

KBC Global Limited

(Previously known as Karda Constructions Limited)

Registered Office : 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik, MH - 422005.

Corporate Office : Saikrupa Commercial Complex, Tilak Road, Muktidham, Nashik Road, Nashik - 422 101.

Phone : 0253 - 2465436 / 2351090, Fax : 0253 - 2465436, Mail : admin@kardaconstruction.com,

Visit us : www.kardaconstruction.com, CIN No. : L45400MH2007PLC174194



21.10.2022

| | |
|---|---|
| To, The Listing Compliance National Stock Exchange India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051. | To, Department of Corporate Services, BSE LIMITED P.J. Towers, Dalal Street, Mumbai-400 001. |
|---|---|

NSE SYMBOL: KBCGLOBAL

BSE Script Code: 541161

Subject: Updated Integrated Annual Report for the financial year 2021-2022 including Notice of Annual General Meeting.

Dear Sir,

Pursuant to Regulation 34(I) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of updated Integrated Annual Report for the Financial Year 2021-2022 (comprising of Notice calling 15th Annual General Meeting along with, Audited Financial Statements, Directors' Report, Auditor's Report, Business Responsibility Report and annexures thereof etc.) which is being updated on both exchanges i.e. BSE and NSE for the information of members.

The Updated Integrated Annual Report including Notice is also uploaded on the Company's website and can be accessed at <https://www.kardaconstructions.com>.

Thanking You.

Yours truly,

For KBC Global Limited.

MAYURA
DINESH
MARATHE

Digitally signed by MAYURA
DINESH MARATHE
Date: 2022.10.20 23:09:55
+0700

Mrs. Mayura Marathe
Company Secretary
Mem. No. ACS44678

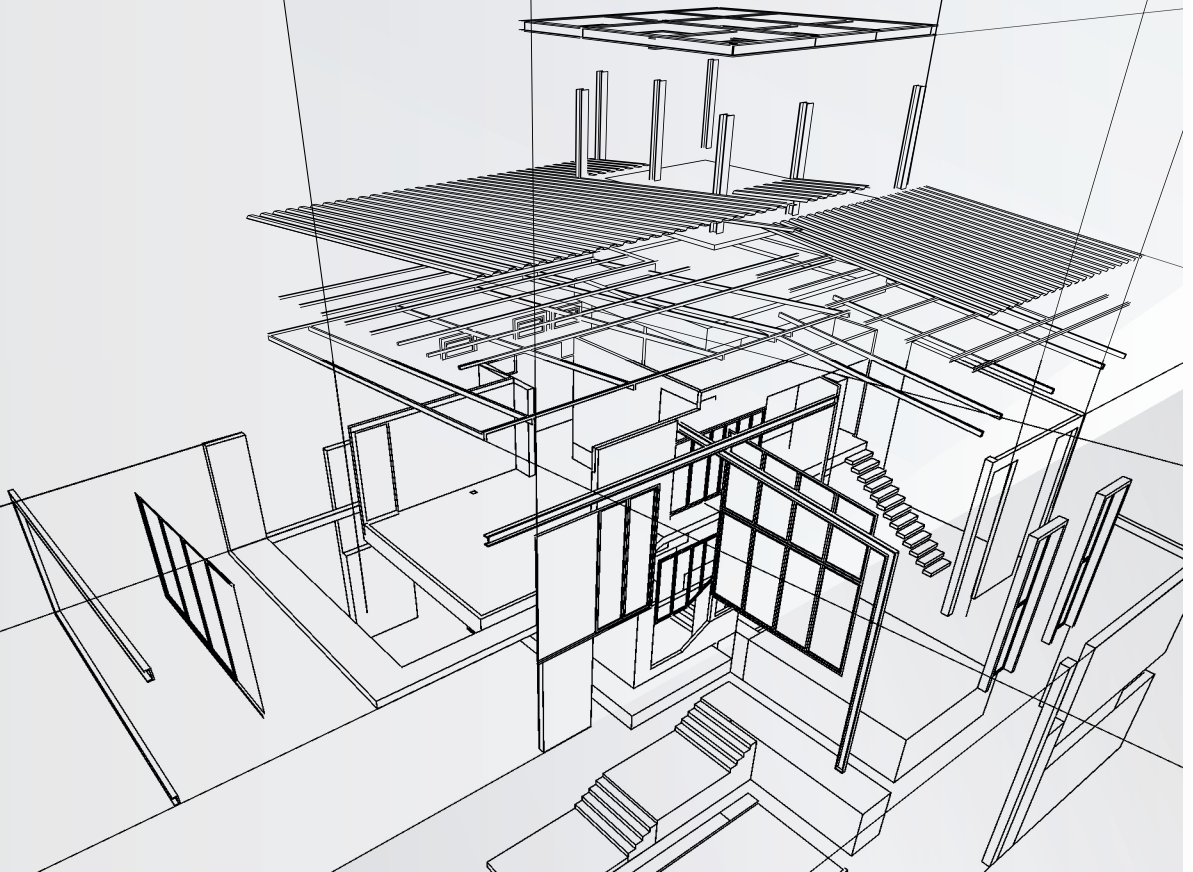


KARDATM
CONSTRUCTIONS

BUILDERS & DEVELOPERS

KBC GLOBAL LIMITED

Quality,
Service, and
Satisfaction
are everything to us!



CORPORATE INFORMATION

MR. NARESH JAGUMAL KARDA

CHAIRMAN & AMP; MANAGING DIRECTOR

DIRECTORS

Mr. Manohar Jagumal Karda

Whole Time Director

Mr. Devesh Naresh Karda

Director

Mr. Rahul Kishor Dayama

Independent Director

Mr. Sandeep Ravindra Shah

Independent Director

Mrs. Ziral Pankajkumar Soni

Additional Independent Director

CHIEF FINANIAL OFFICER

MR. LIYAKAT KHAN

COMPANY SECRETARY AND

COMPLIANCE OFFICER

MRS. MAYURA DINESH MARATHE

REGISTERED AND CORPORATE OFFICE

Karda Constructions Limited,
2nd Floor, Gulmohar Status Above Business
Bank, Samarth Nagar, Nashik - 422005
Tel: 0253-2351090, Fax: 0253-2465436
www.kardaconstruction.com

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PVT. LTD
C-101, 247 Park, L.B.S. Marg, Vikhroli (West) ,
Mumbai-400 083

STATUTORY AUDITORS

Sharp Arth & Co
68, 6 th Floor, Business Bay, Shri Hari
Kute Marg, Tidke Colony, Nashik-422 002

BANKERS

- Capri Global Capital Limited
- Icici Bank Limited
- Sbicap Trustee Company Limited
- Canara Bank
- The Nashik Road Deolali Vyapari Sahakari Bank Ltd Nasik Road Branch
- The Nashik Road Deolali Vyapari Sahakari Bank Ltd Nasik Road Br
- Tata Capital Housing Finance Limited
- Central Bank Of India

AWARDS & RECOGNITION



Outstanding concrete Structure Hari Sankalp



"Awarded for Brand Excellence in Residential Project"



"Entrepreneur Excellence in marketing strategy"



Outstanding concrete Structure Hari Vishwa



"Lokmat Vishwakarma - The Dream Builders Award "



"Awarded for Iconic budget Homes - Capsule Homes"



"Awarded for Iconic Affordable Homes - Capsule Homes"



"Awarded for Excellence in Affordable group housing"



"Landmark Award"

ONGOING PROJECTS



HARI VASANT
TWIN
TOWERS
2, 3, 4 BHK LUXURIOUS HOMES
GANGAPUR ROAD
Maha Rera Reg. No.: P5160000534

HARIKUNJ
Mayflower

2 & 3 BHK LUXURY HOMES

GOVIND NAGAR

Maha Rera Reg. No.: P51600020249



KARDA
HIGHSTREET
shopping avenue

SHOPS OFFICES AND SHOWROOMS

ASHOKA MARG

Maha Rera Reg. No.: P51600024203

HARI AANGAN

2 & 3 BHK PREMIUM HOMES

ASHOKA MARG

Maha Rera Reg. No.: P51600024203



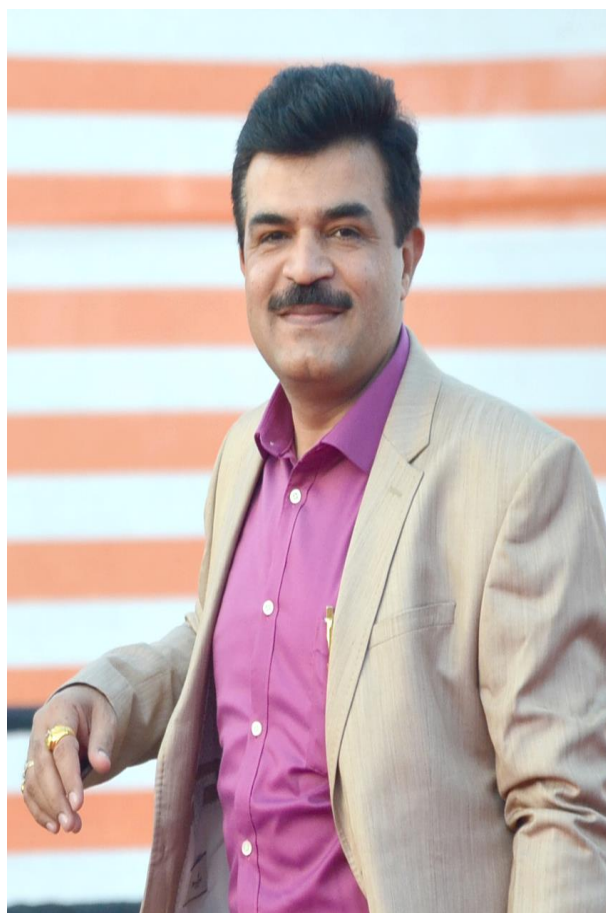
HARI SANSKRUTI II

1 & 2 BHK BUDGET HOMES

NASHIK ROAD - (E)

Maha Rera Reg. No.: P5160000551

CHAIRMAN'S MESSAGE



TOWARDS A SUSTAINABLE TOMORROW

Dear Shareholders,

I write to you at a time when the worst of the pandemic seems to be behind us, even though spurts in COVID-19 cases continue emerging, which gives us reason to continue to follow hygiene protocol and practise caution. After a 3.5% contraction in 2020, the world's real GDP rebounded at an estimated 5.6% in 2021, reaching a new high in the first quarter. The Indian economy too, overcame the pandemic's headwinds. The improved economic performance was the result of rapid vaccinations, relaxation in curbs caused by the pandemic, massive fiscal support, revival of consumer spending and improved business activity. India's GDP is estimated to have expanded 8.7% in FY 2021-22

against a contraction of 6.6% in FY 2020-21.

As we worked through FY 2021-22, Passion, Purpose and Progress – are the 3 core principles that steered our momentum and guided KBC Global limited (Previously known as Karda Constructions Limited) in maintaining its firm vision on long-term value creation.

I am proud that your Company and its employees have played a significant role in minimizing the impact of the pandemic. In moments of extreme distress, our strong sense of purpose ensured that we heeded the call of duty toward humanity.

Notwithstanding the hardships faced, your Company reported good performance registering substantial growth across both operating and financial metrics. COVID-19, on the one hand, has been a stressful experience for everyone, but on the other hand, it has also changed the consumer outlook toward home ownership. India's housing needs are immense, and the demand for quality and bigger homes with self-sufficient social ecosystems has never been this strong.

The trend that started last year continues to gain ground and is expected to hold for the foreseeable future. By virtue of being the largest residential real estate player, your Company was able to capitalize on this trend very early by innovating products tailored to meet evolving needs of the consumer. Similarly, the pace of digitisation of the economy has accelerated on the back of disruptions posed by the pandemic, throwing up immense opportunities for us in our fledgling digital businesses.

The Company achieved Net Revenues for the year 2021–2022 at Rs. 10164.52 lakhs (including Rs. 967.28 lakhs by way of other related business) as against Rs. 12882.72

lakh (including Rs. 753.56 lakh by way of other related business) in the previous year.
Net Profit of the company stands at Rs. 1725.34 lakhs.

We remain optimistic about the demand for housing, which is well poised even after considering global challenges. We believe we are just at the beginning of the multi-year growth journey of the Indian housing market. On the back of rising incomes and improving demography, the industry has the potential to grow 3 to 4 times over the next decade.

On behalf of the entire team I would like to thank our valued customers, shareholders, suppliers, business associates bankers and all other stakeholders for the confidence they have reposed in our Company. I seek the encouragement and support of all stakeholders for our future endeavors.

Thank you
With best wishes

Naresh Karda
Chairman & Managing Director

BUSINESS ENVIRONMENT

Global Economic Outlook

Global growth is projected at 6% in 2021 moderating to 4.4% in 2022. The projections for 2021 and 2022 are stronger than in the October 2020 WEO. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility. High uncertainty surround this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine powered normalization, and the evolution of financial conditions.

The Global Economy is projected to grow by 6.0 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 WEO, but with offsetting revisions. prospectus for emerging market and developing economies have been marked down for 2021, especially for emerging Asia. By contrast, the forecast for advanced economies is revised up. these revisions reflect pandemic developments and changes in policy support. The 0.5 percentage point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly across the group.

Global Growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022 half a percentage point lower for 2022 than in the October World economic outlook (WEO), largely reflecting forecast

markdowns in the two largest economies. A revised assumptions removing the Build Black Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage points downgrade. Global growth is expected to slow to 3.8 percent in 2023.

The global real estate market is expected to grow from \$3386.11 billion in 2021 to \$3741.06 billion in 2022 at a compound annual growth rate (CAGR) of 10.5%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$5388.87 billion in 2026 at a CAGR of 9.6%.

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is

forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

India Economic

India's economy is expected to grow by 8.2% in the current fiscal year 2022-2023, sharply slower than the international Monetary fund's earlier forecast of 9% as the impact of Russia's invasion of Ukraine weighs heavily on prices and disruption of supply chains. In its latest World Economic Outlook (WEO) report, the IMF forecast India's economy to grow by 6.9% in 2023-24. The latest GDP growth forecast for India is still higher than the Reserve Bank of India's (RBI) estimates of 7.2% for 2022-23. The central bank had earlier lowered its growth estimate from 7.8%, citing the impact of the war in Ukraine and breakdown of supply chains. The finance Ministry had earlier estimated the economy to grow in the 8%-8.5% range in 2022-23.

As such, external positions are generally expected to deteriorate particularly for net oil importers. Notable downgrades to the 2022 forecast include Japan (0.9%) and India (0.8%) reflecting in part weaker domestic demand as higher oil prices are expected to weigh on private consumption and investment and a drag from lower net exports, according to the WEO.

India however, will retain, its tag as the fastest growing major global economy but it faces severe headwinds.

Real Estate Sector Industry

The global real estate market is expected to grow from \$3386.11 billion in 2021 to \$3741.06 billion in 2022 at a compound annual growth rate (CAGR) of 10.5%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$5388.87 billion in 2026 at a CAGR of 9.6%.

Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 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.

Market Size

Strong and positive momentums are expected to continue prevailing in Indian real estate in FY 23, backed by the solid structural foundation, gain in demand, and lowered home loan rates. By all means, FY 23 will be the fiscal year the industry has been hoping for long. The upswing in the market will also stem from a favorable economic outlook. Most of the rating agencies have estimated the growth of India in the comfortable range of 8-9%. The surge in commercial activities alongside a rise in the job market and income levels will naturally translate into increased housing demand.

In FY 23, the growth juggernaut will continue. Interestingly real estate in Tier 2 and 3 markets will also climb fast. Sustained infrastructure investments, increased connectivity, and better job opportunities will be fuelling real estate in smaller cities and towns in India. Already metro and suburban transit systems are taking shape in cities such as Lucknow, Kanpur, Agra, Patna, Cochin, etc, which will boost real estate demand. Under UDAN new airports are built, which will foster regional economic growth and help the realty sector considerably.

Real estate markets across India have shown resilience and succeeded in maintaining their position in exceptional years hurt by pandemics and blockades. While the housing sector showed a strong recovery throughout, the commercial real estate showed more stability in late 2021. The residential segment achieved unprecedented growth, with sales up 51 percent year-on-year, reaching 232,903 units among the top eight cities in the country.

Knight Frank India reported that new homes launched in 2021 also increased 58 percent to 232,382 units. It was mixed for the commercial office segment. Although the rent volume was recorded at 38.1 million, it remains at the same level as in 2020, clearly showing the market potential in terms of leasing.

Owing to the pent up ready inventory, the real estate prices are expected to rise gradually. The potential homebuyers who were waiting for the pandemic to get over are keen on investing in the real estate sector and considering the prices are still reasonable with developers are offering great discounts to serious buyers. Moreover, the continued push of the Indian government on the affordable real estate sector is driving the demand further.

Naturally, this demand will aid in solid sales for both the real estate sector across India in 2022-23.

If the latest data compiled by the real estate consulting firm Cushman and Wakefield is referred to, the net office absorption is expected to rebound strongly, at 30-35 percent, and will reach up to 29-31 million sq ft (MSF) by the end of 2022. Owing to the resumption of office activities, the fresh supply could reach 45-46 MSF in 2022 alone. These are very positive signs of a recovering and resurgent real estate sector across India.

The Union Budget 2022 - 2023 announced the allocation of Rs. 48,000 crores for the Pradhan Mantri Awas Yojana (PMAY), which is 75% higher than the Rs. 27,500 crore budget allocation made in the previous financial year. Around 80 lakh homes are expected to be completed by 2023.

While market recovery remains on track, it will not be a straight line across the asset classes, as each finds it is next to normal. "The office sector is likely to clock a 30-35% y-o-y growth in net absorption levels in 2022 but will remain much below the highs of 2019. The residential segment is expected to reach pre-covid quarterly sales volumes in 2022 and given the strong momentum may also match the pre-demonetisation quarterly sales in the latter half of 2022,".

Investments

Every year, the announcement of the Union Budget gives rise to a lot of discussions on media. Finance Minister (FM) Nirmala Sitharaman presented the Union Budget 2022-23 to Parliament on Tuesday 1st, Feb 2022. It is the 10th Budget under Narendra Modi Ministry and the 4th Budget presented by FM. Also, it is the second Digital Budget that has been declared after

the Pandemic. The Union Budget 2022-23 focuses heavily on digitization, urban development, and sustainability.

Rs 48,000 crore is allocated to the Pradhan Mantri Awas Yojna (PMAY). Placing focus on bringing transparency in the realty sector as well as affordable housing for everyone will play a crucial role in providing a much-needed boost to this industry. Also, it is the main highlight in the budget for the sector. This allocation will help create opportunities for jobs in all the related sectors. Connectivity has always helped real estate. As road construction gets augmented with the construction of national highways, the industry is likely to benefit. After a challenging period induced by the pandemic, the real estate sector was hoping for more fiscal and policy support. This will now contribute significantly to the creation of 60 Lakh jobs by the government and the big target of \$5 trillion.

The Increasing housing demand, opening & reopening of more offices, and the government's push towards the affordable housing segment are all together helping in a significant recovery.

Fresh launches

Across India, the real estate sector has shown us enough resilience and gracefully maintained its position in challenging years that were hurt by the pandemics and blockades. Meanwhile, the residential & housing sector showed a solid bounce-back throughout these years.

Very Low Prices

As so many homes on the market haven't been sold yet, prices are likely to rise slowly. People who wanted to buy a home but were waiting for the pandemic to end are now interested in investing in real estate. Prices are still reasonable, and developers are giving serious buyers big

discounts. The Indian government's continued focus on the affordable housing market also drives up demand. This demand will lead to strong sales in India's real estate market in 2022 and 2023.

Government Push

Considering the problems caused by the pandemic, the Indian government is refocusing its efforts on the mission of "Housing for All." The fact that the government recently extended the Pradhan Mantri Awas Yojana (Gramin) program until 2024 shows that it will continue to help people. Also, the focus of the exchequer on tier-II and tier-III cities has given real estate developers more confidence to start new projects in these cities. This will increase the demand for housing by a huge amount.

With the Credit Linked Subsidy Scheme, it's easier for people from economically weaker sections to buy a home, which will help the real estate market recover strongly in 2022 and 2023.

Together, the increasing demand for housing, the reopening of offices, and the government's help for affordable housing contribute to a strong recovery of the real estate market in India. The Indian real estate market will start to get better in 2022 and 2023.

OPPORTUNITIES

Robust Demand

According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.

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

Organised retail real estate stock is expected to increase by 28% to 82 million sq. ft. by 2023.

Attractive Opportunities

As per ICRA estimates, Indian firms are expected to raise >Rs.3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.

Private market investor, Blackstone, which has significantly invested in the Indian real estate sector (worth Rs. 3.8 lakh crore (US\$ 50 billion)), is seeking to invest an additional Rs. 1.7 lakh crore (US\$ 22 billion) by 2030.

Policy Support

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

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 Rs. 23,946 crore (US\$ 3,241 million) across 19 deals in Q4 2021.

Increasing Investment

In the first-half of 2021, India registered investments worth US\$ 2.4 billion into real estate assets, a growth of 52% YOY.

Construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development & activities) stood at US\$ 52.48 billion between April 2000 to December 2021.

THREATS

Buying Vs Investing

Personal finance experts say since prices have been stagnant for the past five years, the time-value of owning a home is good. However, most experts were not in favour of buying a second home for investment purposes, as residential properties are low income yielding assets.

Low Return in Investment

Though chances of increase in real estate prices are high, yet experts are mostly advising against committing a large sum in real estate for the purpose of investment. They argue the returns from investment in real estate might be limited. "I wouldn't recommend buying a house for investment purposes as the return might not be very high, plus there will be maintenance costs and if one wants to sell it isn't as liquid as you'd want your investment to be," says Shweta Jain, CFP, Author, Founder Investography.

Cost Overruns

Real estate development can be highly lucrative, but profits can quickly erode due to cost overruns. From fluctuating labor and material costs to unexpected snags and change orders, budgets can be blown. The developer takes all the risk of cost overruns, and the best way to avoid them is to over-budget in the first place by adding a buffer of 10% to 20%. It's also a good idea to add an extra 10% or 15% in time for each project stage to account for inevitable delays.

Misreading the Real Estate Market

In the real estate development world, it can be a costly mistake to assume "If I build it, they will come." Developers should pursue projects driven by current market needs—not by hoping to create a need. To get a

good read on the market, developers evaluate the trade area and a wide variety of factors, including economic, educational, employment, and environmental considerations.

Design Defect losses

Architects generally maintain professional liability insurance to protect against mistakes like specifying the wrong type of concrete or miscalculating a structural load. However, the losses caused by design errors can far exceed policy limits, especially where significant construction projects (e.g., \$50+ million) are concerned. That means the developer could end up bearing a devastating loss.

Job Site Risks

Construction sites are inherently risky, and those hazards need to be identified and evaluated. Appropriate safety plans and procedures need to be put in place. According to the Occupational Safety and Health Administration (OSHA), the fatal injury rate for the construction industry is higher than the national average for all other industries. The most common injuries are:

Falling, Slipping and tripping, Airborne and material exposure, "Struck-by" accidents (when a worker is hit by a vehicle, falling object, or flying object), Excessive noise, Vibration-related injuries, Scaffold-related injuries, Electrical incidents, Burns, Material handling.

The Bottom line

Real estate development isn't for the faint of heart. While projects can be rewarding and yield impressive returns, developers face numerous challenges from start to finish. The most successful real estate developers are the ones who know how to

acknowledge, plan for, and reduce those risks.

SEGMENT-WISE PERFORMANCE

During the year the revenue from real estate segment stood at ₹ 3362.59 Lakhs as compared to ₹7683.78 Lakhs for FY 2021-2022.

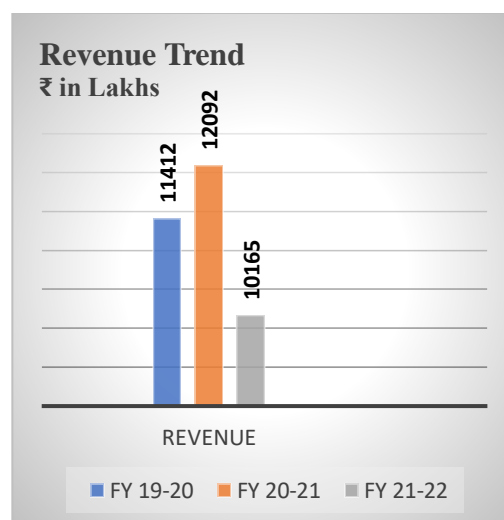
During the reporting period the income earned from services provided by company was ₹ 1025 Lakhs as compared to income of ₹ 890.52 Lakhs of FY 2021-2022.

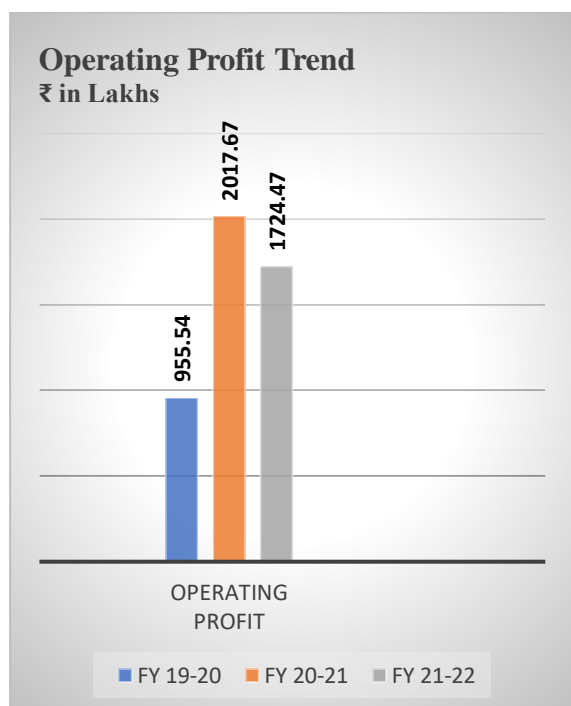
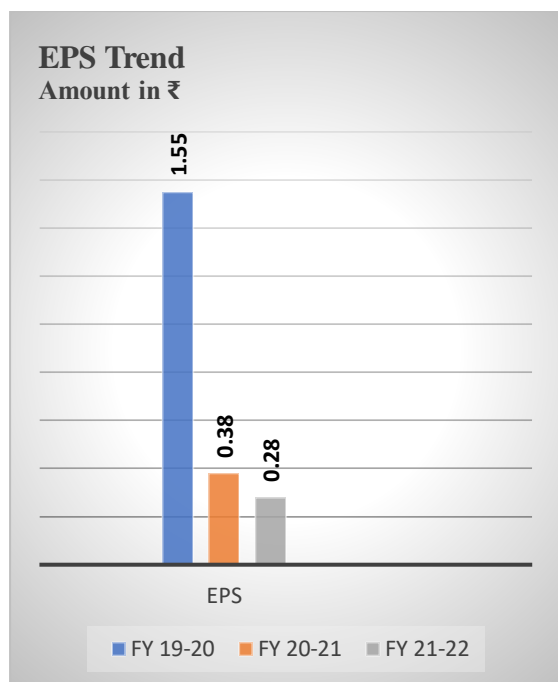
HUMAN RESOURCES DEVELOPMENT

The Company had 68 permanent employees as on March 31, 2022 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 2021-2022 | FY 2020-2021 | Explanations |
|----------------------------|--------------|--------------|---|
| Trade Receivables Turnover | 1.58 | 3.05 | Revenue from operations were reduced during the year and Trade Receivables were increased due to the unbilled revenue component of civil works contracts. Hence, this ratio was declined. |
| Current Ratio | 3.23 | 2.91 | Current liabilities paid out during the year therefore there is increase in Current ratio |
| Net Debt Equity Ratio | 0.64 | 0.75 | Bonus shares issued during the year therefore there is increase in equity capital. |
| Net Profit Margin % | 0.15 | 0.15 | No change |
| Return on Net Worth % | 27.41 | 34.52 | Change in equity is due issue of Bonus shares during the year therefore there RONW ratio is decreased. |

OUTLOOK

India's real estate sector is witnessing a healthy increase in demand in 2022 and this momentum is expected to hold for the rest of the year. From commercial spaces to the residential market, the overall market outlook is a bright one for the real estate industry. FY2021-22 was an exciting year for the real estate sector and company as well wherein we witnessed second wave led demand deferment in the first quarter, followed by a brisk sales recovery in the later part of the year. Post-pandemic, developers have moved away from the traditional way of doing business and rightly focused on end-user customer demand with a strong focus on innovation and digital transformation. We believe FY2022-23 will witness a healthy sales momentum backed by solid structural foundation, sustained demand and relatively affordable mortgage rates. Financially strong and reputed developers with superior execution capabilities stand to benefit disproportionately from the ongoing cyclical upturn. Despite the volatility we expect the performance to continue in FY2022-23, given our exciting pipeline and execution expertise. We look forward to adding a large number of projects to our portfolio in FY2022-23, which is amongst our top priorities and which will enable us to grow rapidly going ahead. In the past year, the real estate index has risen by 75% and is the second-best performing sector index, largely beating the benchmark index Nifty50. Bolstered by historically-low loan rates and temporary stamp cuts, the real estate has not only made a comeback but is expected to flourish in the year to come.

