



KAMANWALA HOUSING CONSTRUCTION LIMITED

ADMINISTRATIVE OFFICE: 405/406, NEW UDYOG MANDIR - 2,
MOGUL LANE, MAHIM (WEST), MUMBAI - 400 016.
Tel.: 2447 5900, 2445 6029, 2447 4983 • Fax: 2447 4968 • Email : kamanwala@gmail.com
Website : www.kamanwalahousing.com • CIN:L65990MH1984PLC032655

Date: 15.10.2018

To,
The Manager,
Corporate Relationship Department,
BSE Limited,
Dalal Street,
Mumbai.

Dear Sir,

Sub: Submission of Annual Report 2017-18 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regard to above, we would like to state that the shareholders of the Company at their 34th Annual General Meeting held on Saturday, September 29, 2018 have approved and adopted the Annual Report of the Company for the year 2017-18. We are enclosing herewith the approved and adopted Annual Report 2017-18 pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Regulations) Regulation, 2015.

We request to take the note of the same.

Thanking you,

Yours faithfully,

For Kamanwala Housing Constructions Limited

Sejal Desai
Company Secretary & Compliance Officer

Encl: as above

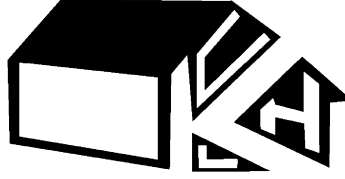


KAMANWALA HOUSING CONSTRUCTION LIMITED

**34th
ANNUAL REPORT
2017-2018**



KAMANWALA HOUSING CONSTRUCTION LIMITED



KAMANWALA HOUSING CONSTRUCTION LIMITED

CIN: L65990MH1984PLC032655

| | | |
|---------------------------|-------------------------------|---|
| BOARD OF DIRECTORS | Mr. Mukesh Jain (Chairman) | : Independent Director |
| | Mr. Atul Jain | : Managing Director (w.e.f. 01.06.2017) |
| | Mrs. Pushpa Jain | : Whole Time Director |
| | Mr. Amit Jain | : Non-Executive Director |
| | Mr. Bhanwarlal D. Jogani | : Independent Director |

Auditors M/s. Majithia & Associates,
Chartered Accountants, Mumbai

Bankers Indian Overseas Bank,
Oriental Bank of Commerce,
Corporation Bank,
Punjab National Bank

Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd,
Unit no.1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (East), Mumbai – 400072.
Tel no.: 2851 5606 / 2851 5644
Fax: 2851 2885
Email: sharexindia@vsnl.com

Registered Office 802-C-1,"A" wing, Pinnaacle Corp. Park, BKC,
Bandra (East), Mumbai-400051.

Administrative Office 405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (West), Mumbai-400016.
Tel no.:2447 5900 / 2445 6029
Fax: 2447 4968
Email: kamanwala@gmail.com
Website: www.kamanwalahousing.com

| Contents: | Page no. |
|---|-----------------|
| Notice | 2 |
| Directors report | 6 |
| Corporate Governance Report | 26 |
| Independent Auditor's Report | 34 |
| Standalone Financial Statements | 41 |
| Consolidated Financial Statements | 73 |
| Proxy form | 104 |

NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Members of KAMANWALA HOUSING CONSTRUCTION LIMITED will be held on Saturday, the 29th September, 2018, at 11:00 a.m. at Tendulkar Hall, Saraswat Bhavan, Chhatrapati Shivaji Maharaj Marg, Mahim (West), Mumbai – 400 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2018 (including audited consolidated Financial Statements) together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Amit Jain (DIN: 00053168), who retires by rotation and being eligible offers himself for reappointment.

For and on behalf of the Board of Directors

Place:-Mumbai

Date:- 14th August,2018.

ATUL JAIN
MANAGING DIRECTOR
(DIN: 00052966)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER / MEMBERS OF THE COMPANY.**
2. Proxies in order to be effective must be deposited at the Company's Registered Office not less than 48 hours before the time of the Meeting.
3. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
4. Details of Directors' appointment / re-appointment

pursuant SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed hereto.

5. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive).
6. The Corporate Members intending to send their duly authorized representative(s) are requested to send a duly certified copy of the Board resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
7. Members are hereby requested to notify change in their addresses, make correspondence and send documents of share transfers, etc. either directly to the Company at the Registered Office or to the Office of Share Transfer Agents of the Company, M/s Sharex Dynamic (India) Pvt. Ltd., at Unit No. 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072.
8. The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.
9. The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
10. Electronic copy of the Thirty fourth Annual Report for 2017-18 is being sent to all the Members, whose e-mail IDs are registered with the Company/depository participants for communication purposes unless any Member has requested for a hard copy of the same. For the Members, who have not registered their e-mail address, physical copies of the Annual Report for 2017-18 are being sent in a permitted mode. Rules 18(3) (i) of the Companies (Management & Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a financial year to the Member to register his e-mail address and any change therein. In compliance with the same, we request the Members who do not have their e-mail ID



KAMANWALA HOUSING CONSTRUCTION LIMITED

registered with the Company, to get the same registered with the Company. Members are also requested to intimate to the Company the changes if any, in their e-mail address.

11. Voting through electronic means:

In compliance with the provisions of Regulation 44 of the SEBI (LODR) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and the Secretarial Standard on General Meetings, the Company is pleased to provide to Members the remote e-voting facility to exercise their right to vote on business to be transacted at the 34th Annual General Meeting by electronic means through e-voting services provided by Central Depository Services (India) Limited (CDSL). A Member, who has voted on a resolution through the e-voting facility, will not be entitled to change it subsequently. Further, a Member who has voted through the e-voting facility will not be permitted to vote again at the venue of the Annual General Meeting of the Company.

The instructions for Members for voting electronically are as under:-

- (i) The voting period begins on 26th September, 2018 (9:00 a.m.) and ends on 28th September, 2018 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd, September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting

of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

| | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. OR If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details

can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login & password. The Compliance User would be able to link account(s)

for which they wish to vote on.

- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Upendra C Shukla, Practicing Company Secretary has been appointed as Scrutinizer for conducting e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding 3 (three) working days from conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make Scrutinizer’s Report of the votes cast in favor or against, if any forthwith to the Chairman.

The results shall be declared as per the proceedings of the Annual General Meeting of the Company. The results declared along with Scrutinizer’s Report shall be placed on the Company’s website www.kamanwalahousing.com and on website of CDSL within 2 (two) days of passing of the Resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

For and on behalf of the Board of Directors

Place: - Mumbai
Date: 14th, August, 2018

ATUL JAIN
MANAGING DIRECTOR
(DIN: 00052966)



KAMANWALA HOUSING CONSTRUCTION LIMITED

ANNEXURE TO THE NOTICE:

APPOINTMENT / RE-APPOINTMENT OF DIRECTORS:

Information pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

| | |
|---|--|
| Name of Director | Mr. Amit Jain (DIN: 00053168) |
| Date of Birth & Age | 21-07-1973, 45 Years |
| Date of Appointment | 30-07-2004 |
| Shares held in the Company (as on 31-03-18) | 9,25,752 |
| Special Expertise/Occupation | Planning and execution of projects |
| Qualification | B.Com. |
| Names of the Listed entities in which a person holds the Directorship | Kamanwala Housing Construction Limited (KHCL) |
| Chairman / Member of Committee of Companies | Member of Audit Committee of KHCL |
| Inter-se relationship with other directors | Mr. Amit Jain is the brother of Mr. Tarun Jain |

For and on behalf of the Board of Directors

Place: - Mumbai

Date: 14th, August, 2018.

ATUL JAIN

MANAGING DIRECTOR

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present their Thirty Fourth Annual Report on the business and operations of the Company along with the audited Financial Statements of Account for the year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS:

The summarized Financial Highlights of the Company are as follows:

(Rs. in lakhs)

| | Standalone | | Consolidated | |
|--|------------|---------|--------------|---------|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| Revenue from Operations (Net) | 1883.59 | 3932.05 | 1883.59 | 3932.05 |
| Other Income | 117.17 | 316.31 | 117.17 | 316.31 |
| Profit (Loss) before Depreciation, Interest & Tax | 80.08 | 124.32 | 80.08 | 124.32 |
| Less: Depreciation & amortization expenses | 23.71 | 28.04 | 23.71 | 28.04 |
| Less: Finance Costs | 38.51 | 148.77 | 38.51 | 148.77 |
| Profit (Loss) before exceptional and extraordinary items | 17.86 | (52.49) | 17.86 | (52.49) |
| Exceptional items | (6.62) | 35.00 | (6.62) | 35.00 |
| Profit (Loss) before Tax | 11.24 | (17.49) | 11.24 | (17.49) |
| Provision for Tax & Deferred Tax | (4.36) | (8.34) | (4.36) | (8.34) |
| Profit /(Loss) after Tax | 15.60 | (9.15) | 15.60 | (9.15) |

