including Equity Shares, fully / partly convertible debentures, global depository receipts, American depository receipts, foreign currency convertible bonds, non-convertible debentures, warrants (collectively, the “Securities”), or any combination of Securities, to all or any such investors, jointly and / or severally, that may be permitted to invest in such issuance of Securities, including resident or non-resident / foreign investors (whether institutions and / or incorporated bodies and / or trusts or otherwise) / foreign portfolio investors / mutual funds / pension funds / venture capital funds / banks / alternate investment funds / Indian and / or multilateral financial institutions / insurance companies / any other qualified institutional buyers as defined under the SEBI ICDR Regulations (“QIBs”) / any other category of persons or entities who are authorised to invest in the Securities in terms of applicable law, as may be deemed appropriate by the Board in its absolute discretion and whether or not such investors are members of the Company, for cash, in

one or more tranches, with or without a green shoe option, to raise funds for an aggregate consideration of up to ₹ 750 crore only (Rupees Seven Hundred and Fifty crore), through a public issue, rights issue, preferential allotment, or a private placement (including one or more qualified institutions placements ("QIPs") in accordance with the applicable provisions of the Companies Act and the SEBI ICDR Regulations), or through any other permissible mode and / or combination thereof as may be considered appropriate, to be to be subscribed to in Indian and / or any foreign currency by all eligible investors, through the issuance of an offer document(s) / letter(s) / circular(s) / placement document(s), as permitted under applicable laws and regulations, at such price(s) (including at a discount or premium to market price or prices permitted under applicable law), in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine to whom the offer, issue and allotment of Securities; making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investors and / or in respect of different Securities; number of securities to be issued; face value; number of Equity Shares to be issued and allotted on conversion / redemption / extinguishment of debt(s); rights attached to the warrants; period of conversion; fixing of record date(s); and / or book closure date(s) subject to the applicable laws considering the prevailing market conditions and / or other relevant factors, and wherever necessary, in consultation with the book running lead managers and / or other advisors appointed.

RESOLVED FURTHER THAT in case of an issue and allotment of Securities by way of a QIPs in terms of the SEBI ICDR Regulations:

- (i) the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution by the members of the Company;
- (ii) the Equity Shares to be offered, issued, and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari

passu in all respects with the existing Equity Shares;

- (iii) no partly paid-up Equity Shares or other Securities shall be issued / allotted;
- (iv) the issuance of the Securities by way of the QIPs shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Regulation 176(1) of the SEBI ICDR Regulations ("QIP Floor Price"), and the price determined for the QIPs shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable. However, the Board, at its absolute discretion, may offer a discount of not more than 5% or such other percentage as may be permitted under applicable law on the QIP Floor Price;
- (v) no single allottee shall be allotted more than 50% of the issue size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations; and
- (vi) The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to this special resolution.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per prevailing practices and regulations in the capital markets and the Board be and is hereby authorised, in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed to.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Board be and is hereby authorised to do such acts, deeds, and things, in its absolute discretion, as it deems necessary or desirable in connection with offering, issuing, and allotting the Securities, and to give effect to these resolutions, including, without limitation, the following:

- a. offer, issue and allot all / any of the Securities, subject to such terms and conditions, as the Board may deem fit and proper in its absolute discretion;
- b. determining the terms and conditions of the issuance, including among other things, (a) terms for issuance of additional Securities and for disposal of Securities which are not subscribed to by issuing them to banks / financial institutions / mutual funds or otherwise, (b) terms as are provided in domestic offerings of this nature, and (c) terms and conditions in connection with payment of interest, dividend, voting rights, premium and redemption or early redemption, conversion into Equity Shares, pricing, variation of the price or period of conversion, and / or finalizing the objects of the issuance and the monitoring of the same;
- c. approve, finalise, and execute any preliminary as well as final offer document(s) (including, among other things, any draft offer document, offering circular, registration statement, prospectus, placement document, private placement offer letter, letter of offer, and / or other letter or circular), and to approve and finalise any bid cum application form(s), abridged letter(s) of offer, 4 notices, including any advertisements and other documents or any term sheets or any other ancillary documents in this regard;
- d. decide the form, terms and timing of the issue(s) / offering(s), Securities to be issued and allotted, class of investors to whom Securities are to be offered, issued and allotted, number of Equity Shares to be issued and allotted in each tranche;
- e. issue and allot such number of Equity Shares, as may be required to be issued and allotted, upon conversion of any Securities, or as may be necessary in accordance with the terms of the issuance all such Equity Shares ranking pari passu with the existing Equity Shares in all respects;
- f. approve, finalise, execute, and amend agreements and documents, including, any number of powers of attorney, lock-up letters, agreements in connection with the creation of any security, and agreements in connection with the appointment of any intermediaries and / or advisors, (including for underwriting, marketing, listing, trading, appointment of lead manager(s) / merchant banker(s), legal counsel, depository(ies), banker(s), advisor(s), registrar(s), trustee(s), and other intermediaries as required), and to pay any fees, commission, costs, charges and other expenses in connection therewith;
- g. provide such declarations, affidavits, certificates, consents and / or authorities as required from time to time;
- h. seek any consents and approvals, including, among others, the consent(s) from the Company's lenders, customers, vendors, parties with whom the Company has entered into agreements, and from concerned statutory and regulatory authorities;
- i. file requisite documents with the SEBI, Stock Exchanges, the GoI, the RBI, and any other statutory and / or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;
- j. seeking the listing of the Securities on any stock exchange(s), submitting the listing application(s) to such stock exchange(s) and taking all actions that may be necessary in connection with obtaining such listing approvals (both in-principle and final listing and trading approvals);
- k. open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board;
- l. approving the issue price and finalize allocation and the basis of allotment(s) of the Securities on the basis of the bids / applications and oversubscription thereof as received, where applicable;
- m. acceptance and appropriation of the proceeds of the issue of the Securities;
- n. affix the common seal of the Company, as required, on any agreement(s), undertaking(s), deed(s) or other document(s), in the presence of any one or more of the Directors of the Company or any one or more of the officers of the Company as may be authorised by the Board in accordance with the Memorandum of Association and Articles of Association of the Company;

o.further authorise and empower any committee and / or director(s) and / or officer(s) of the Company, to execute and deliver, for and on behalf of the Company, any and all other documents or instruments and doing or causing to be done any and all acts or things as the committee / director(s) / officer(s) may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing, or in connection with the issuance of Securities, and any documents or instruments so executed and delivered or acts and things done or caused to be done by the committee / director(s) / officer(s) shall be conclusive evidence of the authority of the committee / director(s) / officer(s) and the Company in doing so; and

p.do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or settle any issues, questions, difficulties or doubts that may arise in regard to or in connection with any matter(s) referred to or contemplated in any of this resolution and the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects.”

Thanking You,

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

**MAYURA MARATHE
COMPANY SECRETARY**

MEMBERSHIP NO: ACS-44678

(Authorised to sign and serve vide Board Resolution dated 16.7.2021)

Date: July 16,2021

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. 4 to 13 of the accompanying Notice, is annexed hereto.

The Board of Directors of the Company at its meeting held on May 31,2021 and July 14,2021 considered the special business of the notice, and the same are to be transacted at the 14th AGM of the Company.

- A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available.
- Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the company by email to admin@kardaconstruction.com.
- The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 7, 2021. Members seeking to inspect such documents can send an email to admin@kardaconstruction.com.

- Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details to their respective depository participant(s) ("DP"). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System ("ECS") mode to receive dividend on time in line with the Circulars. We urge members to utilize the ECS for receiving dividends. Please refer the process given in the notes to be followed for updating bank account details.
- Members may note that the Board, at its meeting held on May 31, 2021 has recommended a final dividend of ₹ 0.05 per share. The record date for the purpose of final dividend for fiscal 2021 is August 13, 2021. The final dividend, once approved by the members in the ensuing AGM, will be paid on or before September 4, 2021 electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses.

