

KMF BUILDERS & DEVELOPERS LIMITED

ANNEXURE -2

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

As on financial year ended on 31.03.2018

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45203KA1995PLC017422
2.	Registration Date	21.03.1995
3.	Name of the Company	KMF BUILDERS AND DEVELOPERS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	FLAT NO. 508, GOLF MANOR, NAL WIND TUNNEL ROAD, MURGESH PALYA, BANGALORE-560017, 25238007, 41486142-43
6.	Whether listed company (Yes/No)	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ALANKIT ASSIGNMENTS LIMITED , 205-208 ANARKALI COMPLEX JHANDEWALAN EXTENSION NEW DELHI -110055 TEL: 011-42541234 EMAIL: alankit@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	DEVELOPMENT AND CONSTRUCTION OF PROPOERTIES	410	97.7%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES The Company has no holding, subsidiary and associates companies as defined under the Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [01.04.2017]				No. of Shares held at the end of the year [31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	41,82,700	0	41,82,700	34.335	4082700	0	4082700	33.514	(0.821%)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	10,84,000	0	10,84,000	8.898	11,84,000	0	11,84,000	9.719	0.821%
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	52,66,700	0	52,66,700	43.233	52,66,700	0	52,66,700	43.233	0

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(2) Foreign									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)					0	0	0	0	0
Total shareholding of Promoter (A)	52,66,700	0	52,66,700	43.233	52,66,700	0	52,66,700	43.233	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	11,58,624	3,43,800	15,02,424	12.33	2578833	343800	2922633	23.991	11.66
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	97,59,50	66,96,00	16,45,550	13.508	898210	642600	1540810	12.648	(0.86)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	32,12,926	55,44,00	37,67,326	30.92	1897457	554400	2451857	20.127	(10.79)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0

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Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	53,47,500	15,67,800	69,15,300	56.77	53,47,500	15,67,800	69,15,300	56.77	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	53,47,500	15,67,800	69,15,300	56.77	53,47,500	15,67,800	69,15,300	56.77	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,06,14,200	15,67,800	1,21,82,000	100	1,06,14,200	15,67,800	1,21,82,000	100	0

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Gorge Chadha	1039000	8.52	0	1159000	9.719	0	1.199%
2	Ms. Manisha Chadha	600000	4.92	0	992100	8.14	0	3.22%
3	Mr. Pradeep Kumar Malik	4,20,200	3.449	0	4,20,200	3.449	0	0
4	Mrs. Satyawati Chadha	4,31,000	3.54	0	4,31,000	3.54	0	0
5	Mrs. Kavita Chadha	630400	5.175	0	10,80,400	8.87	0	3.695%
6	Mrs. Snehlata	773100	6.34	0	0	0	0	100 %
7	Ms. Tanu Chadha	289000	2.37	0	0	0	0	100%
8	M/s. KMF Securities Ltd.	1084000	8.89	0	1184000	9.7	0	0.81%

C) Change in Promoters' Shareholding including Increase / Decrease in each of the Promoters Shareholding during the year specifying the reasons for increase / decrease (please specify, if there is no change)

S. No.	Name of the Shareholders	Shareholding at the beginning of the year as on 01.04.2017		Shareholding at the end of the year as on 31.03.2018		% change in shareholding during the year	Reason for Change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1.	Mr. Gorge Chadha	1039000	8.52	1159000	9.719	1.199%	Transfer (Inter se transfer)
2.	Ms. Manisha Chadha	600000	4.92	992100	8.14	3.22%	Transfer (Inter se transfer)
3.	Mr. Pradeep Kumar Malik	4,20,200	3.449	4,20,200	3.449	0	Transfer (Inter se transfer)
4.	Mrs. Satyawati Chadha	4,31,000	3.54	4,31,000	3.54	0	Transfer (Inter se transfer)
5.	Mrs. Kavita Chadha	630400	5.175	10,80,400	8.87	3.695%	Transfer (Inter se transfer)
6.	Mrs. Snehlata	773100	6.34	0	0	100 %	Transfer (Inter se transfer)
7.	Ms. Tanu Chadha	289000	2.37	0	0	100%	Transfer (Inter se transfer)
8.	M/s. KMF Securities Ltd.	1084000	8.89	1184000	9.7	0.81%	Transfer (Inter se transfer)