DIVIDEND:

Considering the exigencies of the fund, your Directors have not recommended any dividend for the financial year ended 31st March, 2018.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to be best of their knowledge, confirm that –

- a) in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;
- b) appropriate accounting policies have been selected and applied consistently and have 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 that period;
- c) proper and sufficient care has been taken for the 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

fraud and other irregularities;

- d) the annual accounts have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

To avoid duplication between Directors' Report and the Management Discussion and Analysis, your Directors have presented a composite report.

ECONOMY AND MARKETS

GDP grew at 6.7% in the year 2017-2018 compared to 7.1% in the previous year 2016-17. The decline in growth was due to



KAMANWALA HOUSING CONSTRUCTION LIMITED

lackluster performance in the first quarter of 2017-18, when the producers undertook destocking activities with the implementation of the GST. However, improvement was witnessed in the last three quarters after waning of disruption post implementation of the GST. The gross fixed capital formation (GFCF) as a percentage of GDP remained stagnant at 28.5% since 2015-16. However, there has been an improvement in quarter 3 and quarter 4 in the investment rate. It is good to note that India rose 30 places in the World Bank's Ease of Doing Business ranking in 2017 to rank 100th in recognition of the Government's efforts to streamline the economy through reforms in taxation, licensing, investor protection and bankruptcy resolution and is poised to improve further.

The real estate industry continued to have high inventory levels in key markets despite a sharp drop in new launches due to implementation of RERA. Demand remained subdued, especially in the earlier part of 2017-18, with a gradual pick-up towards the fourth quarter, as the uncertainty around GST and its impact on prices dissipated. The luxury segment was the most affected with dismal absorption levels.

The affordable housing segment saw maximum traction during the year, with forward strides in government policies such as 'Housing for All' and the 'Pradhan Mantri Awas Yojana', which have further improved the viability and outlook for the segment.

REVIEW OF OPERATIONS:

On standalone basis, the net revenue from Operations was Rs.2000.76 lakhs including other income of Rs.117.17 lakhs as against Rs.4248.36 lakhs for the F.Y. 2016-17. Though the income was reduced compared to previous year, the Company made a pre-tax profit of Rs.11.24 lakhs after adjustment of exceptional item of Rs.6.62 lakhs. On consolidated basis the total income was Rs.2000.76 lakhs and pre-tax profit was Rs.11.24 lakhs. No amount is transferred to general reserve.

SUBSIDIARY COMPANIES & JOINT VENTURES:

The Company does not have any subsidiary. The Company has joint ventures for development of properties. A separate section on the performance and financial position of each of the joint venture in Form AOC-1 is annexed as **Annexure I** and forms part of this report.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial accounts are prepared in accordance with the applicable IND AS issued by the Institute of Chartered Accounts of India. The said consolidated accounts form part of this report and accounts.

OUTLOOK

The growth outlook for the Indian economy for 2018-19 is positive with the RBI projecting a GDP growth of 7.4 percent in 2018-19.

This has to be tempered by rising crude oil prices and their effect on the current account of India's balance of payments; plus a growth in 'core' inflation (excluding food and fuel) over the last few months, which may lead to the RBI opting for one or two rate hikes of 25 basis points each in the course of 2018-19. Despite these pitfalls, the upswing in GDP/GVA growth is expected to continue, which will augur well for the real estate industry.

In a positive development, from the real estate industry perspective, the construction sector that accounts for around 8 percent of the GDP grew at a marginally higher 4.3 percent in 2017-18 after a lackluster 3.7 percent and 1.3 percent in 2015-16 and 2016-17 respectively.

Your Company is in continuous process of identifying viable housing and commercial projects with minimal risk on account piling inventory. Your Company is fully geared up to maximize the benefit with improvement in real estate sector.

