

**19th
Annual Report
2013 - 2014**



KMF BUILDERS & DEVELOPERS LTD.

KMF BUILDERS & DEVELOPERS LIMITED

BOARD OF DIRECTORS

- | | |
|------------------------|----------------------|
| 1. KAVITA CHADHA | - CHAIRPERSON |
| 2. GORVE CHADHA | - MANAGING DIRECTOR |
| 3. PRADEEP KR. MALIK | - WHOLETIME DIRECTOR |
| 4. ANIL RISHIRAJ | - DIRECTOR |
| 5. RAVINDER KR. SHARMA | - DIRECTOR |
| 6. SHYAM SUNDER MITTRA | - DIRECTOR |

REGD. OFFICE

No. 508, Golf Manor Apartments
Nal Wind Tunnel Road,
Murugeshplaya, Bangalore-17

CORPORATE OFFICE

1008, Vikram Tower,
Rajendra Place,
New Delhi-110008

AUDITORS

B. Sreenivasan & Co.
Chartered Accountants
Bangalore

SHARE TRANSFER AGENT

ALANKIT ASSIGNMENTS LIMITED
RTA Division-KMF Builders & Developers Ltd.
2E/21, Jhandewalan Extn.
New Delhi-110 055
Ph. No. : 011- 42541234
E-mail: alankit@alankit.com

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KMF BUILDERS & DEVELOPERS LIMITED

NOTICE

(Note: The business of this Meeting may be transacted through electronic voting system)

Notice is hereby given that the 19th Annual General Meeting of the members of M/s KMF Builders & Developers Limited will be held on Monday, 29th September, 2014 at 10:30 am at Flat No. 508, Golf Manor Apartments, NAL Wind Tunnel Road, Murugeshpalya, Bangalore-560017 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2014 and profit and loss account for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a director in place of Mr. Pradeep Kumar Malik who retires by rotation and being eligible offers himself for reappointment.
3. 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 139 and other applicable provisions of the Companies Act, 2013, and the Rules made there under, the retiring auditors, M/s B Sreenivasa & Co. Chartered Accountants (Firm Registration No. 009287S), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the 22nd annual general meeting of the Company, subject to ratification by shareholders at each annual general meeting to be held thereafter and in this regard Board of Directors of the Company be and are hereby authorised to fix the remuneration of the Auditors and such other expenses in connection with statutory audit and also such other remuneration, as may be decided to be paid by the Board of Directors, for performing duties other than those referred to herein above.”

SPECIAL BUSINESS

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

Appointment of Mr. Anil Rishiraj as an independent director

RESOLVED THAT pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Anil Rishiraj (DIN 02853310), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014 upto 31 March 2019.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Anil Rishiraj be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

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

KMF BUILDERS & DEVELOPERS LIMITED

Appointment of Mr. Shyam Sunder Mittra as an independent director

RESOLVED THAT pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Shyam Sunder Mittra (DIN 01174462), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014 up to 31 March 2019.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Shyam Sunder Mittra be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

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

Appointment of Mr. Ravinder Kumar Sharma as an independent director

RESOLVED THAT pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Ravinder Kumar Sharma (DIN 05101892), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014 upto 31 March 2019.

RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Ravinder Kumar Sharma be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

7. To consider and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**:-

"RESOLVED THAT approval of members of the company be and is hereby accorded for keeping registers & records of the Company from a place other than registered office under section 94(1) of the Companies Act, 2013, to the head office of the company at 1008, Vikram Tower, Rajendra Palce, New Delhi 110008

RESOLVED FURTHER THAT any of the directors of the Company be and is hereby authorized to sign and file necessary forms and documents with Registrar of Companies and to do all needful activities thereto.

