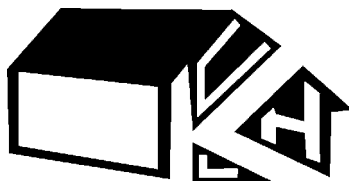


KAMANWALA HOUSING CONSTRUCTION LIMITED

**35th
ANNUAL REPORT
2018-2019**



KAMANWALA HOUSING CONSTRUCTION LIMITED



KAMANWALA HOUSING CONSTRUCTION LIMITED

CIN: L65990MH1984PLC032655

Board of Directors

Bhanwarlal D.Jogani	Independent Director
Atul Attarsen Jain	Managing Director
Pushpa Atul Jain	Whole Time Director
Amit Jaipal Jain	Non-Executive Director
Suresh Ganpat Thite	Independent Director-Chairman

Audit Committee

Bhanwarlal D.Jogani
Amit Jaipal Jain
Suresh Ganpat Thite

Stakeholders Relationship Committee

Suresh Ganpat Thite
Bhanwarlal D. Jogani
Atul Attarsen Jain

Nomination and Remuneration Committee

Bhanwarlal D. Jogani
Amit Jaipal Jain
Suresh Ganpat Thite

Chief Financial Officer

Tarun Jaipal Jain

Company Secretary & Compliance Officer

Sejal A.Desai

Auditors

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

Registered Office

406-New Udyog Mandir - 2, Mogul Lane, Mahim - (West),
Mumbai – 400016, Maharashtra.
Tel no.: 2445 6029 | 2444 0601
Email: cs.kamanwala@gmail.com
Website: www.kamanwalahousing.com

Bankers

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

Registrar & Share Transfer Agent

M/s. Sharex Dynamic (India) Pvt. Ltd,
C 101, 247 Park, L BS Marg, Vikhroli West,
Mumbai 400 083.
Tel no.: 2851 5606 / 2851 5644 | Fax: 2851 2885
Email: sharexindia@vsnl.com
support@sharexindia.com

Contents:	Page no.
Notice	2
Directors report	7
Corporate Governance Report	23
Independent Auditor's Report	32
Standalone Financial Statements	39
Consolidated Financial Statements	71
Proxy form	98

NOTICE

NOTICE is hereby given that the 35th (Thirty Fifth) Annual General Meeting of the Members of KAMANWALA HOUSING CONSTRUCTION LIMITED will be held on Monday, the 30th September, 2019, at 11:00 a.m. at registered office of the company at 406, New Udyog Mandir-2, Mogul Lane, Mahim (west), Mumbai, 400016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (standalone) of the Company for the financial year ended 31st March, 2019 and also to receive, consider and adopt audited financial statements (consolidated) for the financial year ended 31st March 2019 together with Directors' Report and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Atul Attarsen Jain (DIN: 00052966), who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:

3. To appoint Mr. Suresh Ganpat Thite (DIN: 07037046) as Independent Director of the Company for period of five consecutive years and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Suresh Ganpat Thite (DIN: 07037046), who was appointed as Additional Director on November 13, 2018 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed, for a term of five years, as an Independent Director of the Company not liable to retire by rotation.

RESOLVED FURTHER THAT any one Director of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

4. To approve further limits for giving of loans & advances, guarantees or acquire by way of subscription, purchase or otherwise, the securities of any other Body Corporates and in this regard pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder as applicable, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in terms of the provisions of the Company's Memorandum and Articles of Association, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include

any Committee thereof) to give any loans & advances, and/or to give any guarantee(s) and/or to provide any securities in connection with any loans to any other body corporate or to any other person and/ or to make any further investment/acquisition by way of subscription, purchase or otherwise, the securities (including equity shares, preference shares, debentures, or any other kind of instruments, whether convertible or not) of other body corporate, up to an amount of Rs.90 crores (Rupees Ninety Crores Only) in aggregate even if it exceeds the limits available to the Company of 60% (Sixty Percent) of its paid up share capital, free reserves and securities premium account or 100% (One Hundred Percent) of its free reserves and securities premium account, whichever is more, and remaining outstanding at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient for implementation of the above resolution and matters connected therewith or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any Committee with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members."

**For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited**

**Place: - Mumbai
Date: - 9th August, 2019**

**Sejal A. Desai
Company Secretary**

NOTES:

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



KAMANWALA HOUSING CONSTRUCTION LIMITED

PERSON OR MEMBER.