2022 A SIGNIFICANT YEAR FOR REAL ESTATE

The real estate sector in India is set to experience around 5% capital value growth in 2022 in the residential segment. Certain projections state that the sales momentum is expected to increase in 2022 as prospective

homebuyers will continue to prefer bigger homes, better amenities and attractive pricing will keep them interested in sealing the deals. Meanwhile, as work resumes in offices, the recovery in the commercial sector and flight-to-quality trend is expected to keep rents stable to increase in 2022. Additionally, the luxury housing market is poised to touch new heights in the coming year.

THE BUDGET EFFECT

A number of initiatives have been undertaken by the Government of India with the hope of incentivizing real estate purchases. The announcements made in the Union Budget 2022-2023 will help in creating a thriving atmosphere in the real estate sector. The government continues to prioritize the affordable housing segment and parallelly looking at ways to strengthen the existing financing systems to provide liquidity to stuck real estate projects. In the first week of December, the Government of India extended the deadline to provide pucca houses to all families in rural India to 2024. The Cabinet decided that the flagship rural scheme, Pradhan Mantri Awas Yojana-Gramin will be provided INR 2.17 lakh crore in additional Central and State funding to achieve its target of building 2.95 crore houses. The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) has announced that it will be keeping the repo rate and reverse repo rate unchanged for the tenth consecutive time.

CONTINUING GROWTH

NITI Aayog expects that the Indian real estate sector will reach a market size of \$1 trillion by 2030 and will account for 13 per cent of India's GDP by 2025. Already the third-largest sector to bring about economic growth, the real estate industry is expected to continue its upward trajectory in 2022.

DIRECTORS REPORT

To,
The Members

Your Directors have pleasure in presenting the 15th Annual Report together with audited statement of accounts of the Company for the year ended on 31st March 2022.

FINANCIAL HIGHLIGHT

The financial performance of your Company for the year ended March 31, 2022 is summarized below: -

(Amounts in Lakhs)

| Particulars | 2021-2022 | 2020-2021 |
|--|----------------|----------------|
| Total Revenue | 11,131.80 | 13636.29 |
| Total Expenses | 7289.12 | 9377.29 |
| Earnings before interest and tax | 3842.67 | 4258.99 |
| Finance Cost | 1,430.47 | 1455.52 |
| Depreciation | 12.45 | 10.87 |
| Profit Before Tax | 2399.76 | 2792.60 |
| Exceptional Items-Loss by fire | - | - |
| Tax Expenses: | | |
| Current Tax | 664.29 | 760.50 |
| Deferred Tax | 2.89 | 6.34 |
| Net Profit for the Period | 1732.57 | 2025.77 |
| Items that will not be subsequently reclassified to profit or loss | (8.10) | (8.10) |
| Total Comprehensive Income for the period | 1724.47 | 2017.67 |
| Earnings per share (EPS)*(Face value of ₹ 1 each) | | |
| Basic EPS | 0.28 | 0.33 |
| Diluted EPS | 0.28 | 0.33 |

Standalone Financial Statements

During the Financial Year 2021-2022, revenue from operations is ₹10,164.52 Lakhs as compared to ₹ 12882.72 Lakhs during the previous year. Profit after tax for the financial year is ₹ 1724.47 Lakhs as compared to profit of ₹ 2017.67 Lakhs of previous year.

The financial statements of the Company for the year ended 31st March, 2022 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 Subsidiary company 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 applicable and forms the part of this Annual report.

Reserves

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

Dividend

The company declared and paid 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 with that the total dividend for the Financial Year 2020-21 was ₹0.10/- per share (i.e. 5%).

The company did not declare any dividend for financial year 2021-2022.

There has been no transfer of unclaimed or unpaid dividend to investor education and protection fund, as there are no unclaimed or unpaid dividends.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure requirements Regulations, 2015 (“Listing Regulations”) the dividend distribution policy is not applicable on the company.

Deposits

The company has neither accepted nor renewed any deposits under chapter V of the Companies Act, 2013. Also, there are no deposits which remained unpaid or unclaimed as at the end of the year. The question of default in repayment of deposits or payment of interest thereon did not arise during the year. There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

BUSINESS AND OPERATIONS

Business Overview

Company achieved the moderate sales in its history in FY2021-22 despite the industry just recovering from the pandemic. This was driven by innovative efforts such as an increased focus on digital sales, attractive product propositions as well as building on customer trust. Company achieved a sales volume of 1.52 lakhs square feet and booking value of ₹ 55.18 crores in FY 2021-22.

On the operational front, company successfully delivered possession of 73 units with area of approx. 75,470 sq.ft across company’s 18 on going projects. In past five years company has successfully given possession of approximately 711 units. The Company’s delivery record demonstrates its ability to operate at a large scale and keep pace with accelerating sales.

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 73 units of its 18 ongoing residential and residential cum commercial projects.

Company has earned income of ₹1025 Lakhs from project management services.

Subsidiaries, Associate Companies, Joint Venture Companies

During the reporting period the company has incorporated a Wholly-owned Subsidiary in Dubai under the name and style ‘KBC Global – FZCO’ on 22nd December, 2021, to carry out related business operations and expansion of business. Further, there are no companies which have ceased to be subsidiaries, associate companies or joint venture companies during the financial year.

CHANGE OF NAME

During the reporting period members of the Company have approved change of name of the company from Karda Constructions Limited to KBC Global Limited. The Registrar of Companies, Mumbai has approved name change application and the name of the company stands changed from 14th September, 2021. Upon the registration of Special Resolution Clause, I of the Memorandum of Association had stands amended.

ALTERATION OF OBJECT CLAUSE 3RD (A) OF THE MEMORANDUM

Pursuant to Section 13(9) of the Companies Act, 2013 and other applicable provisions

of the Companies Act, 2013 the main object clause of the company had changed as follows:

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.

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.

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.

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.

SHARE CAPITAL RELATED MATTERS

Share Capital

At present the Authorised Share capital of the company is ₹75,00,00,000/- (Rupees Seventy Five Crores Only) comprising of 75,00,00,000 (Seventy Five Crores) equity shares of ₹1/- each (Rupee One Only). While the paid up share capital of the company is ₹ 61,50,00,000/- (Rupees Sixty One Crores Fifty Lakhs) comprising of 61,50,00,000 (Sixty One Crore Fifty Lakhs) equity shares of ₹ 1/- each (Rupee One Only).

ALTERATION OF CLAUSE V OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

During the year company has altered clause V of the Memorandum of Association as follows: The Authorized Shares Capital of the Company is ₹75,00,00,000/- (Rupees Seventy Five Crore only) divided into 75,00,00,000 (Seventy Five Crore) Equity Shares of ₹ 1/- (Rupee One only) each.’

SUB-DIVISION OF FACE VALUE OF EQUITY SHARES

With the approval of members, the face value of the equity shares was sub divided from per equity share of ₹ 2/- each to ₹ 1/- each via E-Voting and Remote E-voting w.e.f. August 7th,2021.

KBC Global 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.

BOARD 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 provisions of second proviso to sub-section 1 of Section 149 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 and Section 149(6) read with section 161(1) of the companies act the company has appointed Mrs. Ziral Pankajkumar Soni

(DIN:09213763) as an Additional Women Non-Executive Independent director on the board with effect from October 25th, 2021.

Independent Directors

Following are the Non-Executive Independent directors appointed 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:

| Name | DIN |
|-----------------------------|------------|
| Mrs. Ziral Pankajkumar Soni | 09213763 |
| Mr. Rahul Kishor Dayama | 07906447 |
| Mr. Sandeep Ravindra Shah | 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 term of Mr. Rahul Kishor Dayama of five years ended in August 30th, 2022, the disclosure in the board's report regarding reappointment by passing special resolution is provided as an annexure in notice for Annual General Meeting.

In compliance with the rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Indian Institute of Corporate Affairs and have passed the proficiency test as per Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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, Mr. Devesh Karda, Director (DIN: 09053865) 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 and Remuneration Committee, have recommended the re-appointment of Mr. Devesh Karda, Director (DIN: 09053865), Director retiring by rotation. The Notice convening the Annual General Meeting includes the proposal for re-appointment of Mr. Devesh Karda, Director (DIN: 09053865), as a Director.

A brief profile of Mr. Devesh Karda, Director (DIN: 09053865), has been provided as an Annexure to the Notice convening the Annual General Meeting. Specific information about the nature of Mr. Devesh 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.

RESIGNATION OF DIRECTORS

During the year Mrs. Disha Naresh Karda resigned from the post of Director as per the provisions of section 168 of the company's act, 2013 with effect from October 11th, 2021 and same is accepted by the board. The board places on record their appreciation for assistance and guidance by Mrs. Disha Karda during her tenure as Director of the company.

Further Mrs. Shweta Tolani has resigned from the Board of directors as per the provisions of section 168 of the company's act, 2013 with effect from October 25th, 2021 and same is accepted by the board. The board places on record their appreciation for assistance and guidance by Mrs. Shweta Tolani during her tenure as Director of the company.

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 2021-22. 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, 2022 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:

- such internal financial controls are adequate and were operating effectively.
- i. In the preparation of the annual accounts for the financial year ended 31st March, 2022 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, 2022.
 - 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
 - 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 2021-2022.

KEY MANAGERIAL PERSONNEL

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

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. Ziral Pankajkumar Soni | Additional 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, 2022.

The auditor has not mentioned any disputes pending with revenue authorities in the audit report:

(Amt 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 (Appeals) |

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, 2022 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 gap between date of declaration and record date for bonus issue. The board have taken the note of the same and paid the fine imposed by the respective stock exchanges. And no inclusion of certificate from a practicing chartered accountant stating compliance with conditions provided in sub regulation 45 (1) in explanatory statement to the notice of AGM in which name change. The company has duly complied the same. Further there was delay in obtaining D & O Insurance.

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 2022-2023. In terms of Rule 14 of the Companies (Audit and auditors) Rules, 2014, the remuneration payable to the Cost Auditors for financial year 2022-2023 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.

Appointment of Secretarial Auditor

Based on the recommendations of the Audit Committee, the Board of Directors re-appointed Mrs. Gajara Shah (Mem No. 37875, COP No 22522) of M/S G K Shah & Associates, Practicing Company Secretary as the Secretarial Auditor of the company for the financial year 2022-2023.

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 behavior, 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 behavior. 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.

No complaints were received by the Company during the year under review.

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 2021-2022 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'.

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 2021-22 are detailed in the Notes to Accounts of the Financial Statements.

Further, during the year under review, material contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, to be mentioned in Form AOC- 2 in terms of Section 134 of the Companies Act, 2013 and the rules made thereunder is not applicable.

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
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.

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.

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 utilization 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 KBC GLOBAL LIMITED
(Formerly Known as KARDA CONSTRUCTIONS LIMITED)**

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

(Authorised to sign and serve vide Board Resolution dated 08.09.2022)

Date: 8.09.2022

Place: Nashik.

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

ANNEXURE I
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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
KBC Global Limited
(Formerly Known as Karda Constructions Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KBC Global Limited [Formerly Known as 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, 2022 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, 2022 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; (Not applicable during the period under review)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt

Securities) Regulations, 2008; (Not applicable during the period under review)

- (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; (Not applicable during the period under review)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the period under review)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review) and
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We have also examined compliance with applicable clauses of the following

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

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

1. Record date for the Bonus issue and Sub-Division of shares are not in compliant with Regulation 42(3).
2. The Company in its annual general meeting notice dated 16th July, 2021, has not attached certificate from a practicing-chartered accountant stating compliance with conditions provided in sub regulation 45 (1).

However, the Company has taken fresh approval for Name change by calling extra ordinary general meeting to make the same compliant with Regulation 45 of SEBI LODR Regulations.

3. The Company has taken the Directors and Officers insurance ('D and O insurance') after the stipulated time.
4. The Company has made delay in deposit of dividend amount in separate bank account and 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 Special Businesses were approved by the Members in Annual General Meeting of the Company held on August 07, 2021:

- Ratification of remuneration payable to the Cost Auditors, M/s. C Y & Associates for the Financial Year 2021-2022;
- Sub division of equity shares of the Company from Rs. 2/- to Rs. 1/-;
- Alteration of Clause V of the Memorandum of Association of the company;
- 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;
- Issue of Bonus Shares in the ratio of 4:1;
- Change of Name by the Company;
- Substitution of main Object Clause of the Company;
- Re-appointment of Mr. Naresh Karda as Chairman & Managing Director of the Company;
- Re-appointment of Mr. Manohar Jagumal Karda as Whole-Time Director of the Company;
- 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.

- 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 Rs. 14,00,00,000/- (Rupees Fourteen Crore only) divided into 7,00,00,000 (One Seven only) Equity Shares of Rs. 2/- (Rupee Two only) each.

The following items were approved by the Members in Extra Ordinary General Meeting of the Company held on November 13, 2021:

- To appoint Mr. Devesh Naresh Karda (DIN: 09053865) as a Director of the Company, who has been appointed as an Additional Director;
- To ratify the change of name by the Company.

For, G K Shah & Associates

Gajara Shah

Company Secretary in practice

ACS No.: 37875

C P No.: 22522

PRC : 1723/2022

UDIN: A037875D000931086

Place: Mumbai

Date: 07.09.2022

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
KBC Global Limited
(Formerly Known as 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. In respect of laws, rules and regulations other than those specifically mentioned in our report above, we have limited our review, analysis and reporting up to process and system adopted by the Company for compliance with the same and have not verified detailed compliance, submissions, reporting under such laws etc. nor verified correctness and appropriateness thereof including financial records and books of accounts of the Company.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
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
PRC : 1723/2022
UDIN: A037875D000931086
Place: Mumbai
Date: 07.09.2022

ANNEXURE II

EXTRACT FROM NOMINATION AND REMUNERATION POLICY

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

Director of the Company if he / she has attained the age of seventy years.

A. Eligibility or Criteria for Appointment

Independence

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

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

- 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 31.03.2022 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 | Rahul Dayama | Non-Executive-Independent Director, | 4 | 4 |
| 2 | Naresh Karda | Chairman & Managing Director | 4 | 4 |
| 3 | Devesh Karda | Executive Director | 4 | 2 |

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 ₹) |
|--------|----------------|--|---|
| 1 | 2021-22 | 324,215 | 0 |

Average net profit of the company for last Three Financial Years (Section 135(5)): ₹139185111/-

Prescribed CSR expenditure: ₹ 2783702 /- (2% of Average Net Profit)

Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: ₹ 27,83702/-
 - Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
 - Amount required to be set off for the financial year, if any: ₹ 324,125/-
 - Total CSR obligation for the financial year (a+b-c): ₹ 2459550/-.
- Total amount spent during the financial year: ₹ 32,56,000/-.
 - Amount unspent: NIL

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 | 9 | 10 |
|--------|---------------------|---|---------------------|-------------------------|----------|-------------------------------------|---|--|-------------------------|
| 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 | ₹ 2,06,000/- | Yes | NA | |

| | | | | | | | | |
|----|----|---|-----|-------------|--------|---------------|-----|--|
| 2. | NA | Promoting Education among children and Women and Adult Literacy | Yes | Maharashtra | Nashik | ₹ 30,00,000/- | Yes | |
| 3. | NA | Creating Health Infrastructure for COVID-19 care | Yes | Maharashtra | Nashik | ₹ 50,000/- | Yes | |

Amount spent in Administrative Overheads: Nil

Amount spent on Impact Assessment, if applicable: NA

Total amount spent for the Financial Year: ₹ 32,56,000/-

Excess amount for set off, if any: Nil

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

| Sr. No | Preceding Financial Yea | 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. | 2020-21 | Not Applicable | | | | | |
| 2. | 2019-20 | | | | | | |
| 3. | 2018-19 | | | | | | |
| | 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: NA

For KBC Global Limited

Rahul Dayama
(DIN: 07906447)
Chairperson, CSR Committee
Date: 08.09.2022

Naresh Karda
(DIN: 01741279)
Chairperson & Managing Director
Place: Nashik

ANNEXURE IV

CERTIFICATE ON CORPORATE GOVERNANCE

To ,
**The members of KBC Global Limited
(Formerly Known as Karda
Constructions Limited)**

As requested by KBC Global Limited, Formerly known as 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 2022, 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 2022 to the extent applicable to the Company except the Company has taken the Directors and Officers insurance (‘D and O insurance’) after the stipulated time.

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
PRC : 1723/2022
UDIN: A037875D000931064
Date: 07.09.2022 Place: Mumbai

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, 20

- 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 2022.

| Sr. No. | Names of Directors | Designation | Ratio of Directors remuneration | % increase in the remuneration |
|---------|---------------------|------------------------------------|---------------------------------|--------------------------------|
| 1. | Mr. Naresh Karda | Managing Director | Nil | NA |
| 2. | Mr. Manohar Karda | Whole time Director | Nil | NA |
| 3. | Mr. Devesh Karda | Director | Nil | NA |
| 4. | Mr. Rahul Dayama | Non-executive Independent Director | 1.51 | NA |
| 5. | Mr. Sandeep Shah | Non-executive Independent Director | 0.81 | |
| 6. | Mrs. Ziral Soni | Non-executive Independent Director | 0.24 | |
| 7. | Mr. Liyakat Khan | CFO | 7.99 | NA |
| 8. | Mrs. Mayura Marathe | Company Secretary | 5.64 | 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 no increase in median remuneration of employees in the financial year 2021-2022.
- v. The number of permanent employees on the rolls of Company as on March 31, 2022 was 68.
- vi. Average percentile increase in the salaries of employees other than the managerial personnel during 2021-2022 was - 12.87%.
- vii. 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 2021-2022.
- ix. 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.

None of the employees drew 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.

**FOR AND ON BEHALF OF THE BOARD OF
KBC GLOBAL LIMITED
(Formerly known as 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 08.09.2022)

Date: 08.09.2022

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 KBC Global Limited
(Formerly Known as Karda
Constructions Limited)**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KBC Global Limited, having CIN L45400MH2007PLC174194 and having registered office at 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik - 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* |
|--------|------------------|----------|---------------------------------|
| 1 | Naresh Karda | 01741279 | 17/09/2007 |
| 2 | Manohar Karda | 01808564 | 10/10/2008 |
| 3 | Sandeep Shah | 06402659 | 16/02/2018 |
| 4 | Devesh Karda | 09053865 | 11/10/2021 |
| 5 | Ziral Soni | 09213763 | 25/10/2021 |
| 6 | Rahul Dayama | 07906447 | 30/08/2017 |

* the date of appointment is as per the MCA Portal.

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, 2022 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

ACS No.: 37875 C P No.: 22522

PRC : 1723/2022

UDIN: A037875D000930901

Date: 07.09.2022 Place: Mumbai

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 and the Company has complied with all the statutory and regulatory requirements as stipulated in the applicable laws.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders' expectations. Strong leadership and effective corporate governance practices have been the Company's hallmark inheritance from the Godrej group culture and ethos.

The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. It oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time is given herein below:

THE GOVERNANCE STRUCTURE

1. BOARD OF DIRECTORS

A. Board Structure

The Company has a balanced and diverse mix of Executive and Non-Executive Directors and the composition is in conformity with requirements under the Companies Act, 2013 ("the Act") and the Listing Regulations.

As of March 31, 2022, the Board of Directors of the Company consisted of 6 (Six) Directors drawn from diverse fields/ professions, which included 3 (Three) Executive Director and 3 (Three) Independent Non-Executive Directors including one women director.

The Independent Directors and the Managing Director are not liable to retire by rotation. The profiles of Directors can be found on [company's website ie www.kardaconstruction.com](http://www.kardaconstruction.com). Since the Chairman of the Board is an Executive Non-Independent Director of the Company, half i.e. 50% of the Board of the Company comprised of Independent Directors pursuant to the Listing Regulations, as on March 31, 2022. The day-to-day management of the Company is entrusted with the Executive Director and the Senior Management Personnel of the Company who function under the overall supervision, direction and control of the Board of Director.

The structure of the Board at the end of the reporting period is as detailed below:

| Sr. No. | Name of the Director | DIN | Designation |
|---------|----------------------|----------|------------------------------|
| 1. | Mr. Naresh Karda | 01741279 | Chairman & managing Director |
| 2. | Mr. Manohar Karda | 01808564 | Whole time Director |
| 3. | Mr. Devesh Karda | 09053865 | Executive Director |

| | | | |
|----|------------------|----------|---|
| 4. | Mr. Rahul Dayama | 07906447 | Non-executive independent Director |
| 5. | Mr. Sandeep Shah | 06402659 | Non-executive independent Director |
| 6. | Mrs. Ziral Soni | 09213763 | Additional Non-executive independent Director |

Board Membership Criteria and list of core skills / expertise / competencies identified in the context of the business:

| Name of the Director | Skills | | | |
|----------------------|---------------------|--------------------|------------------|----------------------------|
| | Strategy & Business | Industry Expertise | Market Expertise | Governance, Finance & Risk |
| Mr. Naresh Karda | √ | √ | √ | √ |
| Mr. Manohar Karda | √ | √ | √ | |
| Mr. Devesh Karda | √ | √ | √ | |
| Mr. Rahul Dayama | √ | | √ | √ |
| Mr. Sandeep Shah | √ | | √ | √ |
| Mrs. Ziral Soni | √ | | | √ |

B. Board Meetings Held and Directors' Attendance Record

The Board looks at strategic planning and policy formulation. It, therefore meets at least once every quarter to review the Company's operations and to consider, among other business, the quarterly performance and financial results of the Company. During the reporting period, the gap between any two meetings of the Board did not exceed 120 days. Further, the Company has adopted and adhered to the Secretarial Standards prescribed by The Institute of Company Secretaries of India and approved by the Central Government in relation to meetings of the Board and Committees constituted by it (SS-1) and in respect of general meetings of members(SS-2).

Consequent upon the relaxations granted by the Securities and Exchange Board of India

and Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, the meetings of the Board and the Committees during the reporting year, some were held through video conferencing/ other audio visual means.

The Board met Fifteen (15) times during FY 2021-22 on the following dates:

| | | |
|---------------|--------------------|------------------|
| April 1, 2021 | August 7, 2021 | October 25, 2021 |
| May 3, 2021 | August 17, 2021 | January 6, 2022 |
| May 31, 2021 | September 23, 2021 | February 1, 2022 |
| July 14, 2021 | October 11, 2021 | March 10, 2022 |
| July 16, 2021 | October 21, 2021 | March 30, 2022 |

Category and Attendance of Directors:

| 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 | 15 | - | - | - | - |
| Mr. Manohar Karda | Whole-Time Director | 15 | - | - | - | - |
| Mrs. Disha Karda | Executive Director | 9 | - | - | - | - |
| Mr. Devesh Karda | Executive Director | 6 | - | - | - | - |
| Mr. Rahul Dayama | Non-Executive Independent Director | 7 | - | 2 | - | - |
| Mr. Sandeep Shah | Non-Executive Independent Director | 7 | - | 2 | - | 1 |
| Mrs. Shweta Tolani | Non-Executive Independent Director | 11 | - | - | - | - |
| Mrs. Ziral Soni | Additional Non-Executive Independent Director | 4 | - | 3 | - | 2 |

*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 Fourteenth (14th) Annual General Meeting ('E-AGM') of the Company for the Financial Year ('FY') 2020-21 was held

on August 7, 2021 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 14th AGM.

All the Directors of the Company were present at the 14th AGM.

Shareholding of Directors as on March 31, 2022:

| Name of Director | Category | No of Shares held |
|-------------------|----------|-------------------|
| Mr. Naresh Karda | CMD | 15,77,00,000 |
| Mr. Manohar Karda | WTD | 51,040 |

Apart from the above, no Director holds any shares in the Company.

The Company has not issued any convertible instruments.

Apart from Mr. Naresh Karda, Chairman & Managing Director, Mr. Manohar Karda, Whole Time Director and Mr. Devesh Karda, 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.

Directors and Officers Insurance ('D&O')

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has taken D&O for all its Independent Directors for such quantum and for such risks as determined by the Board of Directors.

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 appraises 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.

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, Mrs. Shweta Raju Tolani (DIN: 07575484) resigned with effect from October 25, 2021.

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 1, 2022 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-II 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, 2022, 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 2021-22, Five (5) Meetings of the Audit Committee were held on the following dates:

- April 1, 2021
- May 31, 2021
- August 7, 2021
- October 25, 2021
- February 1, 2022

The gap between two Meetings did not exceed 120 days. Necessary quorum was

present for all the Meetings of the Committee.

| Name of the Member | Category | No. of Meetings held during tenure | No. of Meetings attended |
|--------------------|---|------------------------------------|--------------------------|
| Mr. Rahul Dayama | Non-executive Independent Director | 5 | 5 |
| Mr. Naresh Karda | Managing Director | 5 | 5 |
| Mrs. Shweta Tolani | Non-executive Independent Director | 5 | 4 |
| Mrs. Ziral Soni | Additional Non-executive Independent Director | 5 | 1 |

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 Auditor and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

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 eAGM held on August 7, 2021.

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:

- 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 2021-22, Six (6) Meetings of the NRC were held on the following dates:

- April 1, 2021
- May 31, 2021
- August 9, 2021
- October 11, 2021
- October 25, 2021
- February 1, 2022

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 Kishor Dayama | Non-Executive Independent Director, Charperson | 6 | 6 |
| Mr. Sandeep Shah | Non-Executive Independent Director, Member | 6 | 6 |
| Mrs. Shweta Tolani | Non-Executive Independent Director, Member | 6 | 5 |

| | | | |
|-----------------|---|---|---|
| Mrs. Ziral Soni | Additional Non-Executive Independent Director, Member | 6 | 1 |
|-----------------|---|---|---|

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, dematerialization 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 2021-22, Five (5) Meetings of the SRC were held on the following dates:

- April 1, 2021
- May 31, 2021
- August 09, 2021
- October 25, 2021
- February 1, 2022

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 Kishor Dayama | Non-Executive Independent Director, Chairperson | 5 | 5 |
| Mrs. Disha Karda | Executive-Director | 5 | 3 |
| Mr. Devesh Karda | Executive Director | 5 | 2 |
| Mrs. Shweta Tolani | Non-Executive Independent Director, Member | 5 | 4 |
| Mrs. Ziral Soni | Additional Non-Executive Independent Director, Member | 5 | 1 |

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 programmers.

The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmers, 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 2021-22, four (4) Meetings of the CSR Committee were held on the following dates:

- April 1, 2021
- July 16, 2021
- October 25, 2021
- February 1, 2022

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

Composition and Attendance

| Name of the Member | Name of the Member | No. of Meetings held during tenure | No. of Meetings attended |
|--------------------|---|------------------------------------|--------------------------|
| Mr. Kishor Dayama | Non-Executive-Independent Director, Chairperson | 4 | 4 |
| Mr. Naresh Karda | Executive Director, Member | 4 | 4 |
| Mr. Devesh Karda | Executive Director | 4 | 2 |
| Mrs. Disha Karda | Executive Director | 4 | 2 |

Risk Management Committee

Responsibility of the Board:

As per Section 134 (n) of the Act, The board of directors' report must include a statement indicating development and implementation of a risk management policy for the Company including identification of elements of risk, if any, which in the opinion of the board may threaten the existence of the Company.

Responsibility of the Audit Committee:

As per Section 177 (4)(vii) of the Act, the Audit Committee shall act in accordance with the terms of reference specified in

writing by the Board which shall, inter alia, include evaluation of internal financial controls and risk management systems.

Responsibility of the Independent Directors:

As per Schedule IV [Part II-(4)] of the Act, Independent directors should satisfy themselves that financial controls and the systems of risk management are robust

The Risk Management Committee of the Board is constituted in accordance with the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Risk Management Committee has been entrusted with the specific responsibility of reviewing and suggesting on various Risks associated with the business of the Company.

The scope of the Risk Management Committee also includes approving the Risk Management plans, reviewing the Risk Factors, formulation of annual action plans.

Objectives

Risk is an inherent aspect of the dynamic business environment. Risk Management Policy helps organizations to put in place effective frameworks for taking informed decisions about risks. To minimize the adverse consequence of risks on business objectives the Company has framed this Risk Management Policy. The guidance provides a route map for risk management, bringing together policy and guidance from Board of Directors.

Terms of Reference

1. To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically

faced by the listed entity, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risks as may be determined by the Committee.

- b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
 - d. Mechanism for monitoring the risks faced by the subsidiaries, which could culminate into a risk for the Company.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 5. To keep the board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 6. 6. to coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Meetings Held

| Name of the Member | Name of the Member | No. of Meetings held during tenure | No. of Meetings attended |
|--------------------------|---|------------------------------------|--------------------------|
| Mr. Naresh Jagumal Karda | Executive Director, Member | 2 | 2 |
| Mr. Kishor Rahul Dayama | Non-Executive-Independent Director, Chairperson | 2 | 2 |
| Mr. Devesh Naresh Karda | Executive Director | 2 | 2 |

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 CONVERTIBLES 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 2021-2022.

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

There were no such instances during the Financial year 2021-2022.