To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

- Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant

documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2022 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act.

Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force.

Members are requested to address all correspondence, including dividend-related matters, to RTA, Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

- Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at admin@kardaconstruction.com.

Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF"). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF rules.

- In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by Link Intime India Private Limited ("LIPL"). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again.
- The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the "Instructions for e-voting" section which forms part of this Notice. The Board has appointed Mr. Amar Patil of M/S Amar Patil & Associates Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
- Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on July 31 2021, may cast their votes electronically. The e-voting period commences on Tuesday, August 3, 2021 (9:00 a.m. IST) and ends on Friday, August 6, 2021 (5:00 p.m. IST). The e-voting module will be disabled thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the

Company as on the cut-off date, i.e. as on July 31, 2021. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

- The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
- Any person holding shares in physical form, and non-individual shareholders who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. July 31, 2021, may obtain the login ID and password by sending a request at instameet@linkintime.co.in.

However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. July 31, 2021, may follow steps mentioned in the Notice under "Instructions for e-voting".

- In compliance with the Circulars, the Annual Report 2020-21, the Notice of the 14th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
- We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with

their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Link Intime Private Limited at instameet@linkintime.co.in to receive copies of the Annual Report 2020-21 in electronic mode.

- Members may follow the process detailed below for registration of email ID to obtain the Annual Report and update of bank account details for the receipt of dividend.

Type of holder	Process to be followed	
	Registering email address	Updating bank account details
Physical	Send a written request to the RTA of the Company, Link Intime Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. 001 Tel: +91020 - 26161629 providing Folio Number, name of member, copy of the share certificate (front and back), PAN (self-attested copy of PAN card), AADHAAR (self-attested copy of Aadhaar card) for registering email address.	Send a written request to the RTA of the Company, Link Intime Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. 001 Tel: +91020 - 26161629 providing Folio Number, name of member, copy of the share certificate (front and back), PAN (self-attested copy of PAN card), AADHAAR (self-attested copy of Aadhaar card) and self-attested copy of the cancelled cheque leaf bearing the name of the first holder

		for updating bank account details. The following additional details / documents need to be provided in case of updating bank account details: • Name and branch of the bank in which you wish to receive the dividend, the bank account type • Bank account number allotted by their banks after implementation of core banking solutions • 9-digit MICR Code Number • 11-digit IFSC
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

- Members may also note that the Notice of the 14th AGM and the Annual Report 2020-21 will also be available on the Company's website, <https://www.kardaconstruction.com/investors>, websites of the stock exchanges, i.e. BSE and NSE, at www.bseindia.com and www.nseindia.com, respectively, and on the website of LinkIntime India Pvt Ltd ie. <https://instavote.linkintime.co.in/>.
- Additional information, pursuant to Regulation 36 of the LODR Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.

- SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
- As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at <https://www.kardaconstruction.com>. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.
- The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's website, www.kardaconstruction.com.
- Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
- At the Eleventh General Meeting held on 29th September, 2018, the members appointed M/S Sharp Aarth & Co, 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.

- 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.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

<u>Type of shareholders</u>	<u>Login Method</u>

Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e.
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	<p>your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as

	recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<p>1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in</p> <p>► Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <p>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</p> <p>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.</p>

	<p>C.DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p> <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above <p>► 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).</p> <p>► Click “confirm” (Your password is now generated).</p> <p>2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.</p> <p>4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.</p> <p>5. E-voting page will appear.</p> <p>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).</p> <p>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.</p>
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Institutional shareholders:

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

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, 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.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- 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".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders 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.

InstaVote Support Desk
Link Intime India Private Limited

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 specific email id created for the general meeting ie agm@kardaconstruction.com.
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 Limit

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. 4:

The Board on the recommendation of the Audit Committee, has approved at their Meeting held on May 31, 2021 the appointment of 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 ₹ 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. 4 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 recommends passing the resolution, as an Ordinary Resolution, with or without modifications.

Item No. 5:

As the members are aware, the equity shares of your company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and are also regularly traded on the said Exchanges.