4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts in respect of special business is annexed hereto. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), of persons seeking appointment / re-appointment as Directors are provided in the Annexure to this Notice.
5. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2019 to 30th September, 2019 (both days inclusive).
6. The Corporate Members intending to send their duly authorized representative(s) are requested to send a duly certified copy of the Board resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
7. Members are hereby requested to notify change in their addresses, make correspondence and send documents of share transfers, etc. either directly to the Company at the Registered Office or to the Office of Share Transfer Agents of the Company, M/s Sharex Dynamic (India) Pvt. Ltd., at C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai 400 083.
8. The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their folio number in the attendance slip for attending the meeting.
9. The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
10. Pursuant to Section 124 of the Companies Act, 2013 all unclaimed/ unpaid dividend over a period of 7 years have to be transferred by the Company to the Investors Education & Protection Fund (IEPF) constituted by the Central Government. No such amount is remaining to be transferred to IEPF. The last dividend for FY 2009-10 has already been transferred to IEPF.
11. Electronic copy of the Thirty fifth Annual Report for 2018-19 is being sent to all the Members, whose e-mail IDs are registered with the company/depository participants for communication purposes unless any Member has requested for a hard copy of the same. For the Members, who have not registered their e-mail address, physical copies of the Annual Report for 2018-19 are being sent in a permitted mode. Rule 18(3) (i) of the Companies (Management & Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a financial year to the Member to register his e-mail address and any change therein. In compliance with the same, we request the Members who do not have their e-mail ID registered

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

12. Voting through electronic means:

In compliance with the provisions of Regulation 44 of the SEBI (LODR) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and the Secretarial Standard on General Meetings, the Company is pleased to provide to Members the remote e-voting facility to exercise their right to vote on business to be transacted at the 35th Annual General Meeting by electronic means through e-voting services provided by Central Depository Services (India) Limited (CDSL). A Member, who has voted on a resolution through the e-voting facility, will not be entitled to change it subsequently. Further, a Member who has voted through the e-voting facility will not be permitted to vote again at the venue of the Annual General Meeting of the Company.

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

- (i) The voting period begins on 27th September, 2019 (9:00 a.m.) and ends on 29th September, 2019 (5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd, September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<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.

	<ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can

be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login & password. The Compliance User would be able to link account(s) for which they wish to vote on.

- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Devesh Mehta, Practicing Company Secretary has been appointed as Scrutinizer for conducting e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 2 (two) working days from conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favor or against, if any forthwith to the Chairman.

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

**For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited**

**Place: - Mumbai
Date: -9th August, 2019**

**Sejal A. Desai
Company Secretary**



KAMANWALA HOUSING CONSTRUCTION LIMITED

ANNEXURE TO THE NOTICE:

APPOINTMENT / RE-APPOINTMENT OF DIRECTORS:

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

Particulars	Name of Directors	
	Mr. Atul Attarsen Jain (DIN: 00052966)	Mr. Suresh Ganpat Thite (DIN: 07037046)
Date of Birth	14-02-1957 (Age 62 years)	01-06-1971 (Age 48 years)
Date of Appointment	01-08-1985	13-11-2018
Shares held in the Company (as on 31-03-2019)	10,30,964	NIL
Special Expertise/Occupation	Planning and execution of projects, general business management.	Long experience in finance and accounts functions and general management
Qualification	B.A. (Hons)	Commerce Graduate
Names of the Listed entities in which a person holds the Directorship	Kamanwala Housing Construction Limited (KHCL) - Managing Director	Kamanwala Housing Construction Limited (KHCL)
Chairman / Member of Committee of Companies	Member of Stakeholders Relationship Committee of KHCL	Chairman of Stakeholders Relationship Committee of KHCL, Member of Audit Committee of KHCL, Member of Nomination & Remuneration Committee of KHCL.
Inter-se relationship with other directors	Mr. Amit Jain is the nephew of Mr. Atul Attarsen Jain Mrs. Pushpa Jain is wife of Mr. Atul Attarsen Jain	Not Applicable

**For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited**

**Place: - Mumbai
Date: -9th August, 2019**

**Sejal A. Desai
Company Secretary**

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Item No. 3

Mr. Suresh Ganpat Thite was appointed as an additional Independent Director on the Board of the Company w.e.f. 13th November, 2018 to hold office upto the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from one of the members of the company, proposing the candidature of Mr. Suresh Thite, as an Independent Director to hold office for period of five consecutive years upto conclusion of Annual General Meeting to be held in the year 2024, under the provisions of Section 149 of the Companies Act, 2013. Brief profile of Mr. Suresh Thite is provided herein below:

Name of Director	Mr. Suresh Ganpat Thite (DIN: 07037046)
Date of Birth	01-06-1971
Date of Appointment by the Board	13 th November, 2018
Expertise in specific functional area	Long experience in finance and accounts functions and general management.
Qualifications	Commerce Graduate
Directorships in Public Limited Companies	Kamanwala Housing Construction Limited (KHCL)
Shareholding of Director in the Company	NIL

Membership of Committees in Public Limited Companies:

Name of Committee	Name of the Company	Designation
Shareholders/Investors Relationship Committee	Kamanwala Housing Construction Limited	Chairman
Nomination & Remuneration Committee	Kamanwala Housing Construction Limited	Member
Audit Committee	Kamanwala Housing Construction Limited	Member

Brief profile:-

Mr. Suresh Ganpat Thite age 48 years is a commerce graduate from Mumbai University and has extensive experience of accounts and finance functions and also of general management.

In the opinion of the Board, Mr. Suresh Ganpat Thite fulfils the conditions of independence as specified in the Companies Act, 2013 and rules made there under for appointment as an Independent Director of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in this Resolution. The Board recommends the Ordinary Resolution set out at item no. 3 for approval of the Members.

Item No. 4

Section 186(3) of the Companies Act, 2013 (hereinafter referred to as "the Act") requires every company to obtain the members' approval through special resolution if it is proposing to –

- give any loan and advance to any person or other body corporate;
- give any guarantee or provide security in connection with a loan & advance to any other body corporate or person; and
- acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

The Board of Directors of the Company hereby proposes to seek and obtain approval of the Members pursuant to Section 186 of the Act for the loans and advances, guarantees and/or securities in connection with any loans & advances and/or for or to make further investments up to an aggregate amount of Rs. 90 crores (Rupees Ninety Crores Only) even if it exceeds the limits permissible without approval of members available to the Company of 60% (Sixty Percent) of its paid up share capital, free reserves and securities premium account or 100% (One Hundred Percent) of its free reserves and securities premium account, whichever is more, and remaining outstanding at any point of time. This will enable company to invest surplus funds if any.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item no. 4 of the Notice. The Board recommends passing of the Special Resolution as set out at item no. 4 of the Notice.

For and on behalf of the Board of Directors

Place: - Mumbai

Date: - 9th August, 2019

**SEJAL A.DESAI
COMPANY SECRETARY**



KAMANWALA HOUSING CONSTRUCTION LIMITED

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby presents their Thirty Fifth Annual Report on the business and operations of your Company ("the Company" or "KHCL"), along with Audited Financial Statements for the financial year ended 31st March, 2019.

FINANCIAL PERFORMANCE OF THE COMPANY:

The summarized Financial Highlights of the Company are as follows:

(Rs. in lakhs, except per equity share data)

	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations (Net)	2090.85	1883.29	2090.85	1883.29
Other Income	289.44	117.17	289.44	117.17
Profit (Loss) before Depreciation, Interest & Tax	-4.75	73.46	-4.75	73.46
Less: Depreciation & amortization expenses	19.12	23.71	19.12	23.71
Less: Finance Costs	16.58	38.51	16.58	38.51
Profit (Loss) before extraordinary items	(40.45)	11.24	(40.45)	11.24
Extraordinary items	—	—	—	—
Profit /(Loss) before Tax	(40.45)	11.24	(40.45)	11.24
Provision for Tax and Deferred Tax	-1.81	4.36	-1.81	4.36
Profit /(Loss) after Tax	(38.64)	15.60	(38.64)	15.60

REVIEW OF OPERATIONS & STATE OF COMPANY'S AFFAIRS:

The net revenue from Operations was Rs. 2380.29 Lakhs including other income of Rs. 289.44 Lakhs as against Rs. 2000.46 Lakhs for the F.Y. 2017-18. Though the income was increased compared to previous year, the Company made a Net Loss of Rs. 38.64 Lakhs. On consolidated basis the total income was Rs. 2380.29 Lakhs and net loss was Rs. 38.64 Lakhs.

CHANGE IN THE NATURE OF THE BUSINESS:

There is no change in the nature of the Business during the year under review.

SHARE CAPITAL:

During the year under review, there were no changes in the share capital of the company.

Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty crores only) divided into 2,00,00,000 (Two Crores only) equity shares of Rs. 10 each.