RISKS AND CONCERNS

The Board of Directors reviews from time to time the financial risk and its control. The management also continuously assess the risk involved in the business and all out efforts are made to mitigate the risk with appropriate action. All the assets of the Company are adequately covered by comprehensive insurance.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

Your Company has internal financial control systems, which are adequate considering the nature and size of its operations. The policies and procedure adopted by the Company ensure the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The internal audit is carried out by an external firm of Chartered Accountants, covering all the departments. The internal auditor directly reports to the Audit Committee.

HUMAN RESOURCES

Relations between the management and employees remained cordial through-out the year. The Company had a total 7 permanent employees as on 31st March, 2018.

The particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure II** and forms part of this report.

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rule, 2014, and forming part of Directors' Report for the year ended 31st March, 2018 is given in a separate annexure to this report. The said annexure is not being sent alongwith this report

to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members, who are interested in obtaining these particulars, may write to the Company Secretary of the Company. The aforesaid annexure is also available for inspection by the members at the registered office of the Company, 21 days before the 34th annual general meeting and upto the date of the said annual general meeting during normal business hours on working days.

CORPORATE SOCIAL RESPONSIBILITY:

The Company does not fulfill any of the three criteria specified in Section 135(1) of the Companies Act, 2013 and as such is not required to comply with the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

DIRECTORS:

To comply with the requirement of the Companies Act, 2013 and Articles of Association of the Company, Mr. Amit Jain shall retire by rotation at the forthcoming Annual General Meeting. Being eligible, he offers himself for re-appointment. Mr. Tarun Jain ceased to be a director w.e.f. 07/09/2017. Shri. S.C. Gupta resigned as director w.e.f. 12-06-2017.

KEY MANAGERIAL PERSONNEL:

Mr. Atul Jain is the Managing Director w.e.f. 01-06-2017. Mr. Tarun Jain is the Chief Finance Officer of the Company. During the year Mr. Dharmपाल is a Company Secretary & Compliance Officer w.e.f. 01-02-2018. Earlier upto 14-12-2017 Mr. Vipul Bhoj was Company Secretary & Compliance Officer.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

BOARD MEETINGS:

Five meetings of the Board of Directors and one meeting of Independent Directors were held during the year under review. Corporate Governance Report, which forms part of this report, contains the details about the Board meetings as also meeting attended by each Director of the Company.

NOMINATION & REMUNERATION POLICY:

The Nomination and Remuneration Policy recommended by the Nomination & Remuneration Committee is duly approved and adopted by the Board of Directors. The said policy is annexed to the report as **Annexure III**.

BOARD EVALUATION:

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had done the annual evaluation of its

own performance, its committees and individual directors. The Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

Policy on appointment of directors and remuneration as provided in Section 178(3) of the Companies Act, 2013 has been dealt with in the corporate governance report, which forms part of the Directors' Report.

AUDIT COMMITTEE:

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details pertaining to the audit committee are included in the Corporate Governance Report, which forms part of this report.

CORPORATE GOVERNANCE:

In line with the requirement of the Companies Act, 2013 as also SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted committees. Details of these committees along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report.

A separate report on Corporate Governance is annexed, which forms part of this report. A certificate of CEO and CFO of the Company confirming the correctness of the financial and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed and forms part of this Directors' Report.

RELATED PARTY TRANSACTIONS:

The Company has formulated policy on dealing with Related Party Transactions, a copy of which is available on the website of the Company. All the related party transactions have been entered into by the Company in the ordinary course of business and on arm's length basis.

During the year, the Company had not entered into any transaction referred to in section 188 of the Companies Act, 2013 with related parties which could be considered material under SEBI (LODR), Regulations, 2015. Accordingly, the disclosure of related party transactions as required under section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014 of the Companies Act in form AOC-2 is not applicable.



KAMANWALA HOUSING CONSTRUCTION LIMITED

VIGIL MECHANISM:

The Company has a vigil mechanism policy to deal with instances of fraud and mismanagement. The whistle blower policy adopted by the Board of Directors is hosted on the website of the Company.

EXTRACT OF ANNUAL RETURN:

As required under the provisions of section 92(3) and 134(3)(a) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 an extract of the annual return for the year ended 31st March, 2018 is annexed to this report as **Annexure - IV**.

LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan, guarantee, not made any investment during the financial year 2017-18 attracting the provisions of section 186 of the Companies' Act, 2013.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material change and commitment affecting the financial position of the Company between the financial year ended 31st March, 2018 and the date of the Directors Report.

REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

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

In view of the nature of business activities of the Company, provisions of Section 134 of the Companies Act, 2013 read with the Companies (Disclosures of Particular in the Report of the Board of Directors) Rules, 2014 regarding conservation of energy and technology absorption are not applicable to the Company.

There were no foreign exchange earnings and expenses during the year under review.

STATUTORY AUDITORS:

According to Directors, there is no adverse remarks made by Statutory Auditors in their report. Notes to the accounts are self explanatory to comments/observation made by the auditors in their report. Hence, no separate explanation is given.

Majithia & Associates, Chartered Accountants, Statutory Auditors of your Company, shall continue to be the auditors of your

Company as per the resolution passed by the shareholders in 33rd Annual General Meeting.

SECRETARIAL AUDIT REPORT

During the year, Secretarial Audit was carried out by Mr. Dhruvalkumar D. Baladha, Practicing Company Secretary for the financial year 2017-18. The report on the Secretarial Audit is appended as **Annexure V** to this report. According to the Board of Directors the report does not have any adverse remark.

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

In compliance to the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 your Company has a duly constituted an internal complaint committee. The Committee has formulated policy to ensure protection to its female employees.

CAUTIONARY STATEMENT

Statement in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute forward looking statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

ACKNOWLEDGEMENTS:

Yours Directors thank the customers, vendors, joint venture partners and bankers for their unstinted support. Your Directors would also like to thank the employees at all level for their hard and dedicated work and contribution.

For and on behalf of the Board of Directors

(AMIT JAIN)
DIRECTOR
(DIN: 00053168)

(ATUL JAIN)
MANAGING DIRECTOR
(DIN: 00052966)

Place :-Mumbai
Date: 14th August,2018

Annexure – I

Form No. AOC-I

Pursuant to the first proviso to sub-section (3) of Section 129 read with
Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures of the Company

Part 'A' : Subsidiaries

The Company does not have any subsidiary Company during the year.

Part 'B' : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of Associates/Joint Ventures | Aspen Properties Pvt. Ltd. | Kamanwala Jain Infra LLP | Kamanwala Lakshachandi Todays Construction | Kamanwala Lakshachandi Todays Developers |
|---|----------------------------|--------------------------|--|--|
| 1. Latest Audited Balance sheet date | 31.03.2017 | 31.03.2017 | 31.03.2017 | 31.03.2017 |
| 2. Date on which the Associate or Joint Venture was associated or acquired | 17.11.1988 | 20.03.2015 | 04.03.2008 | 26.12.2007 |
| 3. Shares of Associate or Joint Ventures held by the company on the year end | N.A. | N.A. | N.A. | N.A. |
| No. | N.A. | N.A. | N.A. | N.A. |
| Amount of Investment in Associates or Joint Venture | Rs.43.50 Lacs | Rs.30.00 Lacs | Rs.0.50 Lacs | Rs.0.50 Lacs |
| Extent of Holding (in percentage) | 33% | 70% | 50% | 50% |
| 4. Description of how there is significant influence | Financial Contribution | Financial Contribution | Financial Contribution | Financial Contribution |
| 5. Reason why the associate/joint venture is not consolidated | N.A. | N.A. | N.A. | N.A. |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet | Rs.1.00 Lac | Rs.52.63 Lacs | Rs.1073.72 Lacs | Rs.56.45 Lacs |
| 7. Profit or Loss for the year 31.03.2018 | | | | |
| i. Considered in Consolidation | Nil | Rs. 3.07 lakhs | Rs. 0.34 lakhs | Rs. 0.09 lakhs |
| ii. Not Considered in Consolidation | N.A. | N.A. | N.A. | N.A. |

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of Associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors

Place:-Mumbai
Date:-14th August, 2018

(AMIT JAIN)
DIRECTOR
(DIN: 00053168)

(ATUL JAIN)
MANAGING DIRECTOR
(DIN: 00052966)