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

S. No.	Name of the Shareholders	Shareholding at the beginning of the year as on 01.04.2017		Change in Shareholding during the year		Shareholding at the end of the year as on 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Manu Investment (P) Ltd.	8,24,850	6.77	-	-	8,24,850	6.77
2.	Mr. Mohit Sansanwal	180000	1.47	280002	1.47	460002	2.28
3	M/S KMT properties private limited	0	0	931259	7.64	931259	7.64
4.	M/s Surender /kumar HUF	240043	1.97	382325	3.14	622368	5.11
5.	Mr. Hitesh Ramji Javeri	3,80,000	3.12	-	-	3,80,000	3.12
6.	M/S Anagram Securities Limited	3,39,000	2.78	-	-	3,39,000	2.78
7.	Mr.Rasiklal Kasalchnad Shah	138800	1.13	-	-	138800	1.13
8.	Mrs.Kamlesh Balchand Shah	139400	1.15	-	-	139400	1.15
9.	Mr.Sushant Gupta	175982	1.44	-	-	175982	1.44
10.	TMG Properties P Ltd.	2,80,000	2.30	(2,80,000)	(2.30)	0	0
11.	Mrs. Harsha Hitesh Javeri	2,24,000	1.84	-	-	2,24,000	1.84

E) Shareholding of Directors and Key Managerial Personnel including Date wise Increase / Decrease in Directors Shareholding during the year specifying the reasons for increase / decrease (please specify, if there is no change)

Name	Shareholding		Date	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year		Reason for Change
	No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the company			No. of shares	% of total shares of the company	
Mr. Gorve Chadha	10,39,000	8.52	05.05.2017	Increase	120000	0.82	Inter se transfer
	1159000	9.719					
Mrs. Kavita Chadha	6,30,400	5.17	23.06.2017	Increase	4,50,000	3.69	Inter se transfer
	10,80,400	8.87					
Mr. Pradeep Kumar Malik	4,20,200	3.45	01.04.2017				Nil movement during the year
				0			
	4,20,200	3.45	31.03.2018		4,20,200	3.45	
Mr. Chirag Salaria	0	0	01.04.2017				Nil movement
				0			

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	0	0	31.03.2018		0	0	during the year
Mr. Aniruddh Singh	0	0	01.04.2017				Nil movement during the year
	0	0	31.03.2018	0	0	0	
Mr. Shyam Sunder Mittra	0	0	01.04.2017				Nil movement during the year
	0	0	31.03.2018	0	0	0	
Ms. Priyanka Behl	0	0	01.04.2017				Nil movement during the year
	0	0	31.03.2018	0	0	0	

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	193932.80	1374449.00	0.00	1568381.80
ii) Interest due but not paid				
iii) Interest accrued but not due	0.00	4263000.00	0.00	4263000.00
Total (i+ii+iii)	144872.60	1500000.00	0.00	1644872.60
Change in Indebtedness during the financial year				
* Addition	49060.20	4137449.00	0.00	4186509.20
* Reduction				
Indebtedness at the end of the financial year	0.00	0.00	0.00	0
i) Principal Amount	193932.80	1374449.00	0.00	1568381.80
ii) Interest due but not paid				
iii) Interest accrued but not due	0.00	4263000.00	0.00	4263000.00
Total (i+ii+iii)	193932.8	1274449	0	1468381.8

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Mr. Grove Chadha	Mr. Pradeep Kumar Malik	
1	Gross salary	2,25,000	3,85,000	6,10,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-
2	Stock Option		-	-

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3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	2,25,000	3,85,000	6,10,000/-
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		CHIRAG SALARIA	SHYAM SUNDER MITTRA	ANIRUDDH SINGH		
1	Independent Directors	-	-	-	-	
	Fee for attending board committee meetings	-	-	-	-	
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (1)	-	-	-	-	
2	Other Non-Executive Directors	-	-	-	-	
	Fee for attending board committee meetings	-	-	-	-	
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (2)	-	-	-	-	
	Total (B)=(1+2)	-	-	-	-	
	Total Managerial Remuneration	-	-	-	-	
	Overall Ceiling as per the Act	-	-	-	-	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total (Rs.)
1	Gross salary	3,08,000	3,08,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Others, please specify	-	-
	Total	3,08,000	3,08,000

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED: **31.03.2018**

To: The Members,

KMF BUILDERS & DEVELOPERS LIMITED, Bangalore

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KMF BUILDERS & DEVELOPERS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on March 31, 2018 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings: There were no FEMA provisions applicable during the Audit period.
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

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- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- b. SEBI (Listing Obligations and Disclosure Requirements) 2015 for the year ended 31st March 2018 with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I have not examined compliance by the Company with:

- a. Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- a. There was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For DEEPAK SADHU & CO,
COMPANY SECRETARIES

(Deepak Sadhu)
Proprietor
ACS: 39541; CP No: 14992

Place : Bangalore
Date : 14.08.2018

CORPORATE GOVERNANCE REPORT

"Corporate Governance is concerned with maintaining the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society." - A Report Your Directors present the Company's Report on Corporate Governance in compliance with Regulation 34(3) read with part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Company's philosophy on Corporate Governance

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

1. Role of the Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. She ensures that all relevant information, details and documents are made available to the directors for effective decision making at the meetings. She is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the company and regulatory authorities. All the Directors of the Company have access to the services of the Company Secretary.

2. Selection and Appointment of New Directors on the Board

Considering the requirements of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various