With a view to broaden the investor base by encouraging the participation of the retail investors and also with a view to increase the liquidity of the Company's Shares, the Board of Directors in its meeting held on May 31, 2021 recommended sub-division of the nominal value and paid-up value of (Authorised, Issued, Subscribed and paid-up) of the company from 1 (One) equity share of ₹ 2/- (Rupees Two only) each into 2 (Two) equity shares of ₹ 1/- (Rupee One only) each.

Pursuant to the provisions of Section 13, and Section 61 of the Companies Act, 2013 approval of the members is required for sub-division of shares. A copy of the Memorandum of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of this meeting. 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 Board recommends the resolution set forth in Item no. 5 for approval of the members.

Item No. 6

The aforesaid sub-division of equity shares of ₹2/- (Rupees Two only) each into equity shares of ₹ 1/- (Rupee One only) each would require amendment to existing Capital Clause V of the Memorandum of Association. After approval of the resolutions set out at Item No 5 the Board of Directors or Committee thereof will fix the record date for the purpose of ascertaining the list of members whose shares shall be sub-divided, as proposed above and the same shall be notified to the members through appropriate medium. 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.

A copy of the Memorandum of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days upto the date of this meeting. This item of special business does not relate to or affects any other company.

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

Item no 7 & 8:

The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. With a view to encourage the participation of the small investors by making the equity shares of the company more affordable, subject to the

consent of the members of the Company, the Board in its meeting held on Wednesday, July 14, 2021 approved and recommended issue of Bonus Equity Shares of ₹ 1/- (Rupees One only) each credited as fully paid up to eligible members of the Company in the proportion of 4:1 i.e. 4(Four) new fully paid-up equity shares of ₹ 1/- (Rupees One only) each for every 1(One) existing fully paid-up equity share of ₹ 1/- (Rupees One only) each by capitalising a sum of ₹ 49,20,00,000/- (Rupees Forty Nine Crore Twenty Lakhs only) out of the ₹ 73,82,91,096/- (Rupees Seventy Crores Eighty Two Lakhs Ninety One Thousand Ninety Six only) i.e. permissible reserves (Free Reserves and / or Securities Premium Account). The issue of Bonus Equity Shares is authorised by the Article 19 of Articles of Association of the Company and shall be made in line with the provisions of Section 63 of the Companies Act, 2013 and other applicable regulations and subject to such approvals, if required from any statutory authorities.

Presently, the Authorised Share Capital of the Company is ₹20,00,00,000/- (Rupees Twenty Crore Only) divided into 20,00,00,000 (Twenty Crore) equity shares of ₹ 1/- (Rupees One only) each. In order to facilitate issue of bonus equity shares and for future requirements, if any, it is proposed to increase the Authorised Share Capital to ₹ 75,00,00,000/- (Rupees Seventy Five Crores Only) by creation of additional 55,00,00,000 (Fifty Five Crore) equity shares of ₹1/- (Rupees One only) each. The increase in the Authorised Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company. The increase in the Authorised Share Capital and consequential alteration to Clause V of the Memorandum of Association of the Company and issue of bonus equity shares by way of capitalisation of Free Reserves, and/or Share Premium Account as aforesaid for the purpose of issue of bonus equity

shares require members' approvals in terms of Sections 13, 61 and 63 of the Companies Act, 2013 and any other applicable statutory and regulatory requirements.

Accordingly, resolutions 7 and 8 of this Notice are proposed to seek Members' approvals for increase in authorized share capital and consequential alteration to Memorandum of Association of the Company and capitalization of the amount standing to the credit of Free Reserves, and/or Securities Premium Account as aforesaid of the Company for the purpose of issue of bonus equity shares on the terms and conditions set out in these resolutions.

The Board recommends the resolutions 7 and 8 for approval of the Members. None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolutions Nos. 7 and 8 of this Notice except to the extent of shares held by them or any concern or company controlled by them in the Company.