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.

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 **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) |
|---------|--|---|--|
| 2020-21 | Saturday, 7 th August, 2021, 12:30 PM | VC/OAVM Deemed Venue: 2 nd Floor, Gulmohar Status Above Business Bank, | Following Special Resolutions was passed: 1. Change of Name by the Company. 2. Substitution of main Object Clause of the Company. |

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 fees of the statutory auditor of the company for Financial year 2021-2022 were ₹ 4 Lakhs .

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.

| | | | |
|---------|--------------------------------|--|--|
| | | Samarth Nagar, Nashik-422005. | 3. Re-appointment of Mr. Naresh Karda as Chairman & Managing Director of the Company. 4. Re-appointment of Mr. Manohar Jagumal Karda as Whole-Time Director of the Company. 5. 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. |
| 2019-20 | Saturday, 26th 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). |
| 2018-19 | Saturday, 21st September, 2019 | BLVD Nashik at P20, Trambakeshwar Rd, MIDC, Sap-v.1, Nashik-42200. | No Special Resolution was passed |

Postal Ballot

During the year 2021-2022, there were no resolutions approved by shareholders of the company by means of Postal Ballot Pursuant to Section 110 of the Companies Act, 2013.

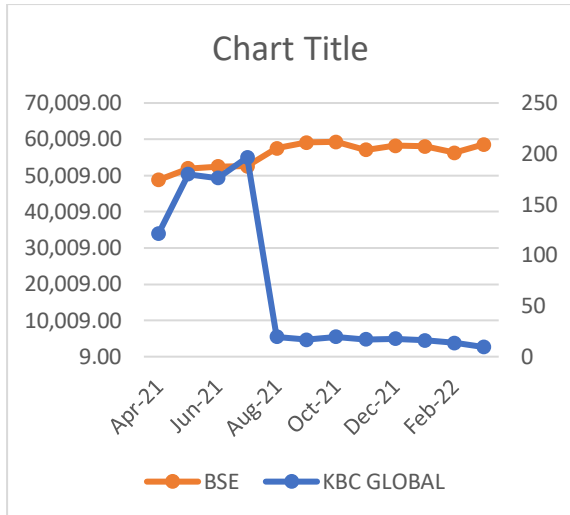
| | | | | |
|----------|-------|-------|-------|-------|
| December | 20.65 | 15.70 | 20.60 | 15.85 |
| January | 18.85 | 15.50 | 18.90 | 15.50 |
| February | 17.45 | 12.70 | 17.50 | 12.65 |
| March | 13.75 | 9.38 | 13.75 | 9.35 |

Market Price Data

| Month | BSE | | NSE | |
|-----------|--------|--------|--------|--------|
| | High | Low | High | Low |
| April | 134.95 | 109.35 | 132.70 | 108.35 |
| May | 193.10 | 116.20 | 192.35 | 116.10 |
| June | 194.00 | 170.00 | 194.35 | 167.00 |
| July | 204.00 | 168.15 | 203.05 | 166.00 |
| August | 219.05 | 19.25 | 218.30 | 19.40 |
| September | 20.30 | 15.25 | 20.20 | 15.25 |
| October | 23.75 | 16.35 | 20.20 | 15.25 |
| November | 21.80 | 15.90 | 20.20 | 15.25 |

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

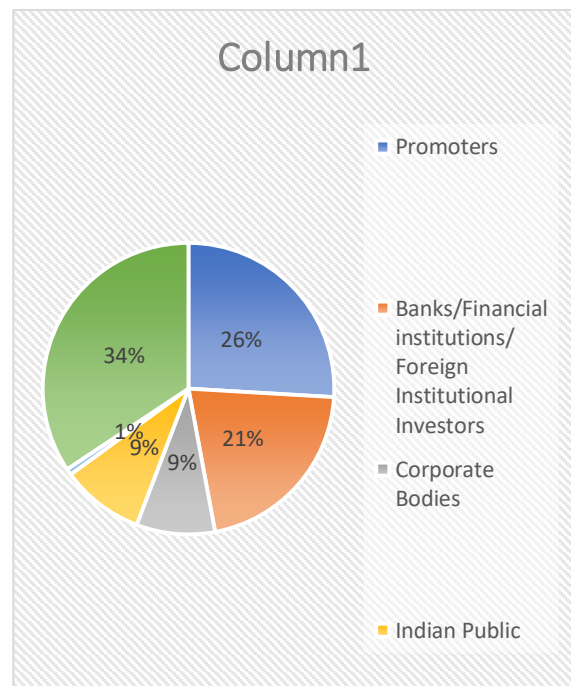
Chart below depicts the comparable movement of the Company's Equity Shares against BSE Sensex, during the year ended March 31, 2022.



| | | |
|---|-----------|-------|
| Central Government | 0 | 0 |
| Banks/Financial Institutions/Foreign Institutional Investors (FIIs) | 130034512 | 21.14 |
| Corporate Bodies | 53656133 | 8.72 |
| Indian Public | 56471400 | 9.19 |
| NRI | 4246681 | 0.69 |
| Others | 211140234 | 34.33 |
| Total | 615000000 | 100 |

| | | |
|--|----------|--|
| Share system | Transfer | 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, 2022. |
| Sub-divided share certificate in lieu of subdivided each Equity old certificates | | 100% shares are in demat form as on March 31, 2022 |
| Plant locations | | NA |

Shareholding pattern



Distribution of shareholding

| Category | No. of shares of ₹ 1/- each | % of shareholding |
|--------------|-----------------------------|-------------------|
| Promoters | 15,94,51,040 | 25.93 |
| Mutual Funds | 0 | 0 |

| Sr. No. | Category | No. of Shareholders | Total Shareholders (%) |
|---------|----------|---------------------|------------------------|
| 1 | 1-500 | 48667 | 65.44 |
| 2 | 501-1000 | 9937 | 13.36 |

| | | | |
|---|--------------|-------|-------|
| 3 | 1001-5000 | 12499 | 16.81 |
| 4 | 50001-10000 | 1739 | 2.33 |
| 5 | 10000 & more | 1529 | 2.06 |

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 NSE Parivartan (Digital Exchange) | Stock exchange intimations are electronically submitted to NSE through the NSE Electronic Application Processing System (NEAPS) and NSE Digital Exchange. |
| 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. |

| | |
|----------------------|---|
| 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, Nashik422005 |
| ISIN | INE278R01034 |
| Date and Venue of the Annual General Meeting (AGM) | Date: September 30,2022 Deemed 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 2021-2022 | For quarter ending June 30, 2021 – August 07,2021. For quarter ending September 30, 2021 – October 25,2021. For quarter ending December 31, 2020– February 02,2022. For year ending March 31, 2022 – June 07,2022. |
| Date of Book closure | September 23,2022 to September 30,2022 |
| Interim dividend payment date | Company has not paid interim dividend during the Financial year. |
| Final dividend payment date | Company has paid final dividend of ₹ 0.05/- per Equity share in September 2021 |
| Listing on stock exchange | Bombay Stock Exchange Scrip Code 541161; National Stock Exchange Symbol KBCGLOBAL |

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/investorsmaster/1528357531CSR%20POLICY-KCL.pdf |
| Vigil Mechanism | http://www.kardaconstruction.com/uploads/investorsmaster/1510048036WhistleBlower-Policy.pdf |
| Code of Conduct | http://www.kardaconstruction.com/uploads/investorsmaster/1551247762code |
| Nomination and Remuneration Policy | http://www.kardaconstruction.com/uploads/investorsmaster/1510049470NRP.pdf |
| Code of Conduct for Prevention of Insider Trading | http://www.kardaconstruction.com/uploads/investorsmaster/1510049408INSIDERTRADINGPOLICY.pdf |
| Policy on Related Party Transactions | http://www.kardaconstruction.com/uploads/investorsmaster/1510138076RELATEDPARTYTRANSACTIONPOLICY.pdf |
| Policy on Determination of Materiality of Events and Information | http://www.kardaconstruction.com/uploads/investorsmaster/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/investorsmaster/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 KBC Global Limited

NARESH KARDA
MANAGING DIRECTOR
(DIN: 01741279)

(Authorised to sign and serve vide Board resolution dated 08.09.2022)

MANOHAR KARDA
WHOLE TIME DIRECTOR
(DIN: 01808564)

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 2021-2022.

For KBC Global Limited

Naresh Karda
Chairman & Managing Director
DIN:01741279
Date: September 08,2022 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: 08.09.2022

INDEPENDENT AUDITORS' REPORT

To
The Members of
KBC Global Limited

(Earlier known as Karda Constructions Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of KBC Global Limited (“the Company”), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone 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.

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 2022, and its 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 SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

| The Key Audit Matter | How the matter was addressed in our audit |
|---|--|
| 1. Accuracy of revenue recognition, measurement, presentation and disclosures as per Ind AS 115 “Revenue from Contracts with Customers”. | |
| <p>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <p>Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the Company’s assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as a key audit matter.</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><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Evaluating that the Company’s revenue recognition accounting policies are in line with the applicable accounting standards; • Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer; • Identifying and testing operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers; • Identifying and testing operating effectiveness of key controls over recording of project costs; • Comparing the costs to complete workings with the budgeted costs and inquiring for variance; • Comparison of the estimated costs with the costing details as mentioned for registration of the projects with the Maha RERA website. |

2. Valuation of Inventories – Assessing the net realisable value

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.

Principle Audit Procedures

- Discussion with the management to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units (“the NRV assessment”);
- Evaluating the design and implementation of the Company’s internal controls over the NRV assessment. Our evaluation included assessing whether the NRV assessment was prepared and updated by appropriate personnel of the Company and whether the key estimates, including estimated future selling prices and costs of completion for all property development projects, used in the NRV assessment, were discussed and challenged by management as appropriate;
- Evaluating the management’s valuation methodology and assessing the key estimates, data inputs and assumptions adopted in the valuations, which included comparing expected future average selling prices with available market data such as recently transacted prices for similar properties located in the nearby vicinity of each property development project and the sales budget plans maintained by the Company;

3. Tax Assessments

Review, effect and presentation of completed tax assessments

Principle Audit Procedures

- Verification of details of completed tax assessments and demands as at 31 March 2022, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of account and financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the

accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 of 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 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities 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 the Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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**” to this report.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) 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 2022 on its financial position in its standalone financial statements - Refer Note 51 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been

advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”)

or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules,

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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

2014 contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year. However, the company has made the payment of dividend declared during the FY 2020-21, which was approved in the 14th AGM conducted on August 7, 2021.

h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

For Sharp Aarth & Co LLP

Chartered Accountants

Firm Registration No – 132748W / W-100823

CA Vipul Lathi

Partner

Membership No.134897

UDIN: 22134897AKLNMS8892

Place: Nashik

Date: 7 June, 2022

Annexure “A” to the Independent Auditor’s Report on Standalone Financial Statements of KBC Global Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

In terms of the information and explanations sought by us and given by

the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) 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) 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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment including investment properties are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment and investment properties were physically verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) In respect of Inventories**
- (a) The inventory, comprising of raw materials and finished goods, has been physically verified by the management during the year except for raw material stocks lying with the third parties. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. In respect of stocks lying with third parties at the year end, written confirmations have been obtained. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of

inventory. The Company's inventory also includes construction work in progress and entitlement to Transferable Development Rights, to which the requirements under paragraph 3(ii) of the Order are not applicable.

- (b) 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 been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are not in agreement with the books of account of the Company.

(iii) Loans granted

- (a) 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 made investments, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below. The Company has not provided any guarantee or security, to companies, limited liability partnership or any other parties during the year.

(INR in Lakhs)

| Particulars | Guarantees | Security | Loans | Advances in nature of loans |
|--|------------|----------|-------|-----------------------------|
| Aggregate amount during the year | | | | |
| - Subsidiaries | - | - | 5.89 | - |
| - Joint Ventures | - | - | - | - |
| - Associates | - | - | - | - |
| - Others | - | - | - | - |
| Balance outstanding as at balance sheet date | | | | |
| - Subsidiaries | - | - | 5.89 | - |
| - Joint Ventures | - | - | - | - |
| - Associates | - | - | - | - |
| - Others | - | - | - | - |

The Company has not provided any security or advances in the nature of loans to any other entity during the year.

- (b) According to the information and explanations given to us and

based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during

the year are, prima facie, not prejudicial to the interest of the Company.

- (c) 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 given any loans and advances in the nature of loans to any party during the year. Accordingly, provisions of clauses 3(iii)(c) to (f) of the Order are not applicable to the Company.

(iv) Loans, Investments, Guarantees and Security

According to the information and explanations given to us and on the basis of our examination of records of the Company, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) with respect of investments made and loans, guarantees provided by the Company. The Company has not provided any security in connection with a loan to any other body corporate or person and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

(v) Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of

the Order is not applicable.

(vi) Cost records

We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for 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 carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) 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 not 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 not 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.

- (b) According to the information and explanations given to us, 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 2022 for a period of more than six months from the date they became payable consists of:

| | | <i>(Rs.in Lakhs)</i> |
|---|---|----------------------|
| 1 | Provision for Income Tax (<i>Gross</i>) | 1,160.61 |
| 2 | TDS / TCS Payable | 215.20 |

- (c) 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 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

| Sr. No. | Tax Payable | Amount | <i>(INR in Lakhs)</i> | | | |
|----------------------------|---------------------------|---|-----------------------|--------------------|---------------------------------------|--|
| 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 (Appeals) | |

(viii) Undisclosed Income

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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the

requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) Repayment of Loans and Borrowings

- (a) 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 defaulted

in repayment of loans and borrowing or in the payment of interest thereon to any lender.

- (b) 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information

and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Act.

(x) Initial Public Offer/ Further Public Offer

- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) 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. Accordingly, clause 3(x) (b) of the Order is not applicable.

(xi) Fraud

- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of

Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) Nidhi Company

According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) a to c of the Order is not applicable.

(xiii) Related Party Transactions

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(i) Internal Audit System

- (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company

issued till date for the period under audit.

(ii) Non-cash transactions with Directors

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, as amended. Accordingly, the requirements of clause 3 (xvi) (d) are not applicable.

(iv) Cash Losses

The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(v) Resignation of Statutory Auditor

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(vi) Material uncertainty on meeting liabilities

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all

liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(vii) Corporate Social Responsibility

In our opinion and according to the information and explanations given to us, the company has spent Rs. 32.56 Lakhs as a CSR expenditure which is over and above of 2% of average net profit of the company for the preceding 3 years. Accordingly, there are no unspent CSR amount which is to be transferred to a Fund specified in Schedule VII to the Act.

(viii) Consolidated Financial Statements

According to the information and explanations given to us and based on the reports issued by the auditors of the respective subsidiary included in the consolidated financial statements of the Company, to which reporting on matters specified in paragraph 3 and 4 of the Order is applicable, provided to us by the Management of the Company, we have not identified any qualifications or adverse remarks made by the auditors in their report on matters specified in paragraphs 3 and 4 of the Order.

For Sharp Aarth & Co LLP

Chartered Accountants

Firm Registration No – 132748W / W-100823

CA Vipul Lathi

Partner

Membership No.134897

UDIN: 22134897AKLNMS8892

Date: 7 June, 2022

Place: Nashik

Annexure B to the Independent Auditors' report on the Standalone Financial Statements of KBC Global Limited for the period ended 31 March 2022.

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 (Referred to in paragraph 2 (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 with reference to standalone financial statements of KBC Global Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

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 financial 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 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 (hereinafter referred to as "the Act").

Auditor's Responsibility: Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements: A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements:

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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 LLP

Chartered Accountants

CA Vipul Lathi

Partner

Firm Registration No-132748W/W-100823

Membership No.13489

UDIN: 22134897AKLNMS8892

Place: Nashik Date: 7 June, 2022

KBC GLOBAL LIMITED
CIN: L45400MH2007PLC174194

STANDALONE BALANCE SHEET AS ON MARCH 31, 2022

(INR in Lakhs)

| Sr. No. | Particulars | Note No. | As at | As at |
|----------|-----------------------------------|----------|-----------------|-----------------|
| | | | March 31, 2022 | March 31, 2021 |
| | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 3 | 94.71 | 101.24 |
| | (b) Investment Properties | 4 | - | 22.21 |
| | (c) Financial Assets | | | |
| | (i) Investments | 5(a) | | |
| | - In Partnership Firms | | 0.35 | 0.22 |
| | - In Others | | 32.09 | 30.03 |
| | (ii) Loans & Advances | 5(b) | 2,610.08 | 1,287.98 |
| | (iii) Other Financial Assets | 5(c) | 5,014.43 | 4,088.44 |
| | (d) Deferred Tax Assets (Net) | 6 | 14.71 | 17.61 |
| | (e) Other Non-Current Assets | 7 | 40.10 | 40.10 |
| | Total Non-Current Assets | | 7,806.48 | 5,587.83 |
| 2 | Current Assets | | | |
| | (a) Inventories | 8 | 11,817.04 | 12,399.91 |
| | (b) Financial Assets | | | |
| | (i) Investments | 5(a) | 2,828.81 | 5,570.98 |
| | (ii) Trade Receivables | 5(d) | 8,315.16 | 5,754.78 |
| | (iii) Cash and Cash Equivalents | 5(e) | 48.80 | 36.79 |
| | (iv) Loans & Advances | 5(b) | 1,467.47 | 1,433.71 |
| | (v) Other Financial Assets | 5(c) | 1.79 | 0.88 |
| | (c) Current Tax Assets (Net) | 5(f) | 312.35 | 451.27 |
| | (d) Other Current Assets | 7 | 103.75 | 139.66 |

| | | | | |
|---|-------------------------------|------|------------------|------------------|
| | Total Current Assets | | 24,895.15 | 25,787.99 |
| | | | | |
| | Total Assets (1+2) | | 32,701.64 | 31,375.82 |
| | | | | |
| | EQUITY AND LIABILITIES | | | |
| 1 | EQUITY | | | |
| | (a) Equity Share Capital | 9(a) | 6,150.00 | 1,230.00 |
| | (b) Other Equity | 9(b) | 7,819.73 | 11,074.24 |
| | Total Equity | | 13,969.73 | 12,304.24 |

| | | | | |
|---|--|-------|------------------|------------------|
| | LIABILITIES | | | |
| 2 | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 10(a) | 4,676.80 | 3,444.47 |
| | (ii) Lease Liabilities | | 3.50 | 3.50 |
| | (ii) Other Financial Liabilities | 10(b) | - | - |
| | (b) Other Non-Current Liabilities | 11 | 6,284.35 | 6,723.21 |
| | (c) Provisions | 12 | 48.51 | 40.41 |
| | (d) Deferred Tax Liabilities | | - | - |
| | Total Non-Current Liabilities | | 11,013.16 | 10,211.59 |
| | | | | |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 10(a) | 4,269.34 | 5,770.23 |
| | (ii) Lease Liabilities | | - | - |
| | (iii) Trade Payables | 13 | | |
| | - Total Outstanding Dues of Micro Enterprises and Small Enterprises | | 191.94 | 68.70 |
| | - Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises | | 744.39 | 1,503.60 |
| | (iv) Other Financial Liabilities | 10(b) | 925.16 | 258.22 |
| | (b) Provisions | 11 | 66.67 | 66.53 |

| | | | | |
|--|---|----|------------------|------------------|
| | (c) Current Tax Liabilities (Net) | 14 | 1,160.61 | 1,019.66 |
| | (d) Other Current Liabilities | 15 | 360.63 | 173.05 |
| | Total Current Liabilities | | 7,718.75 | 8,859.99 |
| | | | | |
| | Total Equity & Liabilities (1+2+3) | | 32,701.64 | 31,375.82 |
| | Significant Accounting Policies | 1 | | |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants

Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global 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: June 07, 2022

Place : Nashik

Date: June 07, 2022

KBC GLOBAL LIMITED
CIN: L45400MH2007PLC174194
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2022

(INR in Lakhs)

| Sr. No. | Particulars | Note No. | For the year ended | |
|---------|---|----------|--------------------|------------------|
| | | | March 31, 2022 | March 31, 2021 |
| 1 | INCOME | | | |
| | (a) Revenue from Operations | 16 | 10,164.52 | 12,882.72 |
| | (b) Other Income | 17 | 967.28 | 753.56 |
| | Total Income | | 11,131.80 | 13,636.29 |
| 2 | EXPENSES | | | |
| | (a) Cost of construction / development, land, plots and development rights | 18 | 6,341.44 | 8,553.54 |
| | (b) Employee benefits expense | 19 | 265.47 | 304.68 |
| | (c) Finance costs | 20 | 1,430.47 | 1,455.52 |
| | (d) Depreciation and amortization expense | 3 | 12.45 | 10.87 |
| | (e) Selling expenses | 21 | 146.85 | 339.50 |
| | (f) Other expenses | 22 | 535.36 | 179.57 |
| | Total Expenses | | 8,732.04 | 10,843.68 |
| 3 | Profit Before Exceptional Items and Tax (1-2) | | 2,399.76 | 2,792.60 |
| 4 | Exceptional Items | | - | - |
| 5 | Profit Before Tax (3-4) | | 2,399.76 | 2,792.60 |
| 6 | Tax Expense | | | |
| | (a) Current Tax | | 664.29 | 760.50 |
| | (b) Deferred Tax Charge / (Credit) | | 2.89 | 6.34 |
| | Total Tax Expenses | | 667.18 | 766.84 |
| 7 | Profit for the year (3-4) | | 1,732.57 | 2,025.77 |
| 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) | | 1,724.47 | 2,017.67 |
| 10 | Earning per Equity Share (EPS) (Face value of INR 1 each) | | | |
| | Basic EPS | | 0.28 | 0.33 |
| | Diluted EPS | | 0.28 | 0.33 |
| | Significant Accounting Policies | 1 | | |

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants
Firm Reg No. 132748W / W-100823

**For and on behalf of the Board of Directors of
KBC Global Limited**
CIN – L45400MH2007PLC174194

NARESH KARDA **MANOHAR**
Chairman & MD **KARDA**
DIN: 01741279 *Whole Time*
Director
DIN : 01808564

CA VIPUL LATHI
Partner
Membership No. 134897

LIYAKAT M KHAN **MAYURA**
Chief Financial Officer **MARATHE**
Company Secretary

Place : Nashik
Date: June 07, 2022

Place : Nashik
Date: June 07, 2022

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR
ENDED 31ST MARCH, 2022**

A. EQUITY SHARE CAPITAL

(INR in Lakhs)

| Particulars | As At | As At |
|---|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Balance at the beginning of the year | 1,230.00 | 1,230.00 |
| Changes in equity share capital during the year – Bonus issue | 4,920.00 | - |
| Balance at the end of the year | 6,150.00 | 1,230.00 |

B. OTHER EQUITY

(INR in Lakhs)

| Particulars | Reserves and Surplus | | Total |
|---|----------------------------|-----------------|-----------------|
| | Securities Premium Reserve | General Reserve | |
| Balance as at 1st April, 2020 | 3,691.33 | 5,396.53 | 9,087.86 |
| Profit / (Loss) for the year | - | 2,017.67 | 2,017.67 |

| | | | |
|---|-----------------|-----------------|------------------|
| Excess / (Short) Provision for Income Tax | - | (0.54) | (0.54) |
| Dividend Paid | - | (30.75) | (30.75) |
| Balance at 31st March, 2021 | 3,691.33 | 7,382.91 | 11,074.24 |
| Balance as at 1st April, 2021 | 3,691.33 | 7,382.91 | 11,074.24 |
| Profit / (Loss) for the year | - | 1,724.47 | 1,724.47 |
| Excess / (Short) Provision for Income Tax | - | (31.96) | (31.96) |
| Dividend Paid in respect of FY 2020-21 | - | (27.03) | (27.03) |
| Bonus to Shareholders | - | (4,920.00) | (4,920.00) |
| Balance at 31st March, 2022 | 3,691.33 | 4,128.40 | 7,819.73 |

The accompanying notes are an integral part of the standalone 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 form an integral part of the standalone financial statements.

As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants
Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global 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: June 07, 2022

Place : Nashik
Date: June 07, 2022

Standalone Statement of Cash Flows for the year ended March 31, 2022

(INR in Lakhs)

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Cash Flow from Operating Activities | | |
| Profit Before Tax: | 2,399.76 | 2,792.61 |
| Adjustment for: | | |
| Depreciation and Amortization | 12.45 | 10.87 |
| Provision for Gratuity | (8.10) | (8.10) |
| Finance Cost | 1,430.47 | 1,455.52 |
| Interest Income | (945.34) | (706.20) |
| Dividend Income | (0.75) | - |
| Profit from Redemption of Mutual Funds | - | (1.05) |
| Share of Profit from Partnership Firms | (8.35) | (3.51) |
| Provisions for Deferred Taxes | (2.89) | (6.34) |
| | | |
| Operating profit before working capital changes | 2,877.24 | 3,533.79 |
| | | |
| Adjustments for changes in working capital | | |
| (Increase) / Decrease in Financial Assets | (4,840.23) | (2,704.92) |
| (Increase) / Decrease in Non Financial Assets | 174.84 | 85.22 |
| (Increase) / Decrease in Inventories | 582.87 | 1,234.87 |
| Increase / (Decrease) in Financial Liabilities | 30.98 | 980.79 |
| Increase / (Decrease) in Non Financial Liabilities | (243.04) | 670.03 |
| | (1,417.35) | 3,799.79 |
| Taxes Paid (Net) | (555.30) | (349.14) |
| Net Cash Flow from Operating Activities | (1,972.65) | 3,450.65 |
| | | |
| Cash Flow from Investing Activities | | |
| Purchase of Property, Plant & Equipment | (5.92) | (25.86) |
| Sale / (Purchase) of Investments | 2,762.19 | (916.54) |
| Interest Income | 945.34 | 706.20 |
| Dividend Income | 0.75 | - |
| Profit from Redemption of Mutual Funds | - | 1.05 |
| Share of Profit from Partnership Firms | 8.35 | 3.51 |
| Net Cash Flow from Investing Activities | 3,710.71 | (231.63) |
| | | |

| | | |
|---|------------|------------|
| Cash Flow from Financing Activities | | |
| Proceeds from Issue of Equity Share Capital | - | - |
| Dividend Payable | (27.03) | - |
| Proceeds from / (Repayment of) Long Term Borrowings (Net) | 1,232.33 | (2,007.56) |
| Proceeds from / (Repayment of) Short Term Borrowings (Net) | (1,500.89) | 244.05 |
| Interest Paid | (1,430.47) | (1,455.52) |
| Net Cash Flow from Financing Activities | (1,726.06) | (3,219.04) |
| | | |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 12.01 | (0.02) |
| | | |
| Cash and Cash Equivalents - Opening Balance | 36.79 | 36.82 |
| Cash and Cash Equivalents - Closing Balance | 48.80 | 36.79 |
| See Accompanying notes forming part of the standalone financial statements | | |
| | | |

Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
- Cash comprise cash on hand, current accounts and deposits with banks. Cash equivalents are short term balances (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants

Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global Limited

CIN – L45400MH2007PLC174194

NARESH KARDA
Chairman & MD
DIN: 01741279

MANOHAR KARDA
Whole Time Director
DIN : 01808564

CA VIPUL LATHI
Partner

Membership No. 134897
Place : Nashik

Date: June 07, 2022

LIYAKAT M KHAN
Chief Financial Officer

MAYURA
MARATHE
Company Secretary
Place : Nashik

Date: June 07, 2022

KBC Global Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2022

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, 2021 | Additions during the year | Deductions during the year | As at 31 March, 2022 | Upto March 31, 2021 | For the year | Deductions | Upto 31 March, 2022 | As at 31 March, 2022 | As at March 31, 2021 |
| a) Plant Property & Equipment | | | | | | | | | | |
| Buildings | 51.07 | - | - | 51.07 | 3.06 | 0.43 | - | 3.50 | 47.57 | 48.00 |
| Plant & Machinery | 17.53 | - | - | 17.53 | 7.12 | 1.22 | - | 8.34 | 9.19 | 10.41 |
| Furniture & Fixtures | 27.87 | 0.01 | - | 27.88 | 10.92 | 2.64 | - | 13.56 | 14.32 | 16.95 |
| Computers & Laptops | 9.68 | 5.56 | - | 15.24 | 4.21 | 3.03 | - | 7.24 | 8.00 | 5.47 |
| Vehicles | 15.00 | - | - | 15.00 | 8.74 | 1.78 | - | 10.52 | 4.48 | 6.26 |
| Office Equipments | 19.26 | 0.34 | - | 19.60 | 5.09 | 3.35 | - | 8.45 | 11.15 | 14.16 |
| Total Plant Property & Equipment | 140.40 | 5.92 | - | 146.31 | 39.15 | 12.45 | - | 51.60 | 94.71 | 101.24 |
| b) Intangible Assets | | | | | | | | | - | - |
| c) 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 | As at April 1, 2020 | For the year | Deductions | Upto 31 March, 2021 | As at 31 March, 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 | | | | | | | | | - | - |

Notes to the Standalone Financial Statements for the year ended 31 March 2022

Note 4: Investment Properties

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Farm House Plot (at S.No.292/1A & 2A, Bhagur) | - | 22.21 |
| Total | - | 22.21 |

Note 5: Financial Assets

5(a) Non Current Investments

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| A) Investment in Fully paid-up Equity Instruments (Unquoted) | | |
| 1. Navjeevan Bank | 1.00 | 1.00 |
| 10,000 (As at 31 Mar, 2021: 10,000) Equity shares of INR 10/- each | | |
| 2. Nashik Road Deolali Vyapari Bank Ltd. | 5.03 | 5.03 |
| 50,250 (As at 31 Mar, 2021: 50,250) Equity shares of INR 10/- each | | |
| 3. Shree Sainath Land & Development (India) Private Limited* | 24.00 | 24.00 |
| 2,40,000 (As at 31 Mar, 2021: 2,40,000) Equity shares of INR 10/- each | | |
| Total | 30.03 | 30.03 |
| B) Investment In Subsidiary | | |
| KBC Global FZCO | 2.07 | - |
| 100 (As at 31 Mar, 2021: NIL) Equity shares | | |
| Total Investment in Others (A+B) | 32.09 | 30.03 |
| C) Investment in Partnership Firms (Refer Footnote a) | | |
| M/s. Karda Infrastructures | 0.30 | 0.17 |
| M/s. Bhakti Enterprises | 0.05 | 0.05 |
| Total | 0.35 | 0.22 |
| Total Non Current Investments (A+B+C) | 32.44 | 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 2022 | 31 March 2021 |
| 1. M/s. Karda Infrastructures (Refer Footnote c) | | |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 60.00 | 33.33 |
| - Naresh Jagumal Karda | 6.67 | 33.34 |
| - Rahul Kanayalal Kalani | 33.33 | 33.33 |
| Total Capital of the firm (In Lakhs)* | 1,708.61 | 110.61 |
| | | |
| 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 |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 5.00 | 5.00 |
| - Komal Karda | 5.00 | 5.00 |
| - Neha Karda | 5.00 | 5.00 |
| Total Capital of the firm (In Lakhs)* | 387.76 | 146.63 |
| | | |
| 3. M/s. Green Enterprises | | |
| - Basant Nathumal Gurnani | 16.67 | 16.67 |
| - Sujyoti Fininvest Pvt Ltd | 33.33 | 33.33 |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 11.67 | 11.67 |
| - Maharaj Birmani | 33.33 | 33.33 |
| - Naresh Karda | 5.00 | 5.00 |
| Total Capital of the firm (In Lakhs)* | 253.50 | 102.25 |
| | | |
| *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 0.35 lakhs (31st March, 2021: 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 KBC Global Limited & Naresh Karda.