Place: Bangalore
Dated: 14.08.2014

By order of the Board of Directors
Gorve Chadha
(Managing Director)

KMF BUILDERS & DEVELOPERS LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY(50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company.
3. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice.
4. Brief details of the directors, who are seeking re-appointment, are annexed hereto as per requirements of clause 49 of the listing agreement.
5. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, the current auditors of the Company, M/s B Sreenivasa & Co., Chartered Accountants are eligible to hold office for a period of three years, upto 2017. The appointment of M/s B Sreenivasa & Co., Chartered Accountants as auditors for three years from the conclusion of the ensuing annual general meeting till the conclusion of the 22nd annual general meeting, to be scheduled in 2017 and to fix their remuneration for the year 2014-15 has been put up for the approval of members.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from Monday, 22 Sept 2014 to Friday 26 Sept, 2014, both days inclusive.
7. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Alankit Assignments Ltd). Members are requested to keep the same updated.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its RTA.
9. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.

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10. To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with Alankit Assignments Ltd. on lalitap@alankit.com
11. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Saturday) from 10:00 a.m. to 1:00 p.m. except holidays, upto the date of the meeting.
12. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Bangalore, which are open for inspection in terms of the applicable provisions of the Companies Act, 2013 by members and others as specified below:
 - i). Register of contracts or arrangements in which directors are interested under section 301 of the Companies Act, 1956 and section 189 of the Companies Act, 2013, on all working days during business hours. The said Registers shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to a person having the right to attend the meeting.
 - ii) Register of directors' shareholdings under section 307 of the Companies Act, 1956 and Register of directors and KMP and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Registers shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to a person attending the meeting.
13. Corporate members are requested to send in advance, duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend the annual general meeting.
14. Members/Proxies are requested to bring the copies of annual reports to the meeting.
15. Voting through electronic means In terms of the provisions of section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 23rd Sept 2014 (End of Day) being the Cut-off date (Record date for the purpose of Rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Alankit Assignments Ltd. (Alankit)

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

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

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- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. -
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

General instructions:

- i. The E-voting period commences from 10:00 a.m. on 24th Sept 2014 and ends on 10:00 a.m. on 25th Sept 2014. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of 23rd Sept 2014 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii. The Company has appointed Mr. B. CHANDU NARAYAN of M/s VCS & ASSOCIATES, Practising Company Secretary (ACS No. A23222 COP No. 9517 having address as 112, Singapura Layout, Near Airtel Tower, Vidyanarayapura Post, Bangalore – 560097 as the Scrutinizer to the e-voting process, in a fair and transparent manner.
- iii. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- iv. In the event of a poll, please note that the members who have exercised their right to vote by electronic means as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting and using ballot form shall be counted for the purpose of passing of resolution(s).
- v. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 19th annual general meeting of the Company scheduled to be held on Monday, 29th Sept 2014. At the said annual general meeting, the Chairman shall declare the results of voting on the resolutions set out in the Notice. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.kmfbuilders.com and on the website of Alankit - www.alankit.com, within two days of the passing of the resolutions at the 19th annual general meeting of the Company and shall also be communicated to the Stock Exchanges.

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Explanatory Statement Pursuant to section 102 of the Companies Act, 1956

Section 149 of the Companies Act, 2013, which came into effect from 1 April 2014, requires every listed Company to have one-third of the total number of directors as independent directors. As on 31 March 2014, the Board of Directors of the Company comprised Anil Rishiraj, Shyam Sunder Mittra & Ravinder Kumar Sharma, as independent directors pursuant to erstwhile clause 49 of the listing agreement.

Accordingly with the recommendations of the Remuneration and Nomination Committee, the Board of Directors at its meeting held on 14th August 2014, Anil Rishiraj, Shyam Sunder Mittra & Ravinder Kumar Sharma, as independent directors of the Company pursuant to section 149, Schedule IV and other applicable provisions, of the Companies Act, 2013, for a consecutive period of 5 years from 1 April 2014 to 31 March 2019, subject to the approval of shareholders.

Therefore, as required under Schedule IV, appointment of these independent directors is set out in the item 4 to 6 of the Notice for approval of shareholders. In respect of the appointments of the aforesaid directors, a notice in writing in the prescribed manner as required by section 160 of the Companies Act, 2013 and Rules made thereunder has been received by the Company, regarding candidature of the aforesaid directors for the office of the director.