Item No 9:

The Board of Directors of the Company in its meeting held on May 31, 2021 decided to change the name of the Company from "Karda Constructions Limited" to "KBC Global Limited" and the Board considered the same as an auspicious name for the company.

The Directors believe that the change in the name of the Company which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes. As per the

provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution.

Hence, the resolution is put up for shareholders' approval. None of the directors, Key Managerial Personnel and their relatives is concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

A copy of the Memorandum of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days upto the date of this meeting.

Item No 10:

In order to make the main object clause of the Memorandum of Association (MOA) comprehensive and to include other activities to be undertaken by Company i.e. mining, it is proposed to include additional objects in the main object clause of the Memorandum of Association of the Company.

The principal business of the Company at present is in real estate development industry, the Board feels that Company should widen its activities by undertaking activities in new sectors as stated in the above resolution. To enable the Company to commence the aforesaid business, it is proposed to substitute the Main Objects under the Objects Clause of the Memorandum of Association of the Company as stated in the Resolution in the annexed notice.

The above amendment would be subject to the approval of the Statutory or Regulatory Authority,

as may be necessary. The Board at its meeting held on May 31, 2021 has approved alteration of the object clause of MOA of the Company and the Board now seeks Members' approval for the same.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

A copy of the amended MOA of the Company would be available for inspection for the Members at the Registered Office of the Company during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting. N

one of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company. The Board recommends the Special Resolution set forth in Item No. 10 of the Notice for approval of the Members.

Item No 11:

Mr. Naresh Jagumal Karda was appointed as Executive Chairman and Managing Director (designated as "Executive Chairman"), not liable to retire by rotation, for a period of five years.

Accordingly, Mr. Naresh Karda has been retired from his current position as Executive Chairman and Managing Director effective February 1, 2021.

Accordingly, the Board of Directors on the recommendation of the Board Governance, Nomination and Compensation Committee, and subject to approval of Members of the Company, approved the appointment of Mr. Naresh Karda as an Executive Managing Director of the Company for

a period of five years with effect from February 2, 2021 on such remuneration as set out in the Resolution and conferred him with the title of Founder Chairman.

Keeping in view Mr. Naresh Karda's rich and varied experience in the Industry, his involvement in the operations of the Company over a long period of time, and his pioneering role in guiding the Company in diversification and growth, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as a Chairman & Managing Director of the Company for a period of five years.

Additional information in respect of Mr. Naresh Karda, pursuant to Regulation 36 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), is given at Annexure to this Notice.

Item No 12:

Mr. Manohar Jagumal Karda was appointed as Whole Time Director liable to retire by rotation, for a period of five years with effect from February 2, 2021.

Accordingly, Mr. Manohar Karda has been retired from his current position as Executive Chairman and Managing Director effective February 1, 2021.

Accordingly, the Board of Directors at its meeting on the recommendation of the Nomination and Remuneration Committee, and subject to approval of Members of the Company, approved the appointment of Mr. Manohar Karda as a Whole Time Director of the Company for a period of five years with effect from February 2, 2021 on such remuneration as set out in the Resolution and conferred him with the title of Founder Chairman.

Additional information in respect of Mr. Manohar Karda, pursuant to Regulation 36 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), is given at Annexure to this Notice.

Item No 13:

The Company anticipates growth opportunities in its existing operations and continues to evaluate various avenues for organic expansion and achieving inorganic growth. Towards this, the Company continues to require capital for achieving such growth and expansion. Accordingly, subject to compliance with applicable law, the Company proposes to raise capital for the purposes of funding the long term growth of its existing businesses, making strategic acquisitions; financing other long term capital, working capital, and general corporate requirements; pre-payment and / or repayment of loans; and / or any other as may be permissible under applicable law(s) and approved by the Board of Directors of the Company.