5(a) Current Investments

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| A) Investment in Mutual Funds (Quoted) (At cost) | | |
| ICICI Prudential Savings Funds - DP Growth | | |
| 3.075 units (As at March 31, 2021 : 3.075 units) | 0.01 | 1.18 |
| | | |
| B) Investment in Partnership Firm (Current Capital) | | |
| M/s. Karda Infrastructures | 2,726.55 | 3,467.76 |
| M/s. Bhakti Enterprises | - | 1,999.79 |
| M/s. Green Enterprises | 102.25 | 102.25 |
| Total | 2,828.81 | 5,570.98 |

Note 5: Financial Assets

5(b) Non-Current Loans and Advances

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Loans to Related Parties | - | - |
| Loans to Others - Secured | | |
| (a) Advance against Shop | 10.00 | 10.00 |
| (b) Advances & Deposits - Land Purchase | 2,600.08 | 1,277.98 |
| Total | 2,610.08 | 1,287.98 |

Footnote:

1. Loans & Advances are secured against Terms of Development Agreement / Agreement for sale.

5(b) Current Loans and Advances

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Loans to Related Parties – Subsidiary Company | 5.89 | - |
| Loans to Others - Unsecured, Considered Good | 1,461.58 | 1,433.71 |
| Total | 1,467.47 | 1,433.71 |

Footnote:

1. 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 2022 | 31 March 2021 |
|--------------------------------------|--------------------------|--------------------------|
| Deposits with Banks (Refer Footnote) | 1,004.71 | 847.28 |
| Security Deposits | 3,752.88 | 3,026.28 |
| Development Agreement Deposits | 125.79 | 184.59 |
| Rent Deposits | 131.05 | 30.30 |
| Total | 5,014.43 | 4,088.44 |

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 2022 | 31 March 2021 |
|--------------------|--------------------------|--------------------------|
| Advance to Staff | 1.79 | 0.88 |
| Total | 1.79 | 0.88 |

Note 5: Financial Assets

5(d) Trade Receivables

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|----------------------------|--------------------------|--------------------------|
| Non-Current | | |
| Related Party | - | - |
| Unsecured, considered good | - | - |
| Total | - | - |
| Current | | |
| Related Party | - | - |
| Unsecured, considered good | | |

| | | |
|--|-----------------|-----------------|
| (a) Receivables from Customers - Real Estate | 1,583.64 | 1,843.01 |
| (b) Receivables from Customers – Civil Contracts | 1,271.48 | 1,139.16 |
| (c) Rent Receivable | 7.93 | 6.58 |
| (d) Unbilled Revenue in respect of Civil Contracts | 5,452.11 | 2,766.04 |
| Total | 8,315.16 | 5,754.78 |
| Less: Allowance for doubtful debts | - | - |
| Total | 8,315.16 | 5,754.78 |

Footnote:

1. The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.
2. 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.
3. As per the management representation, there is no uncertainty in recovering dues receivable from customers and thus no provision has been made for the doubtful debt.

Trade Receivables ageing schedule as at 31st March 2022

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|----------|--|-------------------|-----------|-----------|-------------------|-----------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed Trade receivables – considered good | 5,452.11 | 1,584.99 | 813.32 | 332.45 | 132.29 | - | 8,315.16 |
| ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| v) Disputed Trade Receivables – | - | - | - | - | - | - | - |

| | | | | | | | |
|--|-----------------|-----------------|---------------|---------------|---------------|----------|-----------------|
| which have significant increase in credit risk | | | | | | | |
| vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 5,452.11 | 1,584.99 | 813.32 | 332.45 | 132.29 | - | 8,315.16 |

Trade Receivables ageing schedule as at 31st March 2021

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|-----------------|--|-------------------|---------------|--------------|-------------------|-----------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed Trade receivables – considered good | 2,766.04 | 1,843.01 | 905.81 | 190.10 | 49.82 | - | 5,754.78 |
| ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 2,766.04 | 1,843.01 | 905.81 | 190.10 | 49.82 | - | 5,754.78 |

Note 5: Financial Assets

5(e) Cash and Cash Equivalents

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Balances with Banks | | |
| Current Accounts (<i>Refer Footnote</i>) | - | - |
| Goa - Current Account | 0.34 | 0.21 |
| Escrow Accounts | 18.28 | 34.33 |
| RERA Accounts | 6.08 | 1.67 |
| Cash on Hand | 24.09 | 0.59 |
| Total | 48.80 | 36.79 |

Footnote:

1. 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 2022 | 31 March 2021 |
|---|------------------|------------------|
| Balances with Government Authorities | | |
| TDS Receivable | 187.54 | 137.14 |
| TCS Receivable | 0.09 | 0.18 |
| Excess Credit Balances (ITC) of GST | 124.72 | 313.96 |
| Total | 312.35 | 451.27 |

Footnote:

1. Excess Credit Balance of GST is subject to reconciliation and confirmation with the Electronic Credit Ledger on GSTN portal and with GSTR – 2A statement. Mismatches, if any, will be reconciled and adjusted at the time of GST annual return filing and GST audit.

Note: 6 Deferred Tax Assets*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Opening Balance | 17.61 | 23.95 |
| Temporary difference on account of depreciation on Property, Plant and Equipment | (2.89) | (6.34) |
| Deferred Tax Assets (Net) | 14.71 | 17.61 |

Note 7: Other Non Financial Assets*(INR in Lakhs)*

| Particulars | 31 March 2022 | 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 | 16.50 | 19.28 |
| Other Receivables | 87.25 | 120.38 |
| Total | 103.75 | 139.66 |

Footnote:

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

Note 8: Inventories*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Inventories (lower of cost or net realizable value) | | |
| Stock of material at site | 950.23 | 1773.62 |
| Completed Projects | 452.23 | 479.10 |
| Ongoing Projects | 9,470.16 | 9,202.78 |
| Land Bank | 944.42 | 944.42 |
| Civil Works Contracts (WIP) – Restated | - | - |
| Total | 11,817.04 | 12,399.91 |

Footnote:

1. Refer Note 18 for cost of inventories recognized as an expense during the period.
2. The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.
3. Mode of valuation of inventories is stated in Note 2

Note 9 (a): Equity Share Capital

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|
| Authorized Share Capital | | |
| 75,00,00,000 (As at 31st March, 2021: 10,00,00,000 Equity Shares of Rs.2/- each) Equity Shares of Re.1/- each | 7,500.00 | 2,000.00 |
| | | |
| Issued and subscribed capital comprises: | | |
| 61,50,00,000 (As at 31st March, 2021: 6,15,00,000 Equity Shares of Rs.2/- each) Equity Shares of Re.1/- each fully paid-up | 6,150.00 | 1,230.00 |

Footnote:

1. The Company has sub divided the Face Value of its Equity Shares from Rs. 2 to Re. 1 per share effective from the record date of August 13, 2021, based on approval of the shareholders received in AGM on August 07, 2021.

Also, the Company has given bonus issue in the ratio of 4:1, i.e, 4 Equity Shares for every 1 Equity Shares held as on the record date of August 13, 2021, based on approval of the shareholders received in AGM on August 07, 2021. Accordingly, the Paid-up Share Capital of Rs. 61,50,00,000 now consists of 61,50,00,000 Equity Shares of Re. 1 each.

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

(INR in Lakhs)

| Particulars | 31 March 2022 | | 31 March 2021 | |
|--|-------------------------|---------------------|-------------------------|---------------------|
| | 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 | 1,230.00 | 615.00 | 1,230.00 |
| Add : Sub-division of Equity Shares (2:1) | 615.00 | - | | |
| Add : Bonus issue during the year (4:1) | 4,920.00 | 4,920.00 | - | - |
| Add : Fresh issue during the year | - | - | - | - |
| Shares outstanding at the end of the year | 6,150.00 | 6,150.00 | 615.00 | 1,230.00 |

2. Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of Re. 1 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 not declared any dividend for the year ending 31st March, 2022.

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.

3. Details of shares held by each shareholder holding more than 5% shares

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|------------------------|-----------|------------------------|-----------|
| | Number of shares held | % Holding | Number of shares held | % Holding |
| Fully paid up equity shares (In Lakhs) | | | | |
| Naresh Jagumal Karda | 1,577.00 | 25.64% | 280.75 | 45.65% |

Footnote:

As per the records of the company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

4. Details of shares held by the promoters

| Shares held by promoters at the beginning of the year | | | % Change during the year |
|---|--------------------------|-------------------|--------------------------|
| Promoter Name | No. of Shares (In Lakhs) | % of Total Shares | |
| Naresh Jagumal Karda | 280.75 | 45.65% | - |
| Laxman Jagumal Karda | 27.50 | 4.47% | - |
| Prem Jagumal Karda | 19.50 | 3.17% | - |

| | | | |
|--|---------------------------------|--------------------------|---------------------------------|
| Karamchand Jagumal Karda | 17.00 | 2.76% | - |
| Manohar Jagumal Karda | 13.50 | 2.20% | - |
| Disha Naresh Karda | 12.50 | 2.03% | - |
| Neha Prem Karda | 5.00 | 0.81% | - |
| Komal Laxman Karda | 5.00 | 0.81% | - |
| Bharati Manohar Karda | 5.00 | 0.81% | - |
| Total Promoter Holding | 385.75 | 62.72% | - |
| Shares held by promoters at the end of the year | | | % Change during the year |
| Promoter Name | No. of Shares (In Lakhs) | % of Total Shares | |
| Naresh Jagumal Karda | 1577.00 | 25.64% | (20.01%) |
| Laxman Jagumal Karda | 3.00 | 0.05% | (4.42%) |
| Prem Jagumal Karda | - | - | (3.17%) |
| Karamchand Jagumal Karda | 2.50 | 0.04% | (2.72%) |
| Manohar Jagumal Karda | 0.51 | 0.01% | (2.19%) |
| Disha Naresh Karda | - | - | (2.03%) |
| Neha Prem Karda | 7.00 | 0.11% | (0.70%) |
| Komal Laxman Karda | 4.50 | 0.07% | (0.74%) |
| Bharati Manohar Karda | - | - | (0.81%) |
| Total Promoter Holding | 1,594.51 | 25.93% | (36.79%) |

9(b) : Other Equity

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------------------|-----------------|-----------------|
| 1. Securities Premium Reserve | | |
| Balance at the beginning of the year | 3,691.33 | 3,691.33 |
| <i>Add / (Less) :</i> | | |
| Fresh Issue of Equity Shares | - | - |
| Balance at the end of the year | 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)

| 2. General Reserves | 31 March 2022 | 31 March 2021 |
|--|-----------------|------------------|
| Balance at the beginning of the year | 7,382.91 | 5,396.53 |
| <i>Add / (Less) :</i> | | |
| Profit attributable to the owners of the company | 1,724.47 | 2,017.67 |
| Excess / (Short) Provision of Income Tax | (31.96) | (0.54) |
| Utilisation for Bonus Issue to Shareholders | (4,920.00) | - |
| Dividend Payment in respect of FY 2020-21 | (27.03) | (30.75) |
| Balance at the end of the year | 4,128.40 | 7,382.91 |
| Total (1+2) | 7,819.73 | 11,074.24 |

Note 10: Financial Liabilities

a) Borrowings - Non Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|-----------------|-----------------|
| Secured Loans | | |
| (a) Term Loans from Banks & Financial Institutions | 6,333.34 | 7,044.08 |
| | 6,333.34 | 7,044.08 |
| Unsecured Loans | - | - |
| Total Non-Current Borrowings | 6,333.34 | 7,044.08 |
| Less: Transferred to Current Maturities | (1,656.54) | (3,599.61) |
| Total | 4,676.80 | 3,444.47 |

10(a) Borrowings – Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|-----------------|-----------------|
| Secured Loans | | |
| (a) Borrowings against Real Estate / Civil Constructions Projects | | |
| Working Capital Loan / Cash Credit from Banks | 2,612.80 | 2,137.32 |
| (b) Current Maturities of Long Term Debts | 1,656.54 | 3,599.61 |
| | 4,269.34 | 5,736.93 |
| Unsecured Loans | | |
| (a) Other Loans - Repayable on Demand | - | - |
| From Related Parties | - | 33.30 |
| | - | 33.30 |
| Total | 4,269.34 | 5,770.23 |

Footnote:

1. Secured term loans from banks carry interest rates within a range of 12.50% to 16.00%.
The nature of securities are:

| Name of the Lenders | ROI | Security Offered (Further secured by Personal Guarantees of one or more promoters) |
|--|------------|---|
| 1. Tata Capital Housing Finance Limited (Term Loan against 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's 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 unsold units in the project 'Hari Vishwa'. This loan was closed during the year. |
| 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 Limited (Term Loan against Constructions of Projects) | 13.00% | <ol style="list-style-type: none"> 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. The Nashik Road Deolali Vyapari Sahakari Bank Ltd (Term Loan & Overdraft Facilities) | 13.00% | <ol style="list-style-type: none"> 1. Registered Mortgage Plot Survey No. 13/3/1, Hectar 6060 Sq. Mtr 4549 Sq Mtr, Survey 306/2, Hectar 0.36R Bhagur, Nashik and Survey No. 4 of Chehedi, Nashik |
| 8. Shri Sai Samarth N S Pathsanstha (Term Loan) | 18.00% | <ol style="list-style-type: none"> 1. Registered mortgage of Plot Survey No. 136/5, Mouje Pathardi and Survey No. 218/5B/2/1 Mouje Pathardi, Nashik |
| 9. Capri Global Capital Limited (Term Loan) | 16.00% | <ol style="list-style-type: none"> 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. |
| 10. Canara Bank (Cash Credit) | 10.25% | <ol style="list-style-type: none"> 1. Primary Security of Book Debts & Inventory. 2. Survey No. 113 of West DP Road & Canal Road, along with Flat No. 1,2,3,4,5,6 of old Karda House Survey No. |

| | | |
|---|--------|---|
| | | 34/1A/2A/1 |
| 11. Central Bank of India (Cash Credit) | 10.95% | 1. Survey No. 237A/25, Plot No 25, CTS 3793 Opp KBC Global Office, Tilak Road, Opp Muktidham, Nashik Road, Nashik along with Plot No. 3,4,5, of S. No. 59/1A+1B/1/2 |
| 12. ICICI Bank (Overdraft Facility) | 12.00% | 1. Secured against Fixed Deposits with ICICI Bank |

2. Loans from related parties are unsecured and repayable on demand. Interest on the same is provided at the rate of 15.00% p.a. These loans were closed during the year.

Note 10: Financial Liabilities

10(b) Lease Liabilities - Non Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------|---------------|---------------|
| Rent Deposits from Lessee | 3.50 | 3.50 |
| Total | 3.50 | 3.50 |

10(c) Other Financial Liabilities – Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|----------------------------------|---------------|---------------|
| Branch - KCL DDUGKY Project | 117.82 | 95.33 |
| Shree Sainath Land & Development | 807.34 | 162.89 |
| Total | 925.16 | 258.22 |

Footnote:

1. The company has received civil works contract from Shree Sainath Land &

Development. The above amount in their account represents advance received by the company against such civil contracts.

Note 11: Other Non Current Liabilities

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Booking Advances from Customers: | | |
| Against Real Estate Project | 5,011.91 | 5,340.77 |
| Against Plots & Land | 1,272.44 | 1,382.44 |
| Total | 6,284.35 | 6,723.21 |

Note 12: Provisions

(a) Non Current Provisions

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------------|------------------|------------------|
| Employee Benefits | | |
| Provision for Gratuity | 48.51 | 40.41 |
| Total | 48.51 | 40.41 |

Footnote:

1. The provision for Gratuity is non fund based provision and is made on the basis of actuarial report.

(b) Current Provisions

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|
| Provisions Employee Benefits | | |
| Salary Payable | 47.65 | 48.47 |
| Provisions for Operating Expenses | 19.02 | 18.07 |
| Total | 66.67 | 66.53 |

Note 13:
Trade Payables

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|-----------------------|---------------|-----------------|
| Trade Payables | | |
| Dues to MSME | 191.94 | 68.70 |
| Dues to Others | 744.39 | 1,503.60 |
| Total | 936.33 | 1,572.30 |

Footnote:

a) The above figures of Trade Payables are shown as net of advances paid to the suppliers.

Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006

- b) Disclosure of payable to vendors as defined under the ‘Micro, Small and Medium Enterprise Development Act, 2006’ is based on the information available with the Company regarding the status of registration of such vendors under the Act, as per the information / declarations received from vendors regarding their classification into MSME.
- 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 NIL (31st March, 2021: INR 9.91 Lakhs) due to related parties. Kindly refer Note 25.

Trade Payables Ageing Schedule as on March 31, 2022

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|-------------|---------|--|-----------|-----------|-------------------|--------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) MSME | - | 191.94 | - | - | - | 191.94 |

| | | | | | | |
|----------------------------|----------|---------------|---------------|---------------|---------------|---------------|
| ii) Others | - | 227.55 | 286.54 | 127.26 | 103.04 | 744.39 |
| iii) Disputed Dues - MSME | - | | | | | - |
| iv) Disputed Dues - Others | - | - | - | - | - | - |
| Total | - | 419.49 | 286.54 | 127.26 | 103.04 | 936.33 |

Trade Payables Ageing Schedule as on March 31, 2021

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|----------|--|---------------|---------------|-------------------|-----------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) MSME | - | 68.70 | - | - | - | 68.70 |
| ii) Others | - | 457.72 | 579.78 | 258.61 | 207.49 | 1,503.60 |
| iii) Disputed Dues - MSME | - | | | | | - |
| iv) Disputed Dues - Others | - | - | - | - | - | - |
| Total | - | 526.42 | 579.78 | 258.61 | 207.49 | 1,572.30 |

Note 14: Current Tax Liabilities

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------------------|-----------------|-----------------|
| Provision for Income Tax (FY 2021-22) | 664.29 | - |
| Provision for Income Tax (FY 2020-21) | 473.15 | 760.50 |
| Provision for Income Tax (FY 2019-20) | - | 188.74 |
| Provision for Income Tax (FY 2018-19) | 23.17 | 70.42 |
| Total | 1,160.61 | 1,019.66 |

Note 15: Other Current Liabilities

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|-------------------------------------|---------------|---------------|
| Payable to Partnership Firms | | |
| M/s. Bhakti Enterprises | 140.97 | - |

| | | |
|-----------------------|---------------|---------------|
| Other Payables | | |
| Statutory Dues | 219.66 | 173.05 |
| Total | 360.63 | 173.05 |

Footnote:

Payable to Partnership Firms represents excess withdrawal made from the firm. Also refer the Related Parties Transactions Note No.25

Note 16: Revenue from Operations

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|----------------------|----------------------|
| Sale from operations | | |
| (a) Sale of Properties / Flats (Residential and Commercial) | 3,362.59 | 7,683.78 |
| (b) Sale of Land | - | - |
| (c) Contract Revenue Income | 3,006.98 | 3,381.18 |
| (d) Unbilled Revenue - Civil Contract (<i>Refer Footnote</i>) | 2,686.07 | 790.51 |
| (e) Rental Income | 12.11 | 18.70 |
| (f) Other Operating Revenue | | |
| - Profit from Partnership Firms (Net) | 8.35 | 3.51 |
| - Project Management Income | 1,025.00 | 890.52 |
| - Sales of Traded Goods – Steel & Cement | 63.42 | 114.53 |
| Total | 10,164.52 | 12,882.72 |

Footnote:

The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.

Note 17: Other Income

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------------|----------------------|----------------------|
| (a) Interest Income | | |
| - On Bank Deposits | 45.24 | 50.09 |
| - Other Financial Assets | 900.10 | 656.12 |
| | | |
| (b) Dividend Income from | | |

| | | |
|---|---------------|---------------|
| - Equity Investments (Dividend Income from Bank) | 0.75 | - |
| (c) Profit from Redemption of Mutual Funds | - | 1.05 |
| (d) Other Miscellaneous Income | | |
| - Cessation of Liability | - | 46.31 |
| - Cancellation Charges Received | 0.95 | |
| - Profit on Sale of Property, Plant & Equipments | 20.24 | - |
| Total | 967.28 | 753.56 |

Note No 18: Cost of Construction / Development

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|----------------------|----------------------|
| Opening Stock | 12,399.91 | 14,425.29 |
| Add: Cost incurred during the year | | |
| Cost of Land / Development Rights | 462.70 | 589.56 |
| Consumption of Material | 2378.11 | 3432.92 |
| Contract Cost, Labour and other Charges | 2917.16 | 2322.37 |
| Other Construction Cost | 0.61 | 1.06 |
| Contract Expenses | - | 182.26 |
| Sub Total | 5,758.58 | 6,528.17 |
| Less : Closing stock | 11,817.04 | 12,399.90 |
| Total | 6,341.44 | 8,553.54 |

Footnote:

The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.

Note 19: Employee Benefit Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------------------|----------------------|----------------------|
| Salaries, wages and bonus | 237.77 | 253.80 |
| Salary – Directors | - | 27.00 |
| Sitting Fees | 4.02 | 3.84 |
| Contribution to Provident Fund | 13.87 | 14.34 |
| Contribution to ESIC Fund | 2.18 | 2.80 |
| Incentive to Staff | 1.37 | 1.38 |

| | | |
|------------------------|---------------|---------------|
| Staff Welfare Expenses | 6.27 | 1.53 |
| Total | 265.47 | 304.68 |

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 2022 | 31 March 2021 |
|---------------------------------|----------------------|----------------------|
| Interest Expenses on Borrowings | 1,404.50 | 1,302.23 |
| Other Borrowing Cost | 25.97 | 129.95 |
| Goa Site | - | 23.35 |
| Total | 1,430.47 | 1,455.52 |

Footnote:

a) In line with Ind AS-23 'Borrowing Costs', the borrowing costs of Rs.1,430.47 Lakhs (For 2020-21: Rs. 1455.52 Lakhs) have been capitalized to inventory.

Note 21: Selling Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------|----------------------|----------------------|
| Marketing Expenses | 146.85 | 339.50 |
| Total | 146.85 | 339.50 |

Note 22: Other Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|----------------------|----------------------|
| Rates and Taxes | 323.63 | 8.42 |
| Office Rent | 10.30 | 23.76 |
| Professional Fees | 107.50 | 60.99 |
| Printing and Stationery | 6.56 | 14.99 |
| Other Expenses | 49.81 | 33.10 |
| Corporate Social Responsibility (CSR) Activities | 32.56 | 34.81 |
| Payments to Auditors | 5.00 | 3.50 |
| Total | 535.36 | 179.57 |

Note 22(a): Details of Payments to Auditors*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------|---------------|---------------|
| As Auditor: | | |
| Audit Fees | 4.00 | 2.50 |
| Tax Audit Fees | 1.00 | 1.00 |
| Total | 5.00 | 3.50 |

Note 22(b): Corporate Social Responsibility Expenditure*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|----------------------------------|---------------|---------------|
| CSR Expenses under DDUGKY Scheme | - | 31.00 |
| Donations for Social Cause | 32.06 | 1.00 |
| Other | 0.50 | 2.81 |
| Total | 32.56 | 34.81 |

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 2022 | 31 March 2021 |
|---|---------------|---------------|
| Profit attributable to equity shareholders of the Company | 1,724.47 | 2,017.67 |
| Weighted average number of equity shares (in Lakhs) | 6,150.00 | 6,150.00 |
| Nominal Value of Equity Shares | INR 1/- | INR 2/- |
| Basic EPS | 0.28 | 0.33 |
| Diluted EPS | 0.28 | 0.33 |

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.

Weighted Average Number of Equity Shares of preceding financial year were adjusted for the bonus issue of 4,920.00 Lakhs Equity Shares and shares split from INR 2 to INR 1 during the year. Accordingly, EPS for the preceding financial year is restated and presented.