Paid up Share Capital of the Company is Rs. 14,09,31,600/- (Rupees Fourteen crores nine lakhs thirty-one thousand and six hundred only) divided into 1,40,93,160 (One crore forty lakhs ninety three thousand one hundred and sixty only) equity shares of Rs. 10 each.

DIVIDEND:

In view of loss for the year, your Directors are unable to recommend any dividend for the financial year ended 31st March, 2019.

TRANSFER TO RESERVE:

Board of Directors has proposed to transfer the net loss amounting to Rs. 38.64 Lakhs to the brought forward retained earnings.

DISCLOSURE ON DEPOSITS UNDER CHAPTER V:

The Company has neither accepted nor renewed any deposits during the financial year 2018-19 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any unpaid or unclaimed deposits at the end of the financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;
- b) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT forms part to this Annual Report in terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is enclosed as **Annexure-A**.

SUBSIDIARY COMPANIES, ASSOCIATES & JOINT VENTURES:

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

CONSOLIDATED FINANCIAL STATEMENTS:

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

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

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

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

HUMAN RESOURCES:

Relations between the management and employees remained cordial through-out the year. The Company had a total 7 permanent employees as on 31st March, 2019.

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rule, 2014, and forming part of Directors' Report for the year ended 31st March, 2019 are attached as **Annexure C** and forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY:

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

DIRECTORS:

To comply with the requirement of the Companies Act, 2013 and Articles of Association of the Company, Mr. Atul Jain shall retire by rotation at the forthcoming Annual General Meeting. Being eligible, he offers himself for re-appointment.

Mr. Mukesh Jain resigned as Director of the Company w.e.f. 15th September, 2018.

Mr. Suresh Ganpat Thite was appointed as additional Independent Director of the Company w.e.f. 13th November, 2018.

Mrs. Pushpa Atul Jain was re-appointed as Whole Time Director of the Company for a period of five consecutive years w.e.f. 1st February, 2019.

Mr. Bhanwarlal D. Jogani was re-appointed as an Independent Director of the Company for a period of five consecutive years w.e.f. 1st April, 2019.

KEY MANAGERIAL PERSONNEL:

Mr. Atul Attarsen Jain continues to be the Managing Director of the Company.

Mr. Tarun Jaipal Jain continues to be the Chief Financial Officer of the Company.

During the year under review, Mr. Dharmpal resigned as a Company Secretary & Compliance Officer of the Company w.e.f. 22-08-2018. Ms. Sejal Desai was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 10-10-2018.

DECLARATION BY INDEPENDENT DIRECTORS:

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

BOARD MEETINGS:

Six meetings of the Board of Directors and one meeting of Independent Directors were held during the year under review. Corporate Governance Report, which forms part of this report, contains the details about the Board meetings and of attendance of the Directors thereat.



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOMINATION & REMUNERATION POLICY:

The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website at <http://www.kamanwalahousing.com/cg/Policy/NominationCommitteePolicy.pdf>. We affirm that remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

BOARD EVALUATION:

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had done the annual evaluation of its own performance, its committees and individual directors. The Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings.

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

AUDIT COMMITTEE:

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

CORPORATE GOVERNANCE:

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

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

RISK MANAGEMENT:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a Risk Assessment and Minimization Procedure which is reviewed by the Board of Directors from time to time. Identification is done by executive directors and its mitigation process/measures are being formulated by the Board.

Our Company is mainly in real estate business. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and addressed.

The audit committee has an additional oversight in the area of financial risks and its controls, statutory compliance.

RELATED PARTY TRANSACTIONS:

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

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

VIGIL MECHANISM:

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the company has adopted the whistle blower mechanism for directors and employees to report on concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the whistle blower policy adopted by the Company, during period under review. The whistle blower policy adopted by the Board of Directors is hosted on the website of the Company.

LOANS, GUARANTEES OR INVESTMENTS:

The Company has given loans /advances as specified in the financial statements of the Company during the year under review. However, no guarantee and no investment were made in any body corporate during the financial year 2018-19 attracting the provisions of section 186 of the Companies' Act, 2013.

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return in the prescribed format under the Companies Act, 2013 forms part of this report as **Annexure E** and is available on the website of the Company at www.kamanwalahousing.com.

MATERIAL CHANGES AND COMMITMENTS:

There has been no material change and commitment affecting the financial position of the Company between the financial year ended 31st March, 2019 and the date of the Directors Report.

REPORTING OF FRAUD:

During the year under review, neither the statutory auditors nor the