In line with the above, the Company proposes to raise funds through the issuance of any instrument or security, including equity shares, fully / partly convertible debentures, global depository receipts, American depository receipts, foreign currency convertible bonds, non—convertible debentures, warrants (collectively, the "Securities"), or any combination of Securities, for an aggregate consideration of up to ₹ 750 crore only (Rupees Seven Hundred and Fifty crore only) to all or any such investors, jointly and / or severally, that may be permitted to invest in such issuance of Securities, including resident or non-resident / foreign investors (whether institutions and / or incorporated bodies and / or trusts or otherwise) / foreign portfolio investors / mutual funds / pension funds / venture capital funds / banks / alternate investment funds / Indian and / or multilateral financial institutions / insurance companies / any other qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,

2018 ("SEBI ICDR Regulations"), and the qualified institutional buyers, the "QIBs") / any other category of persons or entities who are authorised to invest in the Securities in terms of applicable law, as may be deemed appropriate by the Board in its absolute discretion and whether or not such investors are members of the Company, for cash, in one or more tranches, without or without a green shoe option, through a public issue, preferential allotment, private placement, or a rights issue (including one or more qualified institutions placements ("QIPs") in accordance with the applicable provisions of the Companies Act, 2013 ("Companies Act") and the SEBI ICDR Regulations), or through any other permissible mode and / or combination thereof as may be considered appropriate, in terms of Sections 23, 41, 42, 62, 71, and other applicable provisions of the Companies Act and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), each including any amendment(s), statutory modification(s), or re-enactment(s) thereof and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Foreign Exchange Management Act, 1999 and the regulations made thereunder, including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, the Depository Receipts Scheme, 2014 each as amended; the listing agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed ("Stock Exchanges", and such equity shares, the "Equity Shares"); and any other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India, Ministry of Corporate Affairs,

Reserve Bank of India, Securities and Exchange Board of India ("SEBI"), Stock Exchanges, and such other statutory / regulatory authorities). Accordingly, the board of directors of the Company ("Board", which term shall include any committee which the Board may have constituted or may constitute to exercise its powers, including the powers conferred by this resolution), at its meeting held on May 31, 2021, subject to the approval of the members of the Company, approved the raising of funds at such price and on such terms and conditions as may be deemed appropriate by the Board at its sole and absolute discretion, taking into consideration market conditions and other relevant factors and wherever necessary, in consultation with the book running lead manager(s) and / or other advisor(s) appointed in relation to issuance of Securities, in accordance with applicable laws, and subject to regulatory approvals (as necessary). The resolution proposed is an enabling resolution and the exact price, proportion, and timing of the issue of the Securities in one or more tranches and the remaining detailed terms and conditions for the issuance of Securities will be decided by the Board, in accordance with the SEBI ICDR Regulations, in consultation with book running lead manager(s) and / or other advisor(s) appointed in relation to the issuance of Securities and such other authorities and agencies as may be required to be consulted by the Company. Further, the Company is yet to identify the investor(s) and decide the quantum of Equity Shares to be issued to them. Hence, the details of the proposed allottee(s), percentage of their post-issue shareholding and the shareholding pattern of the Company are not provided. Accordingly, the Board may, in its discretion, adopt one or more of the mechanisms for raising of funds to meet its objectives as stated in the paragraphs above without the need for fresh approval from the members of the Company. The proposal, therefore, seeks to confer upon the Board the absolute discretion and adequate flexibility to determine the terms of the issuance. The 'relevant date' for the purpose of pricing the Securities shall be date of the meeting in which the Board decides to open the issue of the Securities, subsequent to receipt of approval from the members of the Company, in terms of applicable law; in the event that convertible securities (as defined under the SEBI

ICDR Regulations) are issued to QIBs by way of a QIPs, the relevant date for pricing of such Securities shall be either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as determined by the Board. In the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the special resolution by the members of the Company. Further, the Equity Shares offered, issued, and allotted by the Company pursuant to any such QIP in terms of the resolution would be subject to the provisions of the memorandum of association and articles of association of the Company and shall rank, in all respects, pari passu with the existing Equity Shares of the Company. The pricing of the Securities shall be determined in accordance with the relevant provisions of the SEBI ICDR Regulations, the Companies Act, and any other applicable law. The resolution enables the Board, in accordance with applicable law, to offer a discount of not more than 5% or such percentage as may be permitted under