Note 24: Commitments and Contingencies

Contingent Liabilities & Commitments (Not Provided For)

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|-----------------|------------------|
| (A) Claims against the Company not acknowledged as debts on account of : | | |
| 1. Income Tax and MVAT matters under appeal | 54.02 | 54.02 |
| 2. TDS liability on account of short deduction, short payment and interest thereon as per TRACES | 1.21 | 1.11 |
| 3. Towards pending legal cases | - | - |
| (B) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding there against.) (Refer Footnote c) | 9,851.82 | 10,129.81 |
| Total | 9,907.05 | 10,184.94 |

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 | Director |
| 4 | Mr. Devesh Naresh Karda | Director |
| 5 | Mr. Sandeep Ravindra Shah | Independent Director |
| 6 | Mrs. Shweta Raju Tolani | Independent Director |
| 7 | Mr. Rahul Kishor Dayama | Independent Director |
| 8 | Mrs. Ziral Soni | Additional Independent Director |
| 9 | Mr. Liyakat Khan | Key Managerial Personnel (CFO) |
| 10 | Mrs. Mayura Shinde | Key Managerial Personnel (CS) |
| 11 | Mr. Prem Jagumal Karda | Relative of Director |
| 12 | Mr. Karamchand Karda | Relative of Director |
| 13 | M/s. Drishti Ceramics | Proprietary Firm of Director |
| 14 | M/s. Karda Constructions | Proprietary Firm of Director |
| 15 | M/s. Green Enterprises | Partnership Firm |
| 16 | M/s. Karda Infrastructures | Partnership Firm |
| 17 | M/s. Bhakti Enterprises | Partnership Firm |
| 18 | M/s. Devesh Infrastructures | Partnership Firm of Director |
| 19 | Karda Buildcon Private Limited | Associate – Common Director |
| 20 | Shree Sainath Land and Development Pvt. Ltd. | Associate – Common Director |
| 21 | M/s. The Address Hotel | Partnership Firm of Director |
| 22 | KBC Global – FZCO, Dubai | Wholly Owned Subsidiary |

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: | | | | |
|---|---|---------------------------------|----------------------|----------------------|
| <i>(INR in Lakhs)</i> | | | | |
| Sr. No. | Name of the Party | Nature of Transactions | 31 March 2022 | 31 March 2021 |
| 1 | Mr. Prem Karda | Remuneration | - | 6.00 |
| 2 | Mrs. Disha Karda | Remuneration | - | 6.00 |
| 3 | Mr. Naresh Karda | Remuneration | - | 9.00 |
| 4 | Mr. Manohar Karda | Remuneration | - | 6.00 |
| 5 | Mrs. Disha Karda | Rent Payment | - | 3.00 |
| 6 | Mr. Naresh Karda | Rent Payment | - | 3.00 |
| 7 | Mr. Karamchand Karda | Rent Payment | - | 3.00 |
| 8 | Mrs. Shweta Tolani | Sitting Fees | 1.20 | 1.74 |
| 9 | Mr. Rahul Kishor Dayama | Sitting Fees | 1.68 | 1.50 |
| 10 | Mr. Sandeep Ravindra Shah | Sitting Fees | 0.90 | 0.60 |
| 11 | M/s. Karda Constructions | Interest Payment | 37.33 | 12.07 |
| 12 | Mr. Manohar Karda | Interest Payment | 32.40 | 3.25 |
| 13 | M/s. Karda Constructions | Unsecured Loans (Net) | (3.22) | 1,714.43 |
| 14 | Mr. Manohar Karda | Unsecured Loans (Net) | (30.08) | - |
| 15 | M/s. Karda Constructions | Repayment of Unsecured Loans | - | 1,849.37 |
| 16 | M/s. Karda Constructions | Rent income | 0.31 | 0.31 |
| 17 | M/s. Drishti Ceramics | Purchase of Material | 3.45 | 0.31 |
| 18 | M/s. Devesh Infrastructures | Rent income | 0.31 | 0.31 |
| 19 | M/s. Devesh Infrastructures | Advance for Materials | 2.65 | - |
| 19 | Karda Buildcon Private Limited | Rent income | 0.31 | 0.31 |
| 20 | Karda Buildcon Private Limited | Contract Receipt (BSS) | - | 30.10 |
| 21 | M/s. The Address Hotel | Rent income | 8.45 | 12.00 |
| 22 | M/s. Green Enterprises | Profit from Firm | Negligible | 0.47 |
| 23 | M/s. Karda Infrastructures | Profit from Firm | 8.39 | 7.34 |
| 24 | M/s. Karda Infrastructures | Interest Receipts | 494.68 | 147.86 |
| 26 | M/s. Bhakti Enterprises | Profit from Firm | 1.48 | 0.01 |
| 27 | M/s. Bhakti Enterprises | Interest Receipt | 142.80 | 117.20 |
| 28 | M/s. Bhakti Enterprises | Rent income | - | 0.31 |
| 29 | Shree Sainath Land and Development Private | Civil Contract Receipts | 620.31 | 1,126.83 |

| | | | | |
|----|--|------------------------|------|--------|
| | Limited | (Sales) | | |
| 30 | Shree Sainath Land and Development Private Limited | Contract Receipt (BSS) | - | 523.42 |
| 31 | Shree Sainath Land and Development Private Limited | Rent income | | 0.31 |
| 32 | KBC Global – FZCO, Dubai | Loans to Subsidiary | 5.89 | - |

| | Balances outstanding at the end of the year | | 31 March 2022 | 31 March 2021 |
|----|--|---|----------------------|----------------------|
| 1 | Mr. Prem Karda | Remuneration | 0.11 | 16.21 |
| 2 | Mrs. Disha Karda | Remuneration | 3.89 | 3.89 |
| 3 | Mr. Naresh Karda | Remuneration | - | - |
| 4 | Mr. Manohar Karda | Remuneration | 10.06 | 10.76 |
| 5 | Mrs. Disha Karda | Rent Payment | 0.15 | 0.15 |
| 6 | Mr. Naresh Karda | Rent Payment | - | - |
| 7 | Mr. Karamchand Karda | Rent Payment | 8.15 | 8.15 |
| 8 | Mrs. Shweta Tolani | Sitting Fees | 6.55 | 5.47 |
| 9 | Mr. Rahul Kishor Dayama | Sitting Fees | 1.92 | 1.39 |
| 10 | Mr. Sandeep Ravindra Shah | Sitting Fees | 0.81 | 0.36 |
| 11 | M/s. Karda Constructions | Trade Receivables | 0.72 | 0.36 |
| 12 | M/s. Karda Constructions | Unsecured Loans | - | 3.22 |
| 13 | Mr. Manohar Karda | Unsecured Loans | - | 30.08 |
| 14 | M/s. Drishti Ceramics | Purchase of Material | (5.74) | 1.61 |
| | M/s. Devesh Infrastructures | Trade Receivables | 0.72 | 0.36 |
| | M/s. Devesh Infrastructures | Trade Payables | (2.65) | - |
| 15 | M/s. Green Enterprises | Closing Capital | 102.25 | 102.25 |
| 16 | M/s. Karda Infrastructures | Balance in Partnership Firms | 2,726.85 | 3,467.76 |
| 17 | M/s. Bhakti Enterprises | | (140.97) | 1,999.79 |
| 18 | Shree Sainath Land and Development Private Limited | Advance received against Civil Contract | 807.34 | 162.89 |

| | | | | |
|----|--------------------------------|-----------------------------------|---------|-------|
| 19 | Karda Buildcon Private Limited | Trade Receivables | 0.72 | 0.36 |
| 20 | Karda Buildcon Private Limited | Receivable against Contract (BSS) | (30.47) | 33.26 |
| 21 | KBC Global – FZCO, Dubai | Loans to Subsidiary | 5.89 | - |

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, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Borrowings including current maturities | 8,946.14 | 9,214.70 |
| Interest accrued and due/and but not due | - | - |
| Unpaid matured debentures and interest accrued thereon | - | - |
| Total Debt | 8,946.14 | 9,214.70 |
| Less : Cash & Cash Equivalents | - | - |
| Net Debt (A) | 8,946.14 | 9,214.70 |
| Equity Share Capital | 6,150.00 | 1,230.00 |
| Other Equity | 7,819.73 | 11,074.24 |
| Total Equity (B) | 13,969.73 | 12,304.24 |
| Debt Equity Ratio (A/B) | 0.64 | 0.75 |

Note 28: Categories of Financial Instruments

Fair Value Measurement

(INR in Lakhs)

| Particulars | As at 31 st March, 2022 | | As at 31 st March, 2021 | |
|---------------------------|------------------------------------|----------------|------------------------------------|----------------|
| | FVPL / FVOCI | Amortised Cost | FVPL / FVOCI | Amortised Cost |
| Financial Assets | | | | |
| Investments | - | 2,861.25 | - | 5,601.23 |
| Trade Receivables | - | 8,315.16 | - | 5,754.78 |
| Cash and cash equivalents | - | 48.80 | - | 36.79 |
| Loans & Advances | - | 4,077.55 | - | 2,721.69 |
| Other Financial Assets | - | 5,016.22 | - | 4,089.32 |

| | | | | |
|------------------------------|---|------------------|---|------------------|
| Total | - | 20,318.97 | - | 18,203.81 |
| Financial Liabilities | | | | |
| Borrowings | - | 8,946.14 | - | 9,214.70 |
| Trade Payables | - | 936.33 | - | 1,572.30 |
| Other Financial Liabilities | - | 928.66 | - | 261.72 |
| Total | - | 10,811.13 | - | 11,048.72 |

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, 2022 | As at 31 st March, 2021 |
|---|--|--|
| Employer's Contribution to Provident Fund (Gross before Allocation) | 13.87 | 14.34 |
| Employer's Contribution to ESIC | 2.18 | 2.80 |

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, 2022 | As at 31 st March, 2021 |
|--|---------------------------------------|---------------------------------------|
| Operating lease expenses recognised in profit and loss account | 10.30 | 23.76 |

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 Liabilities of Rs.2.89 Lakhs in the Profit and Loss Account, the details of which are as under:

(INR in Lakhs)

| Particulars | As at 31 st March, 2022 | As at 31 st March, 2021 |
|---|---------------------------------------|---------------------------------------|
| Deferred Tax Assets (Opening balance) | 17.61 | 23.95 |
| 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 | (2.89) | (6.34) |
| Deferred Tax Assets (Net) | 14.71 | 17.61 |

Note 32:

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realizable, as the case may be.

Note 33: Segment Reporting

a) Basis of Segmentation

Factors used to identify the entity’s reportable segments, including the basis of organization

For management purposes, the Company’s business activity falls within a two business segment viz. ‘Development of Real Estate Property’ & ‘Civil Contracting Business’, the financial statements are reflective of the information required by Ind AS 108 “Operating Segments”. The Managing Director of the Company acts as the Chief Operating Decision Maker (“CODM”). The CODM evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators.

b) Geographical Information

The geographic information analyses the Company’s revenue and Non-Current Assets by the Company’s country of domicile and other countries. As the Company is engaged in Development of Real Estate property & Civil Contracting Business in India, it has only one reportable geographical segment.

c) **Information about major customers**

None of the customers for the years ended March 31, 2022 and March 31, 2021 constituted 10% or more of the total revenue of the Company.

Standalone Segment wise Revenue, Results, Assets & Liabilities for the year ended March 31, 2022:

(INR in Lakhs)

| Sr. No. | Particulars | Year Ended | |
|------------|---|------------------|------------------|
| | | 31-March-22 | 31-March-21 |
| I | Segment Revenue | | |
| | (a) Real Estate | 4,471.47 | 8,711.04 |
| | (b) Civil Contracting Business | 5,693.05 | 4,171.68 |
| | Total Segment Revenue | 10,164.52 | 12,882.72 |
| | Less: Inter segment revenue | - | - |
| | Net Income from Operations | 10,164.52 | 12,882.72 |
| II | Segment Results (Profit before unallowable (expenditure) / income, interest and finance charges and tax) | | |
| | (a) Real Estate | 1,295.52 | 2,431.90 |
| | (b) Civil Contracting Business | 1,575.52 | 1,070.76 |
| | Total Segment Results | 2,871.04 | 3,502.66 |
| | Add/(Less): | | |
| | Less : Interest and Finance charges | 1,430.47 | 1,455.52 |
| | Add: Unallocated Income | 967.28 | 753.56 |
| | Less: Unallocated Expenses | 8.10 | 8.10 |
| | Profit Before Tax | 2,399.76 | 2,792.60 |
| III | Segment Assets | | |
| | (a) Real Estate | 30,072.12 | 25,847.56 |
| | (b) Civil Contracting Business | 1,108.03 | 4,353.50 |
| | Total Segment Assets | 31,180.15 | 30,201.06 |
| | Add: Unallocated Assets | 1,521.49 | 1,174.76 |
| | Total Assets | 32,701.64 | 31,375.82 |
| | Segment Liabilities | | |
| | (a) Real Estate | 16,796.04 | 17,315.73 |
| | (b) Civil Contracting Business | 277.05 | 515.51 |
| | Total Segment Liability | 17,073.09 | 17,831.24 |
| | Add: Unallocated Liabilities | 1,658.82 | 1,240.34 |
| | Total Liabilities | 18,731.91 | 19,071.58 |

Footnote:

(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 32.56 Lakhs during the year (Previous Year 2021 : INR 34.81 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 27.84 Lakhs (Previous Year 2021: INR 31.57 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, 2022 | | | |
| (i) Construction / Acquisition of any Asset | - | - | - |
| (ii) On purposes other than (i) above | 32.56 | - | 32.56 |
| Year ended March 31, 2021 | | | |
| (i) Construction / Acquisition of any Asset | - | - | - |
| (ii) On purposes other than (i) above | 34.81 | - | 34.81 |

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, 2022 and March 31, 2021 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 2022 were approved by the Board of Directors and authorized for issue on June 07, 2022.

Note 38:

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

Note 39: Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (e) To the best of our knowledge and representation received from the management, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (f) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other

relevant provisions of the Income Tax Act, 1961).

- (g) To the best of our knowledge and representation received from the management, the Company has not granted any loans or advances in nature of loans to promoters, directors and KMPs either severally or jointly with any other person during the year ended March 31, 2022 and March 31, 2021.
- (h) The Company has not been declared willful defaulter by any bank, financial institution, government or government authority.
- (i) The Company has not revalued its property, plant and equipment (including right-to-use assets) or intangible assets during the year ended March 31, 2022.
- (j) As per information received from the management, there were no transactions entered with the companies which are struck off.

| Ratio | Numerator – Basis | Denominator - Basis | Current Period FY 2021-22 | Previous Period FY 2020-21 | % Variance | Reasons for variance |
|---|---|---|------------------------------|-------------------------------|------------|---|
| Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 3.23 | 2.91 | 10.81% | - |
| Debt - Equity Ratio (in times) | Debt consists of borrowings and lease liabilities. | Total Equity (TNW) | 0.64 | 0.75 | -14.49% | - |
| Debt Service Coverage Ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt Service = Interest and lease payments + Principal repayments | 1.03 | 1.19 | -14.07% | - |
| Return on Equity Ratio (%) | Profit for the year less Preference dividend (if any) | Average Total Equity | 15.25% | 17.84% | -14.53% | - |
| Inventory Turnover Ratio (in times) | Cost of raw materials consumed + Changes in inventories of finished goods, work-in-progress and stock-in-trade | Average Inventory | 0.52 | 0.64 | -17.88% | - |
| Trade Receivables Turnover Ratio (in times) | Revenue from operations (including other income) | Average Trade Receivables | 1.58 | 3.05 | -48.09% | Revenue from operations were reduced during the year and Trade Receivables were |

| | | | | | | |
|--|--|--|--------|--------|---------|---|
| | | | | | | increased due to the unbilled revenue component of civil works contracts. Hence, this ratio was declined. |
| Trade Payables Turnover Ratio (in times) | Cost of raw materials consumed + Changes in inventories of finished goods, work-in-progress and stock-in-trade | Average Trade Payables | 5.06 | 5.67 | -10.90% | - |
| Net Capital Turnover Ratio (in times) | Revenue from operations (including other income) | Average Working Capital (i.e. Total Current Assets less Total Current Liabilities) | 0.65 | 0.79 | -17.40% | - |
| Net Profit Ratio (%) | Profit after Tax for the year | Revenue from Operations | 15.49% | 14.80% | 4.70% | - |
| Return on Capital Employed (%) | Profit before tax and finance costs | Capital Employed = Net worth + Lease Liabilities + Deferred Tax Liabilities | 27.41% | 34.52% | -20.58% | - |
| Return on Investment (%) | Interest on bank deposits | Average invested funds in bank deposits | 4.50% | 5.91% | -23.83% | - |

As per our report of even date

For Sharp Aarth & Co LLP
of
Chartered Accountants
Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors
KBC Global Limited
CIN – L45400MH2007PLC174194

CA VIPUL LATHI
Partner
Membership No. 134897

NARESH KARDA
Chairman & MD
DIN: 01741279

MANOHAR KARDA
Whole Time Director
DIN : 01808564

LIYAKAT M KHAN
Chief Financial Officer

MAYURA MARATHE
Company Secretary

Place : Nashik
Date: June 07, 2022

Place : Nashik
Date: June 07, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

I. Company Overview

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

II. Summary of Significant Accounting Policies

(a) Basis of preparation and measurement

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

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

2022 were approved by the Board of Directors and authorized for issue on June 07, 2022.

(b) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalents. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

(c) Fair value measurement

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

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

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

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

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

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

(d) Revenue Recognition

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

Under Ind AS 115, revenue is recognized when or as it satisfies each performance obligation by transferring a promised goods or services to a customer. A goods or service is considered to be transferred when the customer obtains control. Under Ind AS

115, transfer of control of a good or service over time rather than at a point in time is considered when one of the following criteria are met:

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

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

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

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

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

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

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

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

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

Dividend income is accounted when right to receive is established.

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

(e) Property, Plant and Equipment:

Recognition and measurement

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

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

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

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

Subsequent expenditures

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

Depreciation and amortization

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

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

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

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

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

Investment property and depreciation

Investment properties are measured initially at cost, including transaction

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

(e) Impairment of non-financial assets:

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

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

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

(f) Foreign currency transactions:

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

Monetary assets and liabilities denominated in foreign currencies at the

reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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

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

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

(h) Financial Instruments:

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

i) Financial assets at amortised cost

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

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

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

recognized in the Statement of Profit and Loss.

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

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

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

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

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

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is

recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments

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

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

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

Impairment of financial assets

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

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected

Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

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

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

De-recognition

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

Offsetting financial instruments

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

(i) Inventories:

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

Construction work-in-progress includes cost of land, premium for development rights, construction costs, allocated

interest and expenses incidental to the projects undertaken by the Company.

(j) Income Tax:

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

Current Tax

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

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

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

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the

related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and

written down to the extent the aforesaid convincing evidence no longer exists.

(k) Employee benefits:

Short term employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss. Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other

comprehensive income (OCI). They are included in retained earnings in the Statement of Change in Equity and in the Balance Sheet.

Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

(l) Leases:

Finance Lease

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

Operating Lease

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

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

(m) Borrowing Costs:

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

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

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

(n) Earnings per share:

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

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

(o) Cash and cash equivalents:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an

integral part of the Company's cash management.

(p) Provisions and Contingent Liabilities:

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

(q) Dividend:

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

(r) Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such

events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(s) Segment Reporting:

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

(t) USE OF ESTIMATES AND JUDGEMENTS

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

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

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

i. Evaluation of satisfaction of performance obligation over a time (percentage completion) for

the purpose of revenue recognition

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

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

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the standalone financial statements for the period in which such changes are determined.

iii. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key

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

iv. Fair value measurement of financial instruments

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

v. Impairment losses on investment

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

amount, the impairment loss is accounted for.

vi. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

vii. Provisions and contingencies

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

INDEPENDENT AUDITORS' REPORT

To
The Members of KBC Global Limited
(Earlier known as Karda Constructions Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of KBC Global Limited (hereinafter referred to as the “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Group as at 31 March 2022, and its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated 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 SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our

opinion thereon, and we do not provide a separate opinion on these matters.

| The Key Audit Matter | How the matter was addressed in our audit |
|---|---|
| <p>4. Accuracy of revenue recognition, measurement, presentation and disclosures as per Ind AS 115 “Revenue from Contracts with Customers”.</p> | |
| <p>Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <p>Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the Company’s assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as a key audit matter.</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><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Evaluating that the Group’s revenue recognition accounting policies are in line with the applicable accounting standards; • Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer; • Identifying and testing operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers; • Identifying and testing operating effectiveness of key controls over recording of project costs; • Comparing the costs to complete workings with the budgeted costs and inquiring for variance; • Comparison of the estimated costs with the costing details as mentioned for registration of the projects with the MahaRERA website. |
| <p>5. Valuation of Inventories – Assessing the net realisable value</p> | |
| <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</p> | <p><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Discussion with the management to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units (“the NRV assessment”); • Evaluating the design and implementation of the Group’s internal controls over the NRV assessment. Our evaluation included assessing |

| | |
|--|--|
| assessment of the carrying value of inventories. | <p>whether the NRV assessment was prepared and updated by appropriate personnel 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; |
| 6. Tax Assessments | |
| Review, effect and presentation of completed tax assessments | <p><u>Principle Audit Procedures</u></p> <ul style="list-style-type: none"> • Verification of details of completed tax assessments and demands as at 31 March 2022, followed by verification of tax refunds on completed tax assessments and treatment of the same in books of account and financial statements. |

Other Information

The Holding Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s annual report, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies 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.

The respective Board of Directors of the companies is also responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements in place and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of such entities or business activities within the Group, to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

3. As required by the Section 143 (3) of the Act, based on our audit and other financial information of such subsidiary, we report, to the extent applicable, that:
4. As required by Section 143(3) of the Act, based on our audit we report that:
 - i) We have sought and obtained all the information and explanations which to the best of our knowledge and

belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

- j) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- k) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- l) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- m) On the basis of the written representations received from the directors of the Group Companies as on 31 March 2022 and taken on record by the Board of Directors of the Group Companies, none of the directors the Group companies incorporated in INdia are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and
- n) With respect to the adequacy of the internal financial controls with

reference to financial statements of the Group Companies and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” to this report.

o) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and the other information of the subsidiary:

- i. The consolidated financial statements disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its consolidated financial statements - Refer Note 51 to the consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group incorporated in India during the year ended 31 March 2022;

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor’s) Rules, 2014 contain any material misstatement.

v. The Holding Company has neither declared nor paid any dividend during the year. However, the holding company has made the payment of dividend declared during the FY 2020-21, which was approved in the 14th AGM conducted on August 7, 2021.

p) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given

to us, the remuneration paid by the Holding 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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

q) In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements include the financial information of the following entities:

| | |
|---------------------------------------|--|
| KBC Global FZCO, Dubai | Wholly Owned Subsidiary |
|---------------------------------------|--|

For Sharp Aarth & Co LLP

Chartered Accountants

Firm Registration No – 132748W / W-100823

CA Vipul Lathi

Partner

Membership No.134897

UDIN: 22134897AKLNNF8432

Place: Nashik

Date: 7 June, 2022

Annexure A to the Independent Auditors’ report on the consolidated financial statements of KBC Global Limited for the period ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid *consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)*

(Referred to in paragraph 2 (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

IN conjunction with our audit of the consolidated financial statements of KBC Global Limited (“the Holding Company”) as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company (“the Group”).

In our opinion, the Group has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements 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 (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The respective company’s management and the Board of Directors are responsible for establishing and maintaining internal

financial controls based on the internal financial controls with reference to consolidated 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 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 (hereinafter referred to as “the Act”).

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were established and maintained and whether 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, 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 consolidated 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide

reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated

financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 LLP
Chartered Accountants
Firm Registration No – 132748W / W-100823

CA Vipul Lathi
Partner
Membership No.134897
UDIN: 22134897AKLNNF8432

Place: Nashik
Date: 7 June, 2022

KBC GLOBAL LIMITED
CIN: L45400MH2007PLC174194

CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2022

(INR in Lakhs)

| Sr. No. | Particulars | Note No. | As at | As at |
|---------|-----------------------------------|----------|-----------------|-----------------|
| | | | March 31, 2022 | March 31, 2021 |
| | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 3 | 94.71 | 101.24 |
| | (b) Investment Properties | 4 | - | 22.21 |
| | (c) Financial Assets | | | |
| | (i) Investments | 5(a) | | |
| | - In Partnership Firm | | 0.35 | 0.22 |
| | - In Others | | 30.03 | 30.03 |
| | (ii) Loans & Advances | 5(b) | 2,610.08 | 1,287.98 |
| | (iii) Other Financial Assets | 5(c) | 5,014.43 | 4,088.44 |
| | (d) Deferred Tax Assets (Net) | 6 | 14.71 | 17.61 |
| | (e) Other Non-Current Assets | 7 | 40.10 | 40.10 |
| | Total Non-Current Assets | | 7,804.42 | 5,587.83 |
| | | | | |
| 2 | Current Assets | | | |
| | (a) Inventories | 8 | 11,817.04 | 12,399.91 |
| | (b) Financial Assets | | | |
| | (i) Investments | 5(a) | 2,828.81 | 5,570.98 |
| | (ii) Trade Receivables | 5(d) | 8,315.16 | 5,754.78 |
| | (iii) Cash and Cash Equivalents | 5(e) | 49.52 | 36.79 |
| | (iv) Loans & Advances | 5(b) | 1,461.58 | 1,433.71 |
| | (v) Other Financial Assets | 5(c) | 1.79 | 0.88 |
| | (c) Current Tax Assets (Net) | 5(f) | 312.35 | 451.27 |
| | (d) Other Current Assets | 7 | 103.75 | 139.66 |

| | | | | |
|---|-------------------------------|------|------------------|------------------|
| | Total Current Assets | | 24,889.99 | 25,787.99 |
| | | | | |
| | Total Assets (1+2) | | 32,694.41 | 31,375.82 |
| | | | | |
| | EQUITY AND LIABILITIES | | | |
| 1 | EQUITY | | | |
| | (a) Equity Share Capital | 9(a) | 6,150.00 | 1,230.00 |
| | (b) Other Equity | 9(b) | 7,812.50 | 11,074.24 |
| | Total Equity | | 13,962.50 | 12,304.24 |

| | | | | |
|---|--|-------|------------------|------------------|
| | LIABILITIES | | | |
| 2 | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 10(a) | 4,676.80 | 3,444.47 |
| | (ii) Lease Liabilities | | 3.50 | 3.50 |
| | (ii) Other Financial Liabilities | 10(b) | - | - |
| | (b) Other Non-Current Liabilities | 11 | 6,284.35 | 6,723.21 |
| | (c) Provisions | 12 | 48.51 | 40.41 |
| | (d) Deferred Tax Liabilities | | - | - |
| | Total Non-Current Liabilities | | 11,013.16 | 10,211.59 |
| | | | | |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 10(a) | 4,269.34 | 5,770.23 |
| | (ii) Lease Liabilities | | - | - |
| | (iii) Trade Payables | 13 | | |
| | - Total Outstanding Dues of Micro Enterprises and Small Enterprises | | 191.94 | 68.70 |
| | - Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises | | 744.39 | 1,503.60 |
| | (iv) Other Financial Liabilities | 10(b) | 925.16 | 258.22 |
| | (b) Provisions | 11 | 66.67 | 66.53 |
| | (c) Current Tax Liabilities (Net) | 14 | 1,160.61 | 1,019.66 |

| | | | | |
|--|---|----|------------------|------------------|
| | (d) Other Current Liabilities | 15 | 360.63 | 173.05 |
| | Total Current Liabilities | | 7,718.75 | 8,859.99 |
| | | | | |
| | Total Equity & Liabilities (1+2+3) | | 32,694.41 | 31,375.82 |
| | Significant Accounting Policies | 1 | | |

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For Sharp Aarth & Co LLP

Chartered Accountants

Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of

KBC Global 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: June 07, 2022

Place : Nashik

Date: June 07, 2022

KBC GLOBAL LIMITED
CIN: L45400MH2007PLC174194

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2022**

(INR in Lakhs)

| Sr. No. | Particulars | Note No. | For the year ended | |
|---------|---|----------|--------------------|------------------|
| | | | March 31, 2022 | March 31, 2021 |
| 1 | INCOME | | | |
| | (a) Revenue from Operations | 16 | 10,164.52 | 12,882.72 |
| | (b) Other Income | 17 | 967.28 | 753.56 |
| | Total Income | | 11,131.80 | 13,636.29 |
| 2 | EXPENSES | | | |
| | (a) Cost of construction / development, land, plots and development rights | 18 | 6,341.44 | 8,553.54 |
| | (b) Employee benefits expense | 19 | 265.47 | 304.68 |
| | (c) Finance costs | 20 | 1,430.47 | 1,455.52 |
| | (d) Depreciation and amortization expense | 3 | 12.45 | 10.87 |
| | (e) Selling expenses | 21 | 146.85 | 339.50 |
| | (f) Other expenses | 22 | 542.59 | 179.57 |
| | Total Expenses | | 8,739.27 | 10,843.68 |
| 3 | Profit Before Exceptional Items and Tax (1-2) | | 2,392.52 | 2,792.60 |
| 4 | Exceptional Items | | - | - |
| 5 | Profit Before Tax (3-4) | | 2,392.52 | 2,792.60 |
| 6 | Tax Expense | | | |
| | (a) Current Tax | | 664.29 | 760.50 |
| | (b) Deferred Tax Charge / (Credit) | | 2.89 | 6.34 |
| | Total Tax Expenses | | 667.18 | 766.84 |
| 7 | Profit for the year (3-4) | | 1,725.34 | 2,025.77 |
| 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) | | 1,717.24 | 2,017.67 |
| 10 | Earning per Equity Share (EPS) (Face value of INR 1 each) | | | |
| | Basic EPS | | 0.28 | 0.33 |
| | Diluted EPS | | 0.28 | 0.33 |
| | Significant Accounting Policies | 1 | | |

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants
Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global 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: June 07, 2022

Place : Nashik
Date: June 07, 2022

KBC GLOBAL LIMITED
CIN : L45400MH2007PLC174194
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST
MARCH, 2022

A. EQUITY SHARE CAPITAL *(INR in Lakhs)*

| Particulars | As At March 31, 2022 | As At March 31, 2021 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year | 1,230.00 | 1,230.00 |
| Changes in equity share capital during the year – Bonus issue | 4,920.00 | - |
| Balance at the end of the year | 6,150.00 | 1,230.00 |

B. OTHER EQUITY *(INR in Lakhs)*

| Particulars | Reserves and Surplus | | Total |
|---|----------------------------------|-----------------|------------------|
| | Securities Premium Reserve | General Reserve | |
| Balance as at 1st April, 2020 | 3,691.33 | 5,396.53 | 9,087.86 |
| Profit / (Loss) for the year | - | 2,017.67 | 2,017.67 |
| Excess / (Short) Provision for Income Tax | - | (0.54) | (0.54) |
| Dividend Paid | - | (30.75) | (30.75) |
| Balance at 31st March, 2021 | 3,691.33 | 7,382.91 | 11,074.24 |
| Balance as at 1st April, 2021 | 3,691.33 | 7,382.91 | 11,074.24 |
| Profit / (Loss) for the year | - | 1,717.24 | 1,724.47 |
| Excess / (Short) Provision for Income Tax | - | (31.96) | (31.96) |
| Dividend Paid for the FY 2020-21 | - | (27.03) | (27.03) |
| Bonus to Shareholders | - | (4,920.00) | (4,920.00) |
| Balance at 31st March, 2022 | 3,691.33 | 4,121.17 | 7,812.50 |

The accompanying notes are an integral part of the consolidated 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 form an integral part of the consolidated financial statements.
As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants
Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global Limited
CIN – L45400MH2007PLC174194