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6). The respective appointee is not disqualified from being appointed as a director in terms of section 164 of the Act.

The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours and the same shall also be available at the Company's website.

The Board is of the opinion that the aforesaid directors possess requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have their association with the Company as directors.

Further, in the opinion of the Board, the proposed appointment of independent directors fulfills the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of independent directors is independent of the management.

Explanatory Statement to Item No. 4-Mr. Anil Rishiraj

He has worked in various capacities for more than 30 years including Ministry of Finance as an Executive Officer. Thereafter, worked as Sr.Executive Consultant with KR Information Security Solutions, New Delhi. Presently he is associated with Essar Group in the capacity of Vice President working in Bajaj.

The Company has received a notice in writing from members under section 160 of the Companies Act, 2013, signifying his intention to propose the name of Mr. Anil Rishiraj as a candidate for the office of director.

None of the directors of the Company are in any way interested in the Resolution, except Mr. Anil Rishiraj himself. The Board recommends the resolution for your approval.

Explanatory Statement to Item No. 5-Mr. Shyam Sunder Mittra

Mr. Shyam Sunder is a Bachelor in Commerce having over 25 years of experience in purchase of raw materials in the manufacturing field.

The Company has received a notice in writing from members under section 160 of the Companies Act, 2013, signifying his intention to propose the name of Mr. Shyam Sunder as a candidate for the office of director.

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None of the directors of the Company are in any way interested in the Resolution, except Mr. Shyam Sunder himself. The Board recommends the resolution for your approval.

Explanatory Statement to Item No. 6-Mr. Ravinder Kumar Sharma

He has retired from Indian Railways in senior capacity. He is having good experience in financial planning and cost reduction.

The Company has received a notice in writing from members under section 160 of the Companies Act, 2013, signifying his intention to propose the name of Mr. Ravinder Kumar Sharma as a candidate for the office of director.

None of the directors of the Company are in any way interested in the Resolution, except Mr. Ravinder Kumar Sharma himself. The Board recommends the resolution for your approval.

Explanatory Statement to Item No. 7-Place of keeping registers & returns of the company

As the company is having its corporate office at 1008, Vikram Towers, Rajendra place, New Delhi 110008, the board of directors of the company has proposed in their meeting held on 14 Aug. 2014 the same should to keep at corporate office.

Following the provisions of Section 94 (1) of the Companies Act, 2013, the company seeks your permission to pass the resolution as Special Resolution.

Information to Shareholders in pursuance of Clause 49 (IV) (G) of Listing Agreement with reference to appointment/ reappointment of Directors (item no. 2, 4, 5 & 6)

Director	Brief Resume	Hold Directorship in Other companies	Membership in Committees	No. of shares held As on (31.03.2014)	Relationship between directors inter-se
Mr. Pradeep Kumar Malik	Bachelor of Commerce	NIL	Audit Committee & Stakeholders Relationship Committee	420200	Promoter of the company- No relation to any other director (s)
Mr. Anil Rishiraj	BA (PM & IR) and Diploma in HRM	NIL	Audit Committee, Nomination & Remuneration committee and Stakeholders Relationship Committee	47501	NIL
Mr. Shyam Sunder Mittra	Bachelor in Commerce. Has over 25 years of experience in purchase of raw materials in the manufacturing field.	Hansaflon Platochem Limited	Audit Committee, Nomination & Remuneration committee and Stakeholders Relationship Committee	NIL	NIL
Ravinder Kumar Sharma	Bachelor of Arts and he have rich experience in the field of cost reduction & finance for more than 20 years.	NIL	Audit Committee, Nomination & Remuneration committee and Stakeholders Relationship Committee	NIL	NIL

Place: Bangalore
Dated: 14.08.2014

By order of the Board of Directors
Gorge Chadha
(Managing Director)