applicable law on the price determined in accordance with the SEBI ICDR Regulations. The Securities allotted as above would be listed on the Stock Exchanges. As and when the Board takes a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The approval of the members is being sought to enable the Board to decide on the issuance of Securities, to the extent and in the manner stated in the special resolution, as set out in item no. 13 of this notice, without the need for any fresh approval from the members of the Company in this regard. None of the Directors or Key Managerial Personnel of the Company, or their respective relatives, is concerned or interested, financially or otherwise, in said resolution. The proposed issuance of Securities is in the interest of the Company and the Board recommends the resolution set out for the approval of the members as a special resolution.

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

MAYURA MARATHE
COMPANY SECRETARY
MEMBERSHIP NO: ACS-44678
(Authorised to sign and serve vide Board Resolution dated 16.7.2021)
 Date: July 16, 2021
 Place: Nashik

Annexure

Details of Directors seeking appointment/re-appointment the Annual General Meeting
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Mrs. Disha Karda	Mr. Naresh Karda	Mr. Manohar Karda
Age	47 yrs	49 yrs	49 yrs
Date of Appointment	February 26,2016	September 17,2007	October 10,2008
Relationship with Directors and Key Managerial Personnel	Spouse of Mr. Naresh Jagumal Karda (DIN: 01741279) , Chairman & Managing Director	Spouse of Mrs. Disha Karda (DIN: 06424475) , Director and Brother of Mr. Manohar Jagumal Karda Whole Time Director (01808564)	Brother of Mr. Naresh Jagumal Karda (DIN: 01741279), Chairman & Managing Director
Expertise in specific functional area	She has a total experience of total 14 years in the field of Real Estate Industry. She has been associated with company in various capacities. Presently oversees the day-to-day operation, which includes managing committees and staff as well as developing business plans in collaboration with the board of the company .Also responsible for making sure that contracts, insurance requirements and safety standards are correctly complied with.	Mr. Naresh Karda has been associated with the property development, real estate and construction sector in Nashik for over 25 years, has been primarily responsible for the direction and growth of business and has been instrumental in strategic planning, including identifying our current development projects. Growth and future success is influenced, in part, by continued relationship with Mr. Naresh Karda.	He has over 13 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
Qualification(s)	B Com , B Ed	Diploma in Civil Engineering	Undergraduate

Number of Board meetings attended during	Attended Karda attended 14 out of 15 Board meetings during FY 2020-2021	Attended Karda attended 15 out of 15 Board meetings during FY 2020-2021	Attended Karda attended 15 out of 15 Board meetings during FY 2020-2021
Terms and Conditions of Reappointment	In terms of Sec 152 (6) of Companies Act, 2013 who was reappointed as director at the Annual General Meeting held on , September 21, 2019, is now liable to retire by rotation.	In terms of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') as chairman & Managing Director of the Company for a period of 5 (five) consecutive years not liable to retire by rotation	In terms of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') as Whole-Time Director of the Company for a period of 5 (five) consecutive years liable to retire by rotation
Remuneration last drawn (including sitting fees if any)	Remuneration drawn of ₹ 6 Lakhs for FY 2020-2021. No sitting fees have been paid during the FY 2020-2021.	Remuneration drawn of ₹ 9 Lakhs for FY 2020-2021. No sitting fees have been paid during the FY 2020-2021.	Remuneration drawn of ₹ 6 Lakhs for FY 2020-2021. No sitting fees have been paid during the FY 2020-2021.
Remuneration proposed to be paid	As per existing approved terms and Conditions	As per the resolution and explanatory statement annexed to this notice	As per the resolution and explanatory statement annexed to this notice
Board Membership of other listed Companies as on March 31, 2021	NA	NA	NA
Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2021	NA	NA	NA
Number of equity shares held in the Company as on March 31, 2021	1250000 Equity shares of ₹ 2/- each	28075000 Equity shares of ₹ 2/- each	1350000 Equity shares of ₹ 2/- each



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