CA VIPUL LATHI
Partner
Membership No. 134897

Place : Nashik
Date: June 07, 2022

NARESH KARDA
Chairman & MD
DIN: 01741279

LIYAKAT M KHAN
Chief Financial Officer

Place : Nashik
Date: June 07, 2022

**MANOHAR
KARDA**
Whole Time Director
DIN : 01808564

**MAYURA
MARATHE**
Company Secretary

KBC GLOBAL LIMITED

CIN : L45400MH2007PLC174194

Consolidated Statement of Cash Flows for the year ended March 31, 2022*(INR in Lakhs)*

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Cash Flow from Operating Activities | | |
| Profit Before Tax: | 2,392.52 | 2,792.61 |
| Adjustment for: | | |
| Depreciation and Amortization | 12.45 | 10.87 |
| Provision for Gratuity | (8.10) | (8.10) |
| Finance Cost | 1,430.47 | 1,455.52 |
| Interest Income | (945.34) | (706.20) |
| Dividend Income | (0.75) | - |
| Profit from Redemption of Mutual Funds | - | (1.05) |
| Share of Profit from Partnership Firms | (8.35) | (3.51) |
| Provisions for Deferred Taxes | (2.89) | (6.34) |
| Operating profit before working capital changes | 2,870.01 | 3,533.79 |
| | | |
| Adjustments for changes in working capital | | |
| (Increase) / Decrease in Financial Assets | (4,834.35) | (2,704.92) |
| (Increase) / Decrease in Non Financial Assets | 174.84 | 85.22 |
| (Increase) / Decrease in Inventories | 582.87 | 1,234.87 |
| Increase / (Decrease) in Financial Liabilities | 30.98 | 980.79 |
| Increase / (Decrease) in Non Financial Liabilities | (243.04) | 670.03 |
| | (1,418.69) | 3,799.79 |
| Taxes Paid (Net) | (555.30) | (349.14) |
| Net Cash Flow from Operating Activities | (1,973.99) | 3,450.65 |
| Cash Flow from Investing Activities | | |
| Purchase of Property, Plant & Equipment | (5.92) | (25.86) |
| Sale / (Purchase) of Investments | 2,764.25 | (916.54) |
| Interest Income | 945.34 | 706.20 |
| Dividend Income | 0.75 | - |
| Profit from Redemption of Mutual Funds | - | 1.05 |
| Share of Profit from Partnership Firms | 8.35 | 3.51 |
| Net Cash Flow from Investing Activities | 3,712.78 | (231.63) |
| Cash Flow from Financing Activities | | |
| Proceeds from Issue of Equity Share Capital | - | - |
| Dividend Payable | (27.03) | - |

| | | |
|---|------------|------------|
| Proceeds from / (Repayment of) Long Term Borrowings (Net) | 1,232.33 | (2,007.56) |
| Proceeds from / (Repayment of) Short Term Borrowings (Net) | (1,500.89) | 244.05 |
| Interest Paid | (1,430.47) | (1,455.52) |
| Net Cash Flow from Financing Activities | (1,726.06) | (3,219.04) |
| | | |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 12.73 | (0.02) |
| | | |
| Cash and Cash Equivalents - Opening Balance | 36.79 | 36.82 |
| Cash and Cash Equivalents - Closing Balance | 49.52 | 36.79 |
| See Accompanying notes forming part of the consolidated financial statements | | |

Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
- Cash comprise cash on hand, current accounts and deposits with banks. Cash equivalents are short term balances (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For Sharp Aarth & Co LLP

Chartered Accountants

Firm Reg No. 132748W / W-100823

**For and on behalf of the Board of Directors of
KBC Global 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: June 07, 2022

Place : Nashik

Date: June 07, 2022

KBC Global Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2022
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, 2021 | Additions during the year | Deductions during the year | As at 31 March, 2022 | Upto March 31, 2021 | For the year | Deductions | Upto 31 March, 2022 | As at 31 March, 2022 | As at March 31, 2021 |
| a) Plant Property & Equipment | | | | | | | | | | |
| Buildings | 51.07 | - | - | 51.07 | 3.06 | 0.43 | - | 3.50 | 47.57 | 48.00 |
| Plant & Machinery | 17.53 | - | - | 17.53 | 7.12 | 1.22 | - | 8.34 | 9.19 | 10.41 |
| Furniture & Fixtures | 27.87 | 0.01 | - | 27.88 | 10.92 | 2.64 | - | 13.56 | 14.32 | 16.95 |
| Computers & Laptops | 9.68 | 5.56 | - | 15.24 | 4.21 | 3.03 | - | 7.24 | 8.00 | 5.47 |
| Vehicles | 15.00 | - | - | 15.00 | 8.74 | 1.78 | - | 10.52 | 4.48 | 6.26 |
| Office Equipments | 19.26 | 0.34 | - | 19.60 | 5.09 | 3.35 | - | 8.45 | 11.15 | 14.16 |
| Total Plant Property & Equipment | 140.40 | 5.92 | - | 146.31 | 39.15 | 12.45 | - | 51.60 | 94.71 | 101.24 |
| b) Intangible Assets | | | | | | | | | - | - |
| c) 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 | As at April 1, 2020 | For the year | Deductions | Upto 31 March, 2021 | As at 31 March, 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 | | | | | | | | | - | - |

KBC Global Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

Note 4: Investment Properties

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|--------------------------|--------------------------|
| Farm House Plot (<i>at S.No.292/1A & 2A, Bhagur</i>) | - | 22.21 |
| Total | - | 22.21 |

Note 5: Financial Assets

5(a) Non Current Investments

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|--------------------------|--------------------------|
| A) Investment in Fully paid-up Equity Instruments (Unquoted) | | |
| 1. Navjeevan Bank | 1.00 | 1.00 |
| 10,000 (As at 31 Mar, 2021: 10,000) Equity shares of INR 10/- each | | |
| 2. Nashik Road Deolali Vyapari Bank Ltd. | 5.03 | 5.03 |
| 50,250 (As at 31 Mar, 2021: 50,250) Equity shares of INR 10/- each | | |
| 3. Shree Sainath Land & Development (India) Private Limited* | 24.00 | 24.00 |
| 2,40,000 (As at 31 Mar, 2021: 2,40,000) Equity shares of INR 10/- each | | |
| Total | 30.03 | 30.03 |
| B) Investment in Partnership Firms (Refer Footnote a) | | |
| M/s. Karda Infrastructures | 0.30 | 0.17 |
| M/s. Bhakti Enterprises | 0.05 | 0.05 |
| Total | 0.35 | 0.22 |
| Total Non Current Investments (A+B) | 30.38 | 30.24 |

*Refer Related Party Disclosure in Note 25

Footnote:

d) Details of investments made in the capital of partnership firms:

| Partnership Firms | Share in Profits (%) | |
|---|----------------------|---------------|
| | 31 March 2022 | 31 March 2021 |
| 1. M/s. Karda Infrastructures (Refer Footnote c) | | |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 60.00 | 33.33 |
| - Naresh Jagumal Karda | 6.67 | 33.34 |
| - Rahul Kanayalal Kalani | 33.33 | 33.33 |
| Total Capital of the firm (In Lakhs)* | 1,708.61 | 110.61 |
| | | |
| 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 |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 5.00 | 5.00 |
| - Komal Karda | 5.00 | 5.00 |
| - Neha Karda | 5.00 | 5.00 |
| Total Capital of the firm (In Lakhs)* | 387.76 | 146.63 |
| | | |
| 3. M/s. Green Enterprises | | |
| - Basant Nathumal Gurnani | 16.67 | 16.67 |
| - Sujyoti Fininvest Pvt Ltd | 33.33 | 33.33 |
| - KBC Global Limited (<i>Earlier known as Karda Constructions Limited</i>) | 11.67 | 11.67 |
| - Maharaj Birmani | 33.33 | 33.33 |
| - Naresh Karda | 5.00 | 5.00 |
| Total Capital of the firm (In Lakhs)* | 253.50 | 102.25 |
| | | |
| *Total Capital of the firm consists of fixed & current capital (including excess withdrawals from the firm). Refer Note 5(a) & Note 15. | | |

e) The Company has investments in certain partnership firms aggregating INR 0.35 lakhs (31st March, 2021: 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.

f) In a partnership firm M/s. Karda Infrastructures, profit sharing ratio for Hari Smruti

Project is 80:20 between KBC Global Limited & Naresh Karda.

5(a) Current Investments

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| A) Investment in Mutual Funds (Quoted) (At cost) | | |
| ICICI Prudential Savings Funds - DP Growth | | |
| 3.075 units (As at March 31, 2021 : 3.075 units) | 0.01 | 1.18 |
| | | |
| B) Investment in Partnership Firm (Current Capital) | | |
| M/s. Karda Infrastructures | 2,726.55 | 3,467.76 |
| M/s. Bhakti Enterprises | - | 1,999.79 |
| M/s. Green Enterprises | 102.25 | 102.25 |
| Total | 2,828.81 | 5,570.98 |

Note 5: Financial Assets

5(b) Non-Current Loans and Advances

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Loans to Related Parties | - | - |
| Loans to Others - Secured | | |
| (a) Advance against Shop | 10.00 | 10.00 |
| (b) Advances & Deposits - Land Purchase | 2,600.08 | 1,277.98 |
| Total | 2,610.08 | 1,287.98 |

Footnote:

2. Loans & Advances are secured against Terms of Development Agreement / Agreement for sale.

5(b) Current Loans and Advances

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Loans to Related Parties | - | - |
| Loans to Others - Unsecured, Considered Good | 1,461.58 | 1,433.71 |
| Total | 1,461.58 | 1,433.71 |

Footnote:

1. 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 2022 | 31 March 2021 |
|--------------------------------------|--------------------------|--------------------------|
| Deposits with Banks (Refer Footnote) | 1,004.71 | 847.28 |
| Security Deposits | 3,752.88 | 3,026.28 |
| Development Agreement Deposits | 125.79 | 184.59 |
| Rent Deposits | 131.05 | 30.30 |
| Total | 5,014.43 | 4,088.44 |

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 2022 | 31 March 2021 |
|--------------------|--------------------------|--------------------------|
| Advance to Staff | 1.79 | 0.88 |
| Total | 1.79 | 0.88 |

Note 5: Financial Assets

5(d) Trade Receivables

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|--------------------------|--------------------------|
| Non-Current | | |
| Related Party | - | - |
| Unsecured, considered good | - | - |
| Total | - | - |
| Current | | |
| Related Party | - | - |
| Unsecured, considered good | | |
| (a) Receivables from Customers - Real Estate | 1,583.64 | 1,843.01 |

| | | |
|--|-----------------|-----------------|
| (b) Receivables from Customers – Civil Contracts | 1,271.48 | 1,139.16 |
| (c) Rent Receivable | 7.93 | 6.58 |
| (d) Unbilled Revenue in respect of Civil Contracts | 5,452.11 | 2,766.04 |
| Total | 8,315.16 | 5,754.78 |
| Less: Allowance for doubtful debts | - | - |
| Total | 8,315.16 | 5,754.78 |

Footnote:

- The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.
- 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.
- As per the management representation, there is no uncertainty in recovering dues receivable from customers and thus no provision has been made for the doubtful debt.

Trade Receivables ageing schedule as at 31st March 2022

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|----------|--|-------------------|-----------|-----------|-------------------|-----------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed Trade receivables – considered good | 5,452.11 | 1,584.99 | 813.32 | 332.45 | 132.29 | - | 8,315.16 |
| ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |

| | | | | | | | |
|--|-----------------|-----------------|---------------|---------------|---------------|----------|-----------------|
| vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 5,452.11 | 1,584.99 | 813.32 | 332.45 | 132.29 | - | 8,315.16 |

Trade Receivables ageing schedule as at 31st March 2021

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|-----------------|--|-------------------|---------------|--------------|-------------------|-----------------|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed Trade receivables – considered good | 2,766.04 | 1,843.01 | 905.81 | 190.10 | 49.82 | - | 5,754.78 |
| ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 2,766.04 | 1,843.01 | 905.81 | 190.10 | 49.82 | - | 5,754.78 |

Note 5: Financial Assets

5(e) Cash and Cash Equivalents

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|
| Balances with Banks | | |
| Current Accounts (<i>Refer Footnote</i>) | - | - |
| Goa - Current Account | 0.34 | 0.21 |
| Escrow Accounts | 18.28 | 34.33 |

| | | |
|---------------|--------------|--------------|
| RERA Accounts | 6.08 | 1.67 |
| Cash on Hand | 24.82 | 0.59 |
| Total | 49.52 | 36.79 |

Footnote:

- 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 2022 | 31 March 2021 |
|---|------------------|------------------|
| Balances with Government Authorities | | |
| TDS Receivable | 187.54 | 137.14 |
| TCS Receivable | 0.09 | 0.18 |
| Excess Credit Balances (ITC) of GST | 124.72 | 313.96 |
| Total | 312.35 | 451.27 |

Footnote:

- Excess Credit Balance of GST is subject to reconciliation and confirmation with the Electronic Credit Ledger on GSTN portal and with GSTR – 2A statement. Mismatches, if any, will be reconciled and adjusted at the time of GST annual return filing and GST audit.

Note: 6 Deferred Tax Assets

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Opening Balance | 17.61 | 23.95 |
| Temporary difference on account of depreciation on Property, Plant and Equipment | (2.89) | (6.34) |
| Deferred Tax Assets (Net) | 14.71 | 17.61 |

Note 7: Other Non Financial Assets

(INR in Lakhs)

| Particulars | 31 March 2022 | 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 | 16.50 | 19.28 |
| Other Receivables | 87.25 | 120.38 |
| Total | 103.75 | 139.66 |

Footnote:

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

Note 8: Inventories

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Inventories (lower of cost or net realizable value) | | |
| Stock of material at site | 950.23 | 1773.62 |
| Completed Projects | 452.23 | 479.10 |
| Ongoing Projects | 9,470.16 | 9,202.78 |
| Land Bank | 944.42 | 944.42 |
| Civil Works Contracts (WIP) - Restated | - | - |
| Total | 11,817.04 | 12,399.91 |

Footnote:

Refer Note 18 for cost of inventories recognized as an expense during the period.

The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.

Mode of valuation of inventories is stated in Note 2

Note 9 (a): Equity Share Capital

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|
| Authorized Share Capital | | |
| 75,00,00,000 (As at 31st March, 2021: 10,00,00,000 Equity Shares of Rs.2/- each) Equity Shares of Re.1/- each | 7,500.00 | 2,000.00 |
| | | |
| Issued and subscribed capital comprises: | | |
| 61,50,00,000 (As at 31st March, 2021: 6,15,00,000 Equity Shares of Rs.2/- each) Equity Shares of Re.1/- each fully paid-up | 6,150.00 | 1,230.00 |

Footnote:

The Company has sub divided the Face Value of its Equity Shares from Rs. 2 to Re. 1 per share effective from the record date of August 13, 2021, based on approval of the shareholders received in AGM on August 07, 2021.

Also, the Company has given bonus issue in the ratio of 4:1, i.e, 4 Equity Shares for every 1 Equity Shares held as on the record date of August 13, 2021, based on approval of the shareholders received in AGM on August 07, 2021. Accordingly, the Paid-up Share Capital of Rs. 61,50,00,000 now consists of 61,50,00,000 Equity Shares of Re. 1 each.

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

(INR in Lakhs)

| Particulars | 31 March 2022 | | 31 March 2021 | |
|--|-------------------------|---------------------|-------------------------|---------------------|
| | 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 | 1,230.00 | 615.00 | 1,230.00 |
| Add : Sub-division of Equity Shares (2:1) | 615.00 | - | | |
| Add : Bonus issue during the year (4:1) | 4,920.00 | 4,920.00 | - | - |
| Add : Fresh issue during the year | - | - | - | - |
| Shares outstanding at the end of the year | 6,150.00 | 6,150.00 | 615.00 | 1,230.00 |

2. Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of Re. 1 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 not declared any dividend for the year ending 31st March, 2022.

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.

3. Details of shares held by each shareholder holding more than 5% shares

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|------------------------|-----------|------------------------|-----------|
| | Number of shares held | % Holding | Number of shares held | % Holding |
| Fully paid up equity shares (In Lakhs) | | | | |
| Naresh Jagumal Karda | 1,577.00 | 25.64% | 280.75 | 45.65% |

Footnote:

As per the records of the company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

4. Details of shares held by the promoters

| Shares held by promoters at the beginning of the year | | | % Change during the year |
|---|--------------------------|-------------------|--------------------------|
| Promoter Name | No. of Shares (In Lakhs) | % of Total Shares | |
| Naresh Jagumal Karda | 280.75 | 45.65% | - |
| Laxman Jagumal Karda | 27.50 | 4.47% | - |
| Prem Jagumal Karda | 19.50 | 3.17% | - |
| Karamchand Jagumal Karda | 17.00 | 2.76% | - |
| Manohar Jagumal Karda | 13.50 | 2.20% | - |
| Disha Naresh Karda | 12.50 | 2.03% | - |
| Neha Prem Karda | 5.00 | 0.81% | - |
| Komal Laxman Karda | 5.00 | 0.81% | - |
| Bharati Manohar Karda | 5.00 | 0.81% | - |
| Total Promoter Holding | 385.75 | 62.72% | - |
| Shares held by promoters at the end of the year | | | % Change during the year |
| Promoter Name | No. of Shares (In Lakhs) | % of Total Shares | |
| Naresh Jagumal Karda | 1577.00 | 25.64% | (20.01%) |
| Laxman Jagumal Karda | 3.00 | 0.05% | (4.42%) |
| Prem Jagumal Karda | - | - | (3.17%) |
| Karamchand Jagumal Karda | 2.50 | 0.04% | (2.72%) |
| Manohar Jagumal Karda | 0.51 | 0.01% | (2.19%) |
| Disha Naresh Karda | - | - | (2.03%) |
| Neha Prem Karda | 7.00 | 0.11% | (0.70%) |
| Komal Laxman Karda | 4.50 | 0.07% | (0.74%) |

| | | | |
|-------------------------------|-----------------|---------------|-----------------|
| Bharati Manohar Karda | - | - | (0.81%) |
| Total Promoter Holding | 1,594.51 | 25.93% | (36.79%) |

9(b) : Other Equity

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------------------|-----------------|-----------------|
| 3. Securities Premium Reserve | | |
| Balance at the beginning of the year | 3,691.33 | 3,691.33 |
| <i>Add / (Less) :</i> | | |
| Fresh Issue of Equity Shares | - | - |
| Balance at the end of the year | 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)

| 4. General Reserves | 31 March 2022 | 31 March 2021 |
|--|-----------------|------------------|
| Balance at the beginning of the year | 7,382.91 | 5,396.53 |
| <i>Add / (Less) :</i> | | |
| Profit attributable to the owners of the company | 1,717.24 | 2,017.67 |
| Excess / (Short) Provision of Income Tax | (31.96) | (0.54) |
| Utilisation for Bonus Issue to Shareholders | (4,920.00) | - |
| Dividend Payment in respect of FY 2020-21 | (27.03) | (30.75) |
| Balance at the end of the year | 4,121.17 | 7,382.91 |
| Total (1+2) | 7,812.50 | 11,074.24 |

Note 10: Financial Liabilities

10(a) Borrowings - Non Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|-----------------|-----------------|
| Secured Loans | | |
| (a) Term Loans from Banks & Financial Institutions | 6,333.34 | 7,044.08 |
| | 6,333.34 | 7,044.08 |
| Unsecured Loans | - | - |
| | | |
| Total Non-Current Borrowings | 6,333.34 | 7,044.08 |
| Less: Transferred to Current Maturities | (1,656.54) | (3,599.61) |
| Total | 4,676.80 | 3,444.47 |

10(a) Borrowings – Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|-----------------|-----------------|
| Secured Loans | | |
| (a) Borrowings against Real Estate / Civil Constructions Projects | | |
| Working Capital Loan / Cash Credit from Banks | 2,612.80 | 2,137.32 |
| | | |
| (b) Current Maturities of Long Term Debts | 1,656.54 | 3,599.61 |
| | 4,269.34 | 5,736.93 |
| Unsecured Loans | | |
| (a) Other Loans - Repayable on Demand | | |
| From Related Parties | - | 33.30 |
| | - | 33.30 |
| Total | 4,269.34 | 5,770.23 |

Footnote:

3. Secured term loans from banks carry interest rates within a range of 12.50% to 16.00%. The nature of securities are:

| Name of the Lenders | ROI | Security Offered (Further secured by Personal Guarantees of one or more promoters) |
|--|--------|---|
| 1. Tata Capital Housing Finance Limited (Term Loan against Projects) | 15.00% | 2. 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% | 3. Registered mortgage of Project Land & Building to the extent of Developer's share in the project 'Hari Sanskruti' 4. 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% | 2. 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% | 2. Registered mortgage on unsold units in the project 'Hari Vishwa'. This loan was closed during the year. |
| 5. Tata Capital Housing Finance Limited (Term Loan against Constructions of Projects) | 14.50% | 2. Registered mortgage on unsold proportion of Project Land & Building of 'Hari Laxmi' along with present & future construction. |
| 6. LIC Housing Finance Limited (Term Loan against Constructions of Projects) | 13.00% | 3. Registered mortgage on entire Project Land of 'Hari Sanskruti Phase II' 4. Hypothecation of share of receivables from the project 'Hari Sanskruti Phase II' |
| 7. The Nashik Road Deolali Vyapari Sahakari Bank Ltd (Term Loan & Overdraft Facilities) | 13.00% | 2. Registered Mortgage Plot Survey No. 13/3/1, Hectar 6060 Sq. Mtr 4549 Sq Mtr, Survey 306/2, Hectar 0.36R Bhagur, Nashik and Survey No. 4 of Chehedi, Nashik |
| 8. Shri Sai Samarth N S Pathsanstha (Term Loan) | 18.00% | 2. Registered mortgage of Plot Survey No. 136/5, Mouje Pathardi and Survey No. 218/5B/2/1 Mouje Pathardi, Nashik |
| 9. Capri Global Capital Limited (Term Loan) | 16.00% | 3. 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. 4. 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. |

| | | |
|---|--------|--|
| 10. Canara Bank (Cash Credit) | 10.25% | 3. Primary Security of Book Debts & Inventory. 4. Survey No. 113 of West DP Road & Canal Road, along with Flat No. 1,2,3,4,5,6 of old Karda House Survey No. 34/1A/2A/1 |
| 11. Central Bank of India (Cash Credit) | 10.95% | 2. Survey No. 237A/25, Plot No 25, CTS 3793 Opp KBC Global Office, Tilak Road, Opp Muktidham, Nashik Road, Nashik along with Plot No. 3,4,5, of S. No. 59/1A+1B/1/2 |
| 12. ICICI Bank (Overdraft Facility) | 12.00% | 2. Secured against Fixed Deposits with ICICI Bank |

Loans from related parties are unsecured and repayable on demand. Interest on the same is provided at the rate of 15.00% p.a. These loans were closed during the year.

Note 10: Financial Liabilities

10(b) Lease Liabilities - Non Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------|---------------|---------------|
| Rent Deposits from Lessee | 3.50 | 3.50 |
| Total | 3.50 | 3.50 |

10(c) Other Financial Liabilities – Current

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|----------------------------------|---------------|---------------|
| Branch - KCL DDUGKY Project | 117.82 | 95.33 |
| Shree Sainath Land & Development | 807.34 | 162.89 |
| Total | 925.16 | 258.22 |

Footnote:

The company has received civil works contract from Shree Sainath Land & Development. The above amount in their account represents advance received by the company against such civil contracts.

Note 11: Other Non Current Liabilities*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Booking Advances from Customers: | | |
| Against Real Estate Project | 5,011.91 | 5,340.77 |
| Against Plots & Land | 1,272.44 | 1,382.44 |
| Total | 6,284.35 | 6,723.21 |

Note 12: Provisions**(a) Non Current Provisions***(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------------|------------------|------------------|
| Employee Benefits | | |
| Provision for Gratuity | 48.51 | 40.41 |
| Total | 48.51 | 40.41 |

Footnote:

- The provision for Gratuity is non fund based provision and is made on the basis of actuarial report.

(b) Current Provisions*(INR in Lakhs)*

| Particulars | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|
| Provisions Employee Benefits | | |
| Salary Payable | 47.65 | 48.47 |
| Provisions for Operating Expenses | 19.02 | 18.07 |
| Total | 66.67 | 66.53 |

Note 13: Trade Payables

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|-----------------------|---------------|-----------------|
| Trade Payables | | |
| Dues to MSME | 191.94 | 68.70 |
| Dues to Others | 744.39 | 1,503.60 |
| Total | 936.33 | 1,572.30 |

Footnote:

f) The above figures of Trade Payables are shown as net of advances paid to the suppliers.

Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006:

- a) Disclosure of payable to vendors as defined under the 'Micro, Small and Medium Enterprise Development Act, 2006' is based on the information available with the Company regarding the status of registration of such vendors under the Act, as per the information / declarations received from vendors regarding their classification into MSME.
- b) Company has not made any provision for interest to be paid / payable to micro and small enterprises during the year.
- c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.
- d) Trade payables include INR NIL (31st March, 2021: INR 9.91 Lakhs) due to related parties. Kindly refer Note 25.

Trade Payables Ageing Schedule as on March 31, 2022

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | Total |
|-------------|---------|--|-------|
|-------------|---------|--|-------|

| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
|----------------------------|----------|------------------|---------------|---------------|-------------------|---------------|
| i) MSME | - | 191.94 | - | - | - | 191.94 |
| ii) Others | - | 227.55 | 286.54 | 127.26 | 103.04 | 744.39 |
| iii) Disputed Dues – MSME | - | | | | | - |
| iv) Disputed Dues - Others | - | - | - | - | - | - |
| Total | - | 419.49 | 286.54 | 127.26 | 103.04 | 936.33 |

Trade Payables Ageing Schedule as on March 31, 2021

(INR in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|----------|--|---------------|---------------|-------------------|-----------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) MSME | - | 68.70 | - | - | - | 68.70 |
| ii) Others | - | 457.72 | 579.78 | 258.61 | 207.49 | 1,503.60 |
| iii) Disputed Dues - MSME | - | | | | | - |
| iv) Disputed Dues - Others | - | - | - | - | - | - |
| Total | - | 526.42 | 579.78 | 258.61 | 207.49 | 1,572.30 |

Note 14: Current Tax Liabilities

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---------------------------------------|-----------------|-----------------|
| Provision for Income Tax (FY 2021-22) | 664.29 | - |
| Provision for Income Tax (FY 2020-21) | 473.15 | 760.50 |
| Provision for Income Tax (FY 2019-20) | - | 188.74 |
| Provision for Income Tax (FY 2018-19) | 23.17 | 70.42 |
| Total | 1,160.61 | 1,019.66 |

Note 15: Other Current Liabilities

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|-------------------------------------|---------------|---------------|
| Payable to Partnership Firms | | |
| M/s. Bhakti Enterprises | 140.97 | - |
| | | |
| Other Payables | | |
| Statutory Dues | 219.66 | 173.05 |
| Total | 360.63 | 173.05 |

Footnote:

Payable to Partnership Firms represents excess withdrawal made from the firm. Also refer the Related Parties Transactions Note No.25

Note 16: Revenue from Operations

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|
| Sale from operations | | |
| (a) Sale of Properties / Flats (Residential and Commercial) | 3,362.59 | 7,683.78 |
| (b) Sale of Land | - | - |
| (c) Contract Revenue Income | 3,006.98 | 3,381.18 |
| (d) Unbilled Revenue - Civil Contract (<i>Kindly refer footnote</i>) | 2,686.07 | 790.51 |
| (e) Rental Income | 12.11 | 18.70 |
| (f) Other Operating Revenue | | |
| - Profit from Partnership Firms (Net) | 8.35 | 3.51 |
| - Project Management Income | 1,025.00 | 890.52 |
| - Sales of Traded Goods – Steel & Cement | 63.42 | 114.53 |
| Total | 10,164.52 | 12,882.72 |

Footnote:

The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.

Note 17: Other Income

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| (a) Interest Income | | |
| - On Bank Deposits | 45.24 | 50.09 |
| - Other Financial Assets | 900.10 | 656.12 |
| (b) Dividend Income from | | |
| - Equity Investments (Dividend Income from Bank) | 0.75 | - |
| (c) Profit from Redemption of Mutual Funds | - | 1.05 |
| (d) Other Miscellaneous Income | | |
| - Cessation of Liability | - | 46.31 |
| - Cancellation Charges Received | 0.95 | |
| - Profit on Sale of Property, Plant & Equipments | 20.24 | - |
| Total | 967.28 | 753.56 |

Note No 18: Cost of Construction / Development

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|------------------|------------------|
| Opening Stock | 12,399.91 | 14,425.29 |
| Add: Cost incurred during the year | | |
| Cost of Land / Development Rights | 462.70 | 589.56 |
| Consumption of Material | 2378.11 | 3432.92 |
| Contract Cost, Labour and other Charges | 2917.16 | 2322.37 |
| Other Construction Cost | 0.61 | 1.06 |
| Contract Expenses | - | 182.26 |
| Sub Total | 5,758.58 | 6,528.17 |
| Less : Closing stock | 11,817.04 | 12,399.90 |
| Total | 6,341.44 | 8,553.54 |

Footnote:

The figures of previous period have been re-stated for revenue recognition from Civil Contracting Business. The amount of un-billed revenue in respect of all the civil contracts have been recognized as income from operations, which were earlier classified under the Closing WIP of Civil Contracts.

Note 19: Employee Benefit Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------------------|----------------------|----------------------|
| Salaries, wages and bonus | 237.77 | 253.80 |
| Salary – Directors | - | 27.00 |
| Sitting Fees | 4.02 | 3.84 |
| Contribution to Provident Fund | 13.87 | 14.34 |
| Contribution to ESIC Fund | 2.18 | 2.80 |
| Incentive to Staff | 1.37 | 1.38 |
| Staff Welfare Expenses | 6.27 | 1.53 |
| Total | 265.47 | 304.68 |

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 2022 | 31 March 2021 |
|---------------------------------|----------------------|----------------------|
| Interest Expenses on Borrowings | 1,404.50 | 1,302.23 |
| Other Borrowing Cost | 25.97 | 129.95 |
| Goa Site | - | 23.35 |
| Total | 1,430.47 | 1,455.52 |

Footnote:

a) In line with Ind AS-23 'Borrowing Costs', the borrowing costs of Rs.1,430.47 Lakhs (For 2020-21: Rs. 1455.52 Lakhs) have been capitalized to inventory.

Note 21: Selling Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------|----------------------|----------------------|
| Marketing Expenses | 146.85 | 339.50 |
| Total | 146.85 | 339.50 |

Note 22: Other Expenses

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------|----------------------|----------------------|
|--------------------|----------------------|----------------------|

| | | |
|--|---------------|---------------|
| Rates and Taxes | 323.63 | 8.42 |
| Office Rent | 10.30 | 23.76 |
| Professional Fees | 114.73 | 60.99 |
| Printing and Stationery | 6.56 | 14.99 |
| Other Expenses | 49.81 | 33.10 |
| Corporate Social Responsibility (CSR) Activities | 32.56 | 34.81 |
| Payments to Auditors | 5.00 | 3.50 |
| Total | 542.59 | 179.57 |

Note 22(a): Details of Payments to Auditors

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|--------------------|---------------|---------------|
| As Auditor: | | |
| Audit Fees | 4.00 | 2.50 |
| Tax Audit Fees | 1.00 | 1.00 |
| Total | 5.00 | 3.50 |

Note 22(b): Corporate Social Responsibility Expenditure

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|----------------------------------|---------------|---------------|
| CSR Expenses under DDUGKY Scheme | - | 31.00 |
| Donations for Social Cause | 32.06 | 1.00 |
| Other | 0.50 | 2.81 |
| Total | 32.56 | 34.81 |

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 2022 | 31 March 2021 |
|---|---------------|---------------|
| Profit attributable to equity shareholders of the Company | 1,717.24 | 2,017.67 |
| Weighted average number of equity shares (in Lakhs) | 6,150.00 | 6,150.00 |
| Nominal Value of Equity Shares | INR 1/- | INR 2/- |
| Basic EPS | 0.28 | 0.33 |
| Diluted EPS | 0.28 | 0.33 |

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.

Weighted Average Number of Equity Shares of preceding financial year were adjusted for the bonus issue of 4,920.00 Lakhs Equity Shares and shares split from INR 2 to INR 1 during the year. Accordingly, EPS for the preceding financial year is restated and presented.

Note 24: Commitments and Contingencies

Contingent Liabilities & Commitments (Not Provided For)

(INR in Lakhs)

| Particulars | 31 March 2022 | 31 March 2021 |
|---|-----------------|------------------|
| (A) Claims against the Company not acknowledged as debts on account of : | | |
| 1. Income Tax and MVAT matters under appeal | 54.02 | 54.02 |
| 2. TDS liability on account of short deduction, short payment and interest thereon as per TRACES | 1.21 | 1.11 |
| 3. Towards pending legal cases | - | - |
| (B) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding there against.) (Refer Footnote c) | 9,851.82 | 10,129.81 |
| Total | 9,907.05 | 10,184.94 |

Footnote:

- d) 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.
- e) Contingent liabilities include corporate guarantees issued by the Company and relied upon by the Auditors.
- f) The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Company in respect of these corporate guarantees. The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate

guarantees issued by the Company are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the fair value of the corporate guarantees is accepted to be immaterial.

Note 25: Disclosure pursuant to Indian Accounting Standard (Ind-AS) 24 Related Party Disclosures

Related parties have been identified on the basis of representation and information given by the Key Management Personnel.

| Sr. No. | Key Management Personnel | Nature of Relation |
|----------------|--|--------------------------------|
| 1 | Mr. Naresh Jagumal Karda | Key Managerial Personnel |
| 2 | Mr. Manohar Jagumal Karda | Key Managerial Personnel |
| 3 | Mrs. Disha Naresh Karda | Key Managerial Personnel |
| 4 | Mr. Sandeep Ravindra Shah | Independent Director |
| 5 | Mrs. Shweta Raju Tolani | Independent Director |
| 6 | Mr. Rahul Kishor Dayama | Independent Director |
| 7 | Mr. Anil Nahata | 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 | M/s. Drishti Ceramics | Proprietary Firm of Director |
| 12 | M/s. Karda Constructions | Proprietary Firm of Director |
| 13 | M/s. Green Enterprises | Partnership Firm |
| 14 | M/s. Karda Infrastructures | Partnership Firm |
| 15 | M/s. Bhakti Enterprises | Partnership Firm |
| 16 | M/s. 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 | M/s. The Address Hotel | Partnership Firm of Director |
| 20 | KBC Global – FZCO, Dubai | Wholly Owned Subsidiary |

| | Balances outstanding at the end of the year | | 31 March 2022 | 31 March 2021 |
|----|--|--|----------------------|----------------------|
| 1 | Mr. Prem Karda | Remuneration | 0.11 | 16.21 |
| 2 | Mrs. Disha Karda | Remuneration | 3.89 | 3.89 |
| 3 | Mr. Naresh Karda | Remuneration | - | - |
| 4 | Mr. Manohar Karda | Remuneration | 10.06 | 10.76 |
| 5 | Mrs. Disha Karda | Rent Payment | 0.15 | 0.15 |
| 6 | Mr. Naresh Karda | Rent Payment | - | - |
| 7 | Mr. Karamchand Karda | Rent Payment | 8.15 | 8.15 |
| 8 | Mrs. Shweta Tolani | Sitting Fees | 6.55 | 5.47 |
| 9 | Mr. Rahul Kishor Dayama | Sitting Fees | 1.92 | 1.39 |
| 10 | Mr. Sandeep Ravindra Shah | Sitting Fees | 0.81 | 0.36 |
| 11 | M/s. Karda Constructions | Trade Receivables | 0.72 | 0.36 |
| 12 | M/s. Karda Constructions | Unsecured Loans | - | 3.22 |
| 13 | Mr. Manohar Karda | Unsecured Loans | - | 30.08 |
| 14 | M/s. Drishti Ceramics | Purchase of Material | (5.74) | 1.61 |
| | M/s. Devesh Infrastructures | Trade Receivables | 0.72 | 0.36 |
| | M/s. Devesh Infrastructures | Trade Payables | (2.65) | - |
| 15 | M/s. Green Enterprises | Closing Capital Balance in Partnership Firms | 102.25 | 102.25 |
| 16 | M/s. Karda Infrastructures | | 2,726.85 | 3,467.76 |
| 17 | M/s. Bhakti Enterprises | | (140.97) | 1,999.79 |
| 18 | Shree Sainath Land and Development Private Limited | Advance received against Civil Contract | 807.34 | 162.89 |
| 19 | Karda Buildcon Private Limited | Trade Receivables | 0.72 | 0.36 |
| 20 | Karda Buildcon Private Limited | Receivable against Contract (BSS) | (30.47) | 33.26 |

Footnote:

The transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

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.

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.

2. 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.

3. 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, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Borrowings including current maturities | 8,946.14 | 9,214.70 |
| Interest accrued and due/and but not due | - | - |
| Unpaid matured debentures and interest accrued thereon | - | - |
| Total Debt | 8,946.14 | 9,214.70 |
| Less : Cash & Cash Equivalents | - | - |
| Net Debt (A) | 8,946.14 | 9,214.70 |
| Equity Share Capital | 6,150.00 | 1,230.00 |
| Other Equity | 7,812.50 | 11,074.24 |
| Total Equity (B) | 13,962.50 | 12,304.24 |
| Debt Equity Ratio (A/B) | 0.64 | 0.75 |

Note 28: Categories of Financial Instruments

Fair Value Measurement

(INR in Lakhs)

| Particulars | As at 31 st March, 2022 | | As at 31 st March, 2021 | |
|------------------------------|------------------------------------|-------------------|------------------------------------|------------------|
| | FVPL / FVOCI | Amortised Cost | FVPL / FVOCI | Amortised Cost |
| Financial Assets | | | | |
| Investments | - | 2,859.18 | - | 5,601.23 |
| Trade Receivables | - | 8,315.16 | - | 5,754.78 |
| Cash and cash equivalents | - | 49.52 | - | 36.79 |
| Loans & Advances | - | 4,071.66 | - | 2,721.69 |
| Other Financial Assets | - | 5,016.22 | - | 4,089.32 |
| Total | - | 20,311.74 | - | 18,203.81 |
| Financial Liabilities | | | | |
| Borrowings | - | 8,946.14 | - | 9,214.70 |
| Trade Payables | - | 936.33 | - | 1,572.30 |
| Other Financial Liabilities | - | 928.66 | - | 261.72 |
| Total | - | 10,811.13 | - | 11,048.72 |

Note 29: Employee Benefits**c) Defined Contribution Plans:**

Contribution to Defined Contribution Plans recognized as expense for the year are as under:

(INR in Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--|--|
| Employer's Contribution to Provident Fund (Gross before Allocation) | 13.87 | 14.34 |
| Employer's Contribution to ESIC | 2.18 | 2.80 |

d) 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 31st March, 2022 | As at 31st March, 2021 |
|--|--|--|
| Operating lease expenses recognised in profit and loss account | 10.30 | 23.76 |

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 Liabilities of Rs.2.89 Lakhs in the Profit and Loss Account, the details of which are as under:

(INR in Lakhs)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--|--|
| Deferred Tax Assets (Opening balance) | 17.61 | 23.95 |
| 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 | (2.89) | (6.34) |
| Deferred Tax Assets (Net) | 14.71 | 17.61 |

Note 32:

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realizable, as the case may be.

Note 33: Segment Reporting

a) Basis of Segmentation

Factors used to identify the entity's reportable segments, including the basis of organization

For management purposes, the Company's business activity falls within a two business segment viz. 'Development of Real Estate Property' & 'Civil Contracting Business', the financial statements are reflective of the information required by Ind AS 108 "Operating Segments". The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

b) Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property & Civil Contracting Business in India, it has

only one reportable geographical segment.

c) Information about major customers

None of the customers for the years ended March 31, 2022 and March 31, 2021 constituted 10% or more of the total revenue of the Company.

Consolidated Segment wise Revenue, Results, Assets & Liabilities for the year ended March 31, 2022:

(INR in Lakhs)

| Sr. No. | Particulars | Year Ended | |
|------------|---|------------------|------------------|
| | | 31-March-22 | 31-March-21 |
| I | Segment Revenue | | |
| | (a) Real Estate | 4,471.47 | 8,711.04 |
| | (b) Civil Contracting Business | 5,693.05 | 4,171.68 |
| | Total Segment Revenue | 10,164.52 | 12,882.72 |
| | Less: Inter segment revenue | - | - |
| | Net Income from Operations | 10,164.52 | 12,882.72 |
| II | Segment Results (Profit before unallowable (expenditure) / income, interest and finance charges and tax) | | |
| | (a) Real Estate | 1,295.52 | 2,431.90 |
| | (b) Civil Contracting Business | 1,575.52 | 1,070.76 |
| | Total Segment Results | 2,871.04 | 3,502.66 |
| | Add/(Less): | | |
| | Less : Interest and Finance charges | 1,430.47 | 1,455.52 |
| | Add: Unallocated Income | 967.28 | 753.56 |
| | Less: Unallocated Expenses | 15.33 | 8.10 |
| | Profit Before Tax | 2,392.52 | 2,792.60 |
| III | Segment Assets | | |
| | (a) Real Estate | 30,066.95 | 25,847.56 |
| | (b) Civil Contracting Business | 1,108.03 | 4,353.50 |
| | Total Segment Assets | 31,174.99 | 30,201.06 |
| | Add: Unallocated Assets | 1,519.42 | 1,174.76 |
| | Total Assets | 32,694.41 | 31,375.82 |
| | Segment Liabilities | | |
| | (a) Real Estate | 16,796.04 | 17,315.73 |
| | (b) Civil Contracting Business | 277.05 | 515.51 |
| | Total Segment Liability | 17,073.09 | 17,831.24 |
| | Add: Unallocated Liabilities | 1,658.82 | 1,240.34 |
| | Total Liabilities | 18,731.91 | 19,071.58 |

Footnote:

- (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 32.56 Lakhs during the year (Previous Year 2021 : INR 34.81 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 27.84 Lakhs (Previous Year 2021: INR 31.57 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, 2022 | | | |
| (i) Construction / Acquisition of any Asset | - | - | - |
| (ii) On purposes other than (i) above | 32.56 | - | 32.56 |
| Year ended March 31, 2021 | | | |
| (i) Construction / Acquisition of any Asset | - | - | - |
| (ii) On purposes other than (i) above | 34.81 | - | 34.81 |

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, 2022 and March 31, 2021 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 2022 were approved by the Board of Directors and authorized for issue on June 07, 2022.

Note 38:

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

Note 39: Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (e) To the best of our knowledge and representation received from the management, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (f) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- (g) To the best of our knowledge and representation received from the management, the Company has not granted any loans or advances in nature of loans to promoters, directors and KMPs either severally or jointly with any other person during the year ended March 31, 2022 and March 31, 2021.
- (h) The Company has not been declared willful defaulter by any bank, financial institution, government or government authority.
- (i) The Company has not revalued its property, plant and equipment (including right-to-use assets) or intangible assets during the year ended March 31, 2022.
- (j) As per information received from the management, there were no transactions entered with the companies which are struck off.

Note 40: Analytical Ratios

| Ratio | Numerator - Basis | Denominator - Basis | Numerator | Denominator | Current Period FY 2021-22 | Previous Period FY 2020-21 | % Variance | Reasons for variance |
|---|---|---|-----------|-------------|---------------------------|----------------------------|------------|----------------------|
| Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 24,889.99 | 7,718.75 | 3.22 | - | - | - |
| Debt - Equity Ratio (in times) | Debt consists of borrowings and lease liabilities. | Total Equity (TNW) | 8,946.14 | 13,962.50 | 0.64 | - | - | - |
| Debt Service Coverage Ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt Service = Interest and lease payments + Principal repayments | 3,168.26 | 3,087.01 | 1.03 | - | - | - |
| Return on Equity Ratio (%) | Profit for the year less Preference dividend (if any) | Average Total Equity | 1,717.24 | 13,133.37 | 13.08% | - | - | - |
| Inventory Turnover Ratio (in times) | Cost of raw materials consumed + Changes in inventories of finished goods, work-in-progress and stock-in-trade | Average Inventory | 6,341.44 | 12,108.47 | 0.52 | - | - | - |
| Trade Receivables Turnover Ratio (in times) | Revenue from operations (including other income) | Average Trade Receivables | 11,131.80 | 7,034.97 | 1.58 | - | - | - |
| Trade Payables Turnover Ratio (in times) | Cost of raw materials consumed + Changes in inventories of | Average Trade Payables | 6,341.44 | 1,254.31 | 5.06 | - | - | - |

| | | | | | | | | |
|---------------------------------------|---|--|-----------|-----------|--------|---|---|---|
| | finished goods, work-in-progress and stock-in-trade | | | | | | | |
| Net Capital Turnover Ratio (in times) | Revenue from operations (including other income) | Average Working Capital (i.e. Total Current Assets less Total Current Liabilities) | 11,131.80 | 17,049.62 | 0.65 | - | - | - |
| Net Profit Ratio (%) | Profit after Tax for the year | Revenue from Operations | 1,717.24 | 11,131.80 | 15.43% | - | - | - |
| Return on Capital Employed (%) | Profit before tax and finance costs | Capital Employed = Net worth + Lease Liabilities + Deferred Tax Liabilities | 3,823.00 | 13,966.00 | 27.37% | - | - | - |
| Return on Investment (%) | Interest on bank deposits | Average invested funds in bank deposits | 45.24 | 1,004.71 | 4.50% | - | - | - |

As per our report of even date

For Sharp Aarth & Co LLP
Chartered Accountants
Firm Reg No. 132748W / W-100823

For and on behalf of the Board of Directors of
KBC Global 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: June 07, 2022

Place : Nashik
Date: June 07, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

I. Group Overview

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

II. Summary of Significant Accounting Policies

(a) Basis of preparation and measurement –

Statement of compliance

The financial statements of the subsidiary used for the purpose of consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2022.

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) and the relevant

provisions and amendments, as applicable.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The consolidated financial statements of the Group for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on June 07, 2022.

(b) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is also the functional currency of the Group. All financial information presented in Indian rupees has been rounded to the nearest lakhs, unless otherwise stated.

(c) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalents. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

(d) Basis of Consolidation

i. Business Combination

The Group accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of preexisting relationships.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred except to the extent related to the issue of debt or equity securities.

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements irrespective of the actual date of the combination.

ii. Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of the Company and its

subsidiaries have been combined on a line-by-line basis while eliminating the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of profit and loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in the consolidated statement of profit and loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of

the Group's interest in the investee. Deferred tax asset or liability is created on any temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

iv. Acquisition of non-controlling interest

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

(e) Fair value measurement

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

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

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

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

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

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

(f) Revenue Recognition

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

Under Ind AS 115, revenue is recognized when or as it satisfies each performance obligation by transferring a promised goods or services to a customer. A goods or service is considered to be transferred when the customer obtains control. Under Ind AS 115, transfer of control of a good or service

over time rather than at a point in time is considered when one of the following criteria are met:

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

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

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

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

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

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

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

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

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

Dividend income is accounted when right to receive is established.

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

(g) Property, Plant and Equipment:

Recognition and measurement

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

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

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

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

Subsequent expenditures

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

Depreciation and amortization

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

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

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

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

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

Investment property and depreciation

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

(h) Impairment of non-financial assets:

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

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

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

(i) Foreign currency transactions:

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

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

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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

In case of foreign operations whose functional currency is different from the Company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in other comprehensive income or (loss) and presented within equity as part of foreign currency translation reserve

(FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the consolidated statement of profit and loss.

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

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

(k) Financial Instruments:

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

v) Financial assets at amortised cost

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

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

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

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

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

- These assets are held within a business model whose objective

is achieved both by collecting contractual cash flows and selling the financial assets; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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

viii) Equity instruments

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other

equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

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

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

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

- the rights to receive cash flows from the assets have expired or
- the Company has transferred

substantially all the risk and rewards of the asset, or

- the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

Loans and borrowings

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

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

De-recognition

The Company derecognizes financial liabilities when, and only when, the

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

Offsetting financial instruments

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

(l) Inventories:

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

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

(m) Income Tax:

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

Current Tax

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

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

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

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has

become probable that future taxable profits will be available against which they can be used.

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

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

(n) Employee benefits:

Short term employee benefits

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

during the period when the employees render the services.

Defined contribution plans

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

Defined benefit plans

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

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

Leave Entitlement

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

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

(o) Leases:

Finance Lease

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

Operating Lease

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

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

(p) Borrowing Costs:

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

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects till the time all the activities

necessary to prepare these projects for its intended use or sale are complete.

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

(q) Earnings per share:

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

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

(r) Cash and cash equivalents:

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

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

(s) Provisions and Contingent Liabilities:

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

(t) Dividend:

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

(u) Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the consolidated financial statements. Otherwise, events

after the balance sheet date of material size or nature are only disclosed.

(v) Segment Reporting:

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

(w) USE OF ESTIMATES AND JUDGEMENTS

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

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

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

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

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

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

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the consolidated financial statements for the period in which such changes are determined.

x. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary

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

xi. Fair value measurement of financial instruments

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

xii. Impairment losses on investment

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

amount, the impairment loss is accounted for.

xiii. Deferred taxes

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

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

xiv. Provisions and contingencies

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

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of KBC Global Limited formerly known as Karda Construction Limited will be held on Friday, 30th September, 2022 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, 2022, the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Devesh Karda (DIN: 09053865), who retires by rotation and being eligible, offers herself for reappointment.

Special Businesses: -

3. To appoint Mrs. Ziral Pankajkumar Soni, (DIN:09213763) as a non Executive Independent director.

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

“RESOLVED THAT Mrs.Ziral Pankajkumar Soni, (DIN:09213763) who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and

recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period up to five consecutive years with effect from October 25,2022.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. To re-appoint Mr. Rahul Kishor Dayama, (DIN: 07906447) as an Independent Director of the Company for the Second Term.

“RESOLVED THAT, pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company, proposing his candidature for the office of director pursuant to Section 160 of Companies Act,2013 be and is hereby accorded to re-appoint Mr. Rahul Kishor Dayama, (DIN: 07906447), as an Independent Director of the Company for second and final term of five years, being not liable to retire by rotation.

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. To ratify remuneration payable to the Cost Auditors, M/s. C Y & Associates for the Financial Year 2022-2023.

“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 reenactment 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 2022-23 as approved by the Board of Directors of the Company, at its Meeting held on 3rd June,2022, 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.”

6. To Increase the Authorised Share Capital of the Company and consequential amendment in ‘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 pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 75,00,00,000/- (₹. Seventy Five Crores only) divided into 75,00,00,000 (Seventy Five Crore) Equity shares of ₹ 1/- each to ₹. 1,00,00,00,000 (₹. One hundred Crores only) divided into 1,00,00,00,000 (One hundred Crores) Equity shares of ₹. 1/- each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following: -

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

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to

give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard”

Thanking You,

**BY THE ORDER OF THE BOARD OF DIRECTORS
FOR KBC Global LIMITED
(Formerly known as Karda
Constructions limited)**

**MAYURA MARATHE
COMPANY SECRETARY
MEMBERSHIP NO: ACS-44678
(Authorised to sign and serve vide
Board Resolution dated 08.09.2022)
Date: September 8,2022**

NOTES:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 3 to 6 of the accompanying Notice, is annexed hereto.
- 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. September 30,2022. 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.
- 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.
- 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 (“evoting”) facility provided by Link Intime India Private Limited (“LI IPL”). 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 September 23,2022, may cast their votes electronically. The e-voting period commences on Monday, September 26,2022 (9:00 a.m. IST) and ends on Thursday , September 29,2022 (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 September 23,2022. 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. September 23,2022, 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. September 23,2022, 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 2021-2022 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) and 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: <ul style="list-style-type: none"> 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 15th AGM and the Annual Report 2021-2022 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>.
- 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 sixteenth 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:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL
1. Existing IDeAS user can visit the e-Services website of NSDL viz...

- <https://eservices.nSDL.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are 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>
 3. Visit the e-Voting 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-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. 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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Existing users who have opted for Easi / Easiest, 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.
 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
 3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
 4. 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 i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID: Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

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

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

Shareholders/ members holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

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

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. 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).

4. 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.

Guidelines for 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.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

| 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. |

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders 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.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

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

Shareholders 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”.

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.
- 7.

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

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

experience.

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

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

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

InstaMeet Support Desk
Link Intime India Private Limited

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

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

- a) Please download and install the Webex application by clicking on the [link](https://www.webex.com/download.s.html/)
- or
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

ANNEXURE TO THE NOTICE

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

Item No. 3:

The Board of Directors in its meeting held on October 25, 2022 and on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mrs. Ziral Pankajkumar Soni, as Additional Non-executive, Independent director till ensuing General meeting.

The Company has received from Mrs. Ziral Soni (DIN: 09213763), a consent in writing to act as Director in form DIR -2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

None of the directors or Key Managerial Personnel and their relatives are concerned or interested in the passing of the aforesaid resolution.

As required pursuant to the Regulation 36(3) of Listing Regulations and Secretarial Standard-2 issued by ICSI, details regarding appointment of Mrs. Ziral Soni (DIN: 09213763) is given in the Annexure.

The document relating in this regards are available for inspection at any time, during the business hours at the registered office of the company.

Item No. 4:

Mr. Rahul Kishor Dayama, as Independent Directors of the Company is proposed to be reappointed for a second and final term of 5 (Five) years with effect from August 31, 2022 to August 29th, 2027 based on his skills, experience, knowledge and report of their performance evaluation.

His re-appointment is subject to the approval of the shareholders at this Annual General Meeting by way of Special Resolution(s).

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“LODR Regulations”) an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

In the opinion of the Board, Mr. Rahul Kishor Dayama, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and LODR Regulations for their re-appointment as Independent Directors of the Company and are independent of the management. The copy of the letter for appointment of Mr. Rahul Kishor Dayama, setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company.

The Company has received from Mr. Rahul Kishor Dayama (i) consent in writing to act as Independent Director in form DIR-2 pursuant to Rule 8 of the Companies (appointment & qualifications of directors) Rules 2014; (ii) intimation in form DIR-8 pursuant to Rule 14 of the said Rules to the effect that they are not disqualified in

accordance with sub-section 2 of Section 164 of the Act; (iii) certificate of Independence.

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 relating in this regards are available for inspection at any time, during the business hours at the registered office of the company.

Item No. 5:

The Board on the recommendation of the Audit Committee, has approved at their Meeting held on June 03, 2022 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. 6 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

Item No. 6:

The present Authorised Share Capital of the Company is Rs. 75,00,00,000 (Rupees Seventy Five crore) comprising of 75,00,00,000 (Seventy Five crore) Equity Shares of Rs.1/- each. The board recommends passing the resolution, as an Ordinary Resolution, with or without modifications.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 8th September, 2022, had accorded its approval for increasing the Authorised Share Capital from Rs. 75,00,00,000 (Rupees Seventy-Five crore) to Rs. 1,00,00,00,000 (Rupees One hundred Crore) by creation of 25,00,00,000 (Twenty Five Crore) additional equity share of Rs.1/- each, subject to shareholders approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 75,00,00,000 (Rupees Seventy Five crore) to Rs. 1,00,00,00,000 (Rupees One Hundred Crore) by creation of 25,00,00,000 (Twenty Five Crore) additional equity shares of Rs.1/- each ranking pari-passu with the existing Equity Shares in all respects as per the

Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in the Item No. 6 to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way

concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

**BY THE ORDER OF THE BOARD OF DIRECTORS
FOR KBC GLOBAL LIMITED
(Formerly known as Karda Constructions Limited)**

**MAYURA MARATHE
COMPANY SECRETARY
MEMBERSHIP NO: ACS-44678
(Authorised to sign and serve vide Board Resolution dated 08.09.2022)
Date: September 8, 2022
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 | Mr. Devesh Karda | Mrs. Ziral Soni | Mr. Rahul Kishor Dayma |
| Date of Appointment | October 11,2021 | October 25,2021 | August 31,2022 |
| Relationship with Directors and Key Managerial Personnel | Son of Mr. Naresh Karda, (DIN: 01741279) Chairman & Managing Director | NA | NA |
| Expertise in specific functional area | Mr. Devesh Karda has a demonstrated history of entrepreneurial ventures and experience in the Real Estate sector. He | Ms. Ziral P. Soni is a Company Secretary having extensive experience in providing services and consultancy in Incorporation, Company Law, Securities Law, Finance and Secretarial Audits. She has completed her Masters in Commerce from Gujarat | Rahul Dayma is a Member of The Institute of Chartered Accountants of India since November 2016. He has also completed his Bachelors of Commerce from North Maharashtra University, Jalgaon in the year 2006. He had earlier worked with Hari |

| | | | |
|--|--|---|--|
| | <p>completed his diploma in Civil Engineering from Sandip Foundation Nashik. Prior to his appointment as a director he has been working with KBC Global Limited. At Goda Sanman Puraskar, 2020 he received accolade as the Youth Entrepreneur in Real Estate sector. Mr. Devesh Karda is adept with the intricacies of accomplishing sales, understanding of market and consumers, contemporary strategy and business promotion. He possesses leadership experience in handling managerial and strategic planning with a vision of the future.</p> | <p>University and underwent her Apprenticeship Training under M/s Shah & Santoki Associates. She has previously worked as a Company Secretary for; Art Nirman Ltd., Duracon Vitrified Private Limited and Mishtann Foods Limited. She is thoroughly adept with Corporate and Regulatory compliances which is demonstrated by her work experience and accolades.</p> | <p>Bhakti & Co. He has conducted Risk based Internal, Process & Information Technology audits for Banking, Financial, Manufacturing, Service, Health care and others Industries. He is practicing independently as a chartered accountant since February 2017.</p> |
| Qualification (s) | Diploma in Civil Engineering | Company Secretary | Chartered Accountant |
| Number of Board meetings attended during | Attended 6 out of 15 Board meetings during FY 2021- 2022 | Attended 4 out of 15 Board meetings during FY 2021- 2022 | |

| | | | |
|--|---|--|--|
| Terms and Conditions of Reappointment | In terms of Sec 152 (6) of Companies Act, 2013 who was appointed as director at the Extra Ordinary General Meeting held on , Saturday November 13, 2021, is now liable to retire by rotation. | pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 | pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 |
| Remuneration last drawn (including sitting fees if any) | NA. | No sitting fees have been paid during the FY 2021-2022 | He has been paid sitting fees of Rs. 1.68 Lakhs for FY 2021-2022 |
| Remuneration proposed to be paid | As per the resolution and explanatory statement annexed to this notice | Sitting fees would be paid | Sitting fees would be paid |
| Board Membership of other listed Companies as on March 31, 2022 | NA | 2 | 2 |
| Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2022 | NA | 1 | 2 |
| Number of equity shares held in the Company as on March 31, 2022 | NIL | NA | NA |

BUSINESS RESPONSIBILITY REPORT

Introduction

KBC Global Limited (“the Company” or “We”) presents its Business Responsibility Report for the financial year ended March 31, 2022 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI notification dated November 4, 2015.

The disclosures on Business Responsibility are aligned with the nine principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, as notified by the Ministry of Corporate affairs (‘MCA’), Government of India.

Over the years, the Company has been striving to build and maintain a strong structure by bringing together strengths to unlock new avenues for growth and delivering a more diversified suite of products and services to meet the needs of a growing India. We are committed towards constant innovations in Construction, and related activities to meet the nation’s constantly increasing residential and commercial infrastructure demands. We aim to pave the way for a future that provides affordable shelter for everyone and everywhere; from the smallest villages to the largest cities.

Thus, the culture of and awareness regarding catering to environmental, social, health and safety needs are imbibed in the very nature of the Company’s business model. We embrace environmental and social responsibility while creating value for our stakeholders.

The Company’s philosophy on each principle is reproduced below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

We believe that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and establishment of good corporate culture is essential. We are committed to operate our business ethically in a manner such that all stakeholders i.e. investors, creditors, customers, employees, and even competitors, the government and the society at large, are dealt with in a fair manner. We have always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company.

The Company strives to maintain high standards of ethics in all spheres of its business activities. The Board of Directors and Senior Management strive and endeavor to set examples of utmost ethical behavior.

The Company’s core management team aims at inculcating ethical behavior at all levels across the Company making it an essential part of the work culture so that every employee of the Company conducts himself with professionalism, honesty and integrity, and conforms to high moral and ethical grounds.

Further, the Company also encourages transparency of operations by ensuring that the statutory disclosures are governed by the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Determination of Materiality Policy, etc. The Company also regularly publishes necessary disclosures, investor presentations and important updates on its website. The Company informs all relevant stakeholders of the operating risks and strives to redress the issues raised as promptly as possible, being accountable for its actions.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

We believe that sustainable development meets the needs of the present, without compromising the ability of future generations to meet their own needs. The Company endeavours to implement the principles of sustainability into the various stages of product or service lifecycle, including procurement of raw material/service, manufacturing products or delivery of service, transportation of raw materials and finished goods, and disposal by consumers. We strive to ensure that the exploitation of resources, direction of investments, orientation of technological development and institutional change are in harmony and enhance both current and future potential to meet the human needs and aspirations.

The Company creates consumer awareness regarding their rights through product labelling, appropriate and helpful.

Marketing communication, mentioning full details of contents and composition as per the applicable laws and promotion of safe usage and disposal of products. The Company ensures that manufacturing processes and technologies required to produce its products are resource efficient and sustainable, even while designing the products.

Principle 3: Businesses should promote the well-being of all employees

Well-being of all employees is of prime importance to the Company. Safety, health and work life balance of employees are extremely important to the Company. We believe in giving our employees ample opportunities of growth by encouraging

them to suo moto take up initiatives in the interest of the Company so that they are motivated, result oriented and committed to achieve excellence in their domain. We strive to provide work environment in which all individuals are treated with mutual respect and dignity.

The Company follows a policy of not employing child labour, adolescent labour, forced labour or any form of involuntary labour, paid or unpaid in any of its offices and plants and ensures fair, timely and transparent payment of statutory wages to all its employees without discrimination.

The Company provides a workplace environment that is safe, hygienic, humane and which upholds the dignity of the employees. It provides facilities for the well-being of its employees including those with special needs. The Company also complies with the statutory provisions pertaining to its employees and in particular about the health, safety and well-being of our employees.

We regularly conduct programs for enhancing the skills of its employees, improve their morale and for their overall career development. This is done through various sensitization programs, on-the-job training or training through various programmes - internal or external to upgrade their skills and competencies which shall include training to handle machines, raw materials and other products used during manufacturing of the products. Such trainings are imparted on a non-discriminatory basis based on the needs of the employees/ business.

Principal 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

We believe in the principle that the interest of all stakeholders must be protected and at the same time, the Company must be responsive towards them and their needs, especially those who are disadvantaged, vulnerable and marginalised. Stakeholder engagement leads to increased transparency, responsiveness compliance, organisational learning, quality management, accountability and sustainability. The Company identifies its stakeholders, understands their concerns and commits to engage with them. We acknowledge, assume responsibility and are transparent about the impact of our policies, decisions, products, services and associated operations on the stakeholders.

Principle 5: Businesses should respect and promote human rights

The Company respects and promotes human rights of all individuals. It is committed to identify, prevent, and mitigate adverse human rights impact resulting from or caused by business activities beforehand or if they occur, through human rights due diligence and mitigation processes. We recognize the Company's impact on the communities in which we operate. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

The Company aims at integrating respect for human rights in management systems, through assessing and managing human rights impact of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms. Within its sphere of influence, the Company promotes awareness and realization of human rights across its value chain.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

The Company is committed to adopt business practices that create long term stakeholder value by implementing opportunities and managing risks arising from economic, environmental and social developments. We strive to utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

We ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably and continuously seek to improve our environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

We understand that during the course of Company's operations, consistent and transparent interactions with various regulatory authorities and social organisations are required to be undertaken.

We ensure that our engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interest of diverse stakeholders. We engage with industry bodies and associations to influence public and regulatory policy in a responsible manner.

The Company works with industry organisations which are engaged in policy advocacy in a responsible manner and

ensure that advocacy position remains consistent with its values and philosophy.

Principle 8: Businesses should support inclusive growth and equitable development

We believe that sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve

inclusive growth and equitable development, harmony of economic growth, social inclusion and environment protection is important.

The Company is committed to ensure protection of interest of all its stakeholders. In order to achieve inclusive growth and equitable development, we engage in various CSR projects in accordance with Schedule VII of the Companies Act, 2013.

Section A: General Information about the Company

| | |
|--|---|
| Corporate Identity Number (CIN) of the Company | L45400MH2007PLC174194 |
| Name of the Company | KBC GLOBAL LIMITED |
| Registered Address | 2nd Floor, Gulmohar Status Above Businessbank, Samarth Nagar Nashik |
| Corporate office Address | Saikrupa Complex, Tilak Road, Muktidham, Nashik Road Nashik |
| Website | Www.Kardaconstruction.Com |
| E-mail ID | Admin@Kardaconstruction.Com |
| Financial Year reported | April 01, 2021 To March 31, 2022 |
| Sector(s) that the Company is engaged in (industrial activity code-wise) | Industrial Group Description 41129 General Construction Services Residential Multi Dwelling Buildings N.E.C |
| Three key product/ services (as in Balance sheet) | Construction Of Residential And Commercial Complex |
| Total number of locations where business activity is undertaken by the Company: (a) Number of International Locations (b) Number of National locations | (A) Nil (B) Nashik |
| Markets served by the Company – Local/State/National/ International: | All Except International |

Section B: Financial Details of the Company:

| | | |
|----|---|---|
| 1. | Paid up capital (INR) | 6150 lakhs, March 31, 2022 |
| 2. | Total Turnover (INR) | 11,131.80 lakhs, March 31, 2022 |
| 3. | Total profit after taxes (INR) | 1,732.57 lakhs, March 31, 2022 |
| 4. | Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | 32.56 lakhs, March 31, 2022 |
| 5. | List of activities in which the CSR expenditures have been incurred | Please refer Annexure III annexed to the Board Report |

Section C: Other Details:

| | | |
|----|---|--|
| 1. | Does the Company have any Subsidiary Company/ Companies? | Yes |
| 2. | Do the Subsidiary Company/ Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company (s) | No |
| 3. | Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [$<30\%$, $30-60\%$, $>60\%$] | Several stakeholders engage with the Company in the course of its business such as suppliers, distributors, customers, government agencies, similar economic groups and other related entities. The Company promotes BR initiatives across its value chain. However, none of them directly participate in the BR initiatives of the Company. |

Section D: BR Information

1. Details of the Director/ Directors responsible for BR

(a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies:

Mr. Manohar Jagumal Karda, Whole Time Director (DIN: 01808564) has been authorized by the Board of Directors as its meeting held on July 13, 2020, for overseeing implementation of the Company's Business Responsibility Policy along with the other executive and department heads of the Company.

(b) Details of the BR head

| | | |
|----|----------------------------|--------------------------|
| 1. | DIN Number (if applicable) | 01741279 |
| 2. | Name | Mr. Naresh Jagumal Karda |
| 3. | Designation | Managing Director |
| 4. | Telephone number | 0253-2351090 |

| | | |
|----|-----------|-----------------------|
| 5. | E-mail ID | Kardanaresh@gmail.com |
|----|-----------|-----------------------|

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N):

| Reference | Principle | Heading | Description |
|-----------|-------------|--------------------------------------|---|
| P1 | Principle 1 | Ethics, Transparency, Accountability | Business should conduct and govern themselves with Ethics, Transparency and Accountability |
| P2 | Principle 2 | Product Lifecycle Sustainability | Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle |
| P3 | Principle 3 | Employees' Well Being | Business should promote wellbeing of all employees |
| P4 | Principle 4 | Stakeholder Engagement | Business should respect the interests of and be responsive towards all stakeholders especially the disadvantaged, vulnerable and marginalized |
| P5 | Principle 5 | Human Rights | Business should respect and promote human rights |
| P6 | Principle 6 | Protection of The Environment | Business should respect, protect, and make efforts to restore the environment |
| P7 | Principle 7 | Responsible Principle Advocacy | Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner |
| P8 | Principle 8 | Support Inclusive Growth | Businesses should support inclusive growth and equitable Development |
| P9 | Principle 9 | Providing Customer Value | Business should engage with and provide value to their customers and consumers in a responsible manner |

(a) Details of compliance (Reply in Y/N)

| Sr. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------|-------------------------------------|----|----|----|----|----|----|----|----|----|
| 1. | Do you have a policy/ policies for: | Y | Y | Y | Y | Y | Y | N | Y | Y |

| | | | | | | | | | | |
|-----|--|--|---|---|---|---|---|----|---|---|
| 2. | Has the policy being formulated in consultation with the relevant stakeholders? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| 3. | Does the policy conform to any national/ international standards? If yes, specify? (50 words) | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| | | Refer Note 1 | | | | | | | | |
| 4. | Is the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| | | Policies have been approved by the Board or Senior Management of the Company at various dates and are reviewed annually or as and when required. | | | | | | | | |
| 5. | Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| 6. | Indicate the link for the policy to be viewed online? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| | | Refer Note 2 | | | | | | | | |
| 7. | Has the policy been formally communicated to all relevant internal and external stakeholders? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| 8. | Does the Company have in-house structure to implement the policy/ policies? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| 9. | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y | Y | Y | Y | Y | Y | NA | Y | Y |
| | | Refer Note 3 | | | | | | | | |
| 10. | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | Y | Y | Y | Y | Y | Y | NA | Y | Y |

Note 1: The Company's Policies are in consonance with the Companies Act, 2013 (the 'Act'), applicable SEBI regulations and other regulations/ guidelines prescribed by statutory and regulatory authorities.

Note 2: The following policies are available on <https://www.kardaconstruction.com>

Policy for Determining Material and Price Sensitive Information by Companies

- Nomination and Remuneration Policy
- Whistle Blower Policy
- Code of Conduct
- Corporate Social Responsibility Policy
- Insider Trading Policy
- Materiality Policy
- Policy on Related Party Transactions

Note 3: The Company has established grievance mechanisms for different stakeholders under relevant policies. In addition, grievance or feedback related to the policies can be sent to admin@kardaconstruction.com. The Company also has a Stakeholders Relationship Committee to resolve any grievances of the stakeholders.

(b) If answer to the question at serial number 1 against any principle, is “No”, please explain why: (Tick up to 2 options) –

| Sr. No. | Questions | Principle 7 |
|---------|---|--|
| 1. | The company has not understood the Principles | - |
| 2. | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | In relation to Principle 7, the Company is a member of some organizations and participates in various seminars and exhibitions. We prefer to be a part of the broader policy development process and give our suggestions in a responsible manner. However, the Company does not feel a need of a formal policy at this stage and may consider adopting a policy for the same in future. |
| 3. | The company does not have the financial or manpower resources available for the task | - |
| 4. | It is planned to be done within next 6 months | - |
| 5. | It is planned to be done within next 1 year | - |
| 6. | Any other reason (please specify) | - |

3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or MD/WTD/CFO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

Mr. Manohar Jagumal Karda, Whole Time Director has been given the responsibility of implementation of the BR Policy under the guidance of Mr. Naresh Jagumal Karda, Chairman and Managing Director who has been designated as the BR Head. The Policy is appropriately communicated within the Company across all levels.

Compliance with the BR Policy is monitored and evaluated by the BR Head and along with the core management team of the Company on a regular basis. The Company also proposes to get its BR performance assessed by the CSR Committee or the Stakeholders Relationship Committee as and when required.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the First year when the Company would be publishing its Business Responsibility Report. The same will be published by the Company annually along with its Annual Report on the website of the Company:
<https://www.kardaconstruction.com>

Section E: Principle-wise Performance

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? (Yes/No). Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?

The Company has various documents and policies covering issues such as ethics, bribery and corruption which include the Vigil Mechanism Policy/Whistle blower, Human Resources Manual covering internal code of conduct and business ethics, Code of Conduct for Directors and Senior Management, etc. The Company ensures that the essence of all these policies is also extended to the external stakeholders of the Company including vendors, contractual resources, visitors through the course of business engagement.

The core values of business of the Company such as ethical standards, respect, transparency and commitment to quality are also stated in the Company's Human Resources Manual covering internal code of conduct and business ethics.

The Company conducts all its business activities in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption in all its business dealings and relationships.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactory resolved? If so, provide details thereof, in about 50 words or so.

The Company received nil investor complaints during the year. During the year under review, no complaints relating to ethics, bribery and corruption were filed against the Company. The Company had not received any whistle blower complaints or complaints on sexual harassment under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013, during the year.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.

a. Residential Apartment named as "Hari Sanskruti"

This residential apartment has been constructed by a team of professionals having immense work experience with efficient labour. These home providing our customers unexpected places where their

heart feels hanging. This residential apartment located at prime location of Nashik where pollution feels like nothing.

This enables the effective discharge of polluted air outside the building. The inbuilt net prevents mosquitos from entering the house through wastewater line and relatedly prevents diseases like Malaria, Dengue, Chikungunya, etc. caused by Mosquito bites.

Advantages are :-

- Light and durable structure.
- Ensures easy and quick entry and exit.
- Environment friendly.
- Has interior surfaces that facilitate perfect flow.
- Has highly economical Quality/ Performance/ Price ratio.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

Our drive for continuous improvement and innovation has enabled us to reduce process waste, lower energy consumption, increase productivity and release new products, thereby achieving higher customer acceptance and satisfaction.

The Company uses state-of-the-art technology for machines and equipment used for construction which results in quick and safe workplace for labours.

The Company extensively uses automation in all its construction sites. Water consumption requirements at various sites

have reduced significantly due to reduction of water consumed in utilities by process improvements in operations, re-use and recycle of wastewater back into the construction process.

The Company is continuously making efforts to improve Energy Management by way of monitoring energy related parameters on a regular basis. The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is our endeavor to reduce energy consumption in all its operations.

To achieve above objectives the following steps are taken/ being undertaken by the Company:

- Continuously monitoring the energy parameters and efficient utilization of energy tariff.
- Continuously replacing the inefficient equipment with latest energy efficient technology equipment and regular upgradation.
- Increasing awareness regarding energy saving within the organisation to avoid wastage of energy.
- Enhancing utilisation of renewable energy resources.
- Achieving power factor near to one in all plants by the effective reactive energy management.
- Reducing emission of Green House gases by improving energy efficiency at all plants.
- Increasing use of wind energy.

We have in place an Integrated Management System through which we constantly strive to reduce the losses (energy losses) by providing necessary resources to achieve the targets and usage of energy/ Environment efficient products and equipment.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company makes every effort to create awareness among its consumers for efficient resource consumption.

The Company has created the below solutions for various industrial issues in the realm of environmental conservation, which ensure reduction in resource consumption and environment safety at consumption level as well:

- Water Supply
- Rain Water Harvesting
- Sewage Management

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Our innovation and operations group are spearheading efforts to transition to renewable raw materials, low emission direct energy and improved water consumption for our processes by selection and introduction of energy-efficient state-of-the-art machines.

Vendors are on boarded based on the following criteria:

- Technical and financial capability which defines their ability to sustain and service us during all Times

- Existing clientele from the industry and outside to ensure credibility

- Ethical business practices and socially responsible

- Product qualifying after thorough checks in the Company system to avoid problems during the construction stage and quality of finished goods

- Pricing advantage

The above ensures that the Company is well serviced during all times in a sustainable manner.

More than 75% of the inputs, approximately, are sourced sustainably.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We prefer locally available materials and services, other considerations being comparable. Company has taken several initiatives for the development of local and small suppliers of goods and services.

We have developed packing material and hardware/ spare items supplier locally, so as to ensure the development of surrounding communities.

We have a great focus on having a domestic supply base for all raw materials that go into construction. We take the following actions for the same:

a. As a policy we try to source our flats from qualified suppliers who are closest to our site locations.

b. All such products which have a potential to be substituted are identified and efforts are put in to be developed locally. The Company also supports vendors for improving their productivity and technical capability to reduce their operational costs. Further, we procure services like security, housekeeping, gardening, and such other services from the suppliers located near the Company. Major workforce of the Company is employed from the surroundings of the manufacturing units across all locations. The Company also deals with Micro, Small, and Medium Enterprises. We ensure right quality production at suppliers' end as well to ensure the desired quality levels of the end product, resulting into enhanced capability of supplier to produce right quality material for elevated volumes.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.

Yes, the Company has in place a mechanism to recycle materials and internal rejected material. Approximately 95% of the internal rejected generated material is recycled in-house at all our construction units.

The Company has in place instruction documents for each plant setting out the procedure for processing internal rejection including grinding, segregation, reuse and treatment of non-usable wastage. The Company also submits necessary returns on hazardous and other wastes as prescribed by the State Pollution Control Boards/Committees for each of its plants.

Principle 3 - Businesses should promote the well-being of all employees:

1. Total number of employees: 68
2. Total number of permanent employees: 68
3. Total number of employees hired on temporary/contractual/casual basis: na
4. Number of permanent women employees: 15
5. Number of permanent employees with disabilities: na

6. Do you have an employee association that is recognized by management?

No.

7. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable

8. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| Sr. No. | Category | No. of Complaints filed during the financial year | No. of Complaints pending as on the end of the financial year |
|---------|---|---|---|
| 1. | Child labour/ forced labour/ involuntary labour | 0 | 0 |

| | | | |
|----|---------------------------|---|---|
| 2. | Sexual Harassment | 0 | 0 |
| 3. | Discriminatory Employment | 0 | 0 |

- Striving to incorporate best practices on labour management as prescribed by the International Labour Organisation

- Increasing female participation in our workforce wherever possible

- Assessing all potential health and safety risks arising from work activities and taking appropriate measures to mitigate risks to health and safety by conducting HIRA (Hazard Identification & Risk Assessment)

9. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

| Sr. No. | Category | Skill Up-gradation and safety Training |
|---------|--|---|
| 1. | Permanent Employees | Skill up-gradation and safety trainings are imparted to all concerned employees/workers, irrespective of their gender, type of employment or any other factors. |
| 2. | Permanent Women Employees | |
| 3. | Casual/Temporary/Contractual Employees | |
| 4. | Employees with Disabilities | |

As per the Environmental and Social Policy of the Company, it ensures that environmental sustainability is covered as part of relevant trainings, workshops and meetings to raise commitment of our

employees, suppliers, business partners and the community at large.

The Company strives to create conducive and safe workplace conditions that help all employees through our Occupational Health & Safety Management System. We focus on:

- Providing safe working conditions

- Maintaining workplace conditions that protect employee health

- Training and information dissemination periodically on all relevant aspects of Environment and Safety matters to the applicable stakeholders

- Ensuring that our labour practices are in compliance with applicable laws and regulations related to employee working hours and wages Safety and well-being of the Company's employees is paramount and non-negotiable. The Company follows industry accredited best practices on health & safety across our operations, and conduct all our processes in a responsible manner to safeguard our employees. Establishing policies, plans and procedures aimed at reducing accident rates are important, but a strong safety culture emerges only when employees share the organisation's vision. At KBC Global, we are building a culture where employees exhibit and practice safe behavior. Occupational Health and Safety is centrally governed and is supplemented by plant Safety Committees. The Company has in its staff, specially trained safety professionals along with trained line management. Some of the initiatives taken in the area of Health & Safety are listed below: Safety management systems have sought to control dangerous conditions, but unsafe activities cause 90-95 percent of injuries. Behavior Based Safety (BBS) initiative is a formal community-based prevention programme aimed at fostering a zero-accident culture. Primary objective of

BBS was to identify hidden habits and environmental factors that predisposed people to the cause. The approach to implement BBS in the Company is focused on identification of potential hazards & mitigate it through HIRA (Hazard Identification & Risk Assessment). Individuals were able to conduct their duties in a more responsible manner through our initiative of consultation & participation of employees in safety related activities.

Following specific safety/ EHS and skill up-gradation trainings are given to the employees:

- First Aid training, an organization which teaches and provides first aid and emergency medical services
- Behaviour Based Safety (BBS) training through outside expert faculties
- EHS awareness training for new employees
- HIRA (Hazard Identification and Risk Assessment) training & Environmental Aspect Impact
- Safety auditor training
- Practical training on how to operate the fire extinguishers, Fire hydrant, etc.
- Quarterly mock drills
- Environment day and safety week celebration in plants to improve awareness through slogan/ essay/ drawing competition and tree plantation.

Employee Wellness:-

- In order to help and support our employees and their families through the difficult year that went by, the

organization went above and beyond the call of duty through multiple measures.

- Wherever possible, employees have been assisted with finding suitable diagnostic centres and hospitals for COVID-19 related testing and treatment.

• In general, the Company has propagated the messages of physical distancing, importance of masks, washing hands with soap, using hand sanitizers, etc. through multiple avenues and on multiple forums. Through various employee wellness programs targeted at physical, mental and financial wellness as well as disease and ailment control, the organization has strived to ensure high morale among its workforce even through these difficult times. Further, there is an internal module in place to apprise all employees on the provisions of the POSH and redressal mechanisms. Workshops, as a part of new-joiner inductions or in general, are conducted in plants and corporate to sensitize employees on the subject.

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

Yes. The Company has mapped its stakeholders and the same are classified as employees and workers, being the internal stakeholders and external stakeholders such as customers, builders, plumbers, dealers, distributors, house owners, brand owners, investors, service providers, government/ regulators, suppliers/ business partners, insurers, equipment provider and the wider community.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes. Identification of disadvantaged, vulnerable and marginalised stakeholders is an on-going process.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The company undertakes various employee engagement programme for the internal stake holders as below:

1. Awarding the best performers
2. Monetary awards for any improvements done by the employee
3. Celebrating birthday of the employees

The Company undertakes various community development and engagement initiatives, details of which are given at point no. 1 of Principle 8 below.

Further, the Company's CSR activities also aim at; inter alia, Eradicating hunger, Poverty & malnutrition, Promoting Education among children and Women and Adult Literacy and Creating health Infrastructure for Covid-19 care of poor sections of the Society. During the year under review, the Company has contributed its CSR spend to INR 32.56 lakhs.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

The Company takes care that its transactions/ processes do not violate any human rights. We ensure that the dignity

and rights of the employees, consumers, vendors and all concerned stakeholders are upheld. We also believe that training our workforce on their human rights as well establishing permissible codes of conduct when dealing with our stakeholders is crucial. The Company has in place policy on Prevention of Sexual Harassment at Workplace, Business Responsibility Policy, Environmental and Social Policy, Vigil Mechanism Policy, Integrated Management System Policy (Quality, Environment, Occupational Health and Safety and Energy), etc. based on global standards and local laws.

The Company does not employ or make use of child labour or forced labour of any kind.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There were no cases of human rights violation for the year financial year ended March 31, 2022 in any of the operations.

Principle 6 - Businesses should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.

We ensure that the Health and Safety standards at all our units/ workplaces are as per the legislations. Our approach is reflected in our Environmental and Social Policy which places emphasis on the Company's continuous efforts to comply with applicable legal, environmental and our internal requirements where specific environmental legislation is non-existent or insufficient. As per the Policy, the Company incessantly strives at improving the environmental performance of its

activities, products and services. This Policy is available on the website of the Company. An endeavour is made to apply this Policy in all the Company's dealings with stakeholders across the value chain including suppliers, contractors, etc. in due spirit.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

No.

The environmental management system helps us to analyze and reduce environmental impact and standardize the process of being complaint to a range of legislative requirements.

Few specific initiatives taken by the Company in this direction are

Natural Resource: Water

Appreciating that water is a shared resource with the community, our focus is on water management in the following areas.

- Reduce overall Water Consumption in our Sites.

Water management processes have evolved across all the factories over the years, and it has resulted in improvements in key metrics of specific water consumption.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. The Company identifies and assesses potential environmental risks. The Company specifically undertakes plant specific environmental aspect impact and takes prompt action wherever required. Checking air quality, emission levels and water quality on a regular basis also ensures

that potential environmental risks are averted.

We also maintain an Environmental Aspect Impact Register in which the Company identifies and records various potential modes of failures such as oil spillage, water spillage, vehicles emitting more gas, emission of gases harmful to the ozone layer, use of lead-based chemicals, etc. These modes are then mapped against potential effects of failures, causes of such failures and control/ mitigation plans are developed accordingly.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, is any environmental compliance report filed?

The Company has not carried out any project related to Clean Development Mechanism and no environment compliance report was filed in this regard.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Yes. Kindly refer to responses given for question no. 2 of principle 2 and principle 6.

6. Are the emissions/ waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. The Company strictly follows all the rules and regulations related to treatment of emissions/ waste generated by the Company and undertakes tests on a regular basis to ensure emissions are maintained within the permissible limits given by CPCB/ SPCB/ other regulatory authorities.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

The Company has not received any show cause/ legal notice from CPCB/ SPCB during the financial year ended March 31, 2022 and no such notices are pending satisfaction as on March 31, 2022.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with.

Yes. The Company is a member of the following trade organisations:

- (a) CREDAI: Confederation of Real Estate Developers Association of India
- (b) NAREDCO: National Real Estate Development Council

Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No. If yes specify the broad areas.

Yes. The Company responsibly uses the platform of various industry segment seminars and exhibitions to promote its products and solutions. We regularly participate in trade seminars and exhibitions such as CREDAI Expo, NAREDCO, Divya Marathi Expo, Deshdoot Expo, Maharashtra Times etc.

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the Company have specified programs/ initiatives/ projects in pursuit of

the policy related to Principle 8? If yes, details thereof.

Yes. The Company has during the financial year ended March 31, 2022, made generous donations for various causes.

2. Are the programs/projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?

We implement our programmes through our Corporate Social Responsibility team in partnership with government and civil society organizations. We also actively encourage our own employees to contribute towards these social initiatives.

3. Have you done any impact assessment of your initiative?

The Company takes into consideration that the benefit is given to the intended ultimate beneficiaries of the society, while finalising any community development project. Impact assessment of such projects is done informally.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

Company's direct contribution to community development projects for financial year 2021-22 is INR 30 lakhs. For details of the projects undertaken or initiatives taken in this regard, kindly refer to question no.1 under this principle.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CSR activities of the Company were pursued in line with the Company's policy and framework.

Through effective stakeholder engagement, the Company ensures that its community development initiatives are sustainable in the long term. The Company closely monitors the spending of its contributions towards the intended social causes and the Company's Directors or senior officials pay regular visits at the projects sites where the Company has given contribution.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

Less than 1% of the customer complaints received during the financial year were pending as on March 31, 2022.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)

The Company displays product information as mandated by Bureau of Indian Standards and all other applicable laws and standards.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No cases were filed against the Company regarding unfair trade practices, irresponsible advertising and/ or anticompetitive behavior in the last five years and no such cases were pending as on the end of the financial year 2022.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

We conduct quarterly customer satisfaction survey and take action for improvement. The survey is conducted on a rating system and covers indicators like satisfaction with product range, sales team, sales and quality.



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