



KAARYA FACILITIES AND SERVICES LIMITED

ANNUAL REPORT

2018–2019

CORPORATE INFORMATION

<p>Name of the Company : Kaarya Facilities And Services Limited</p> <p>Registered Office : Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Kanchpada, Malad (W)Mumbai - 400064</p> <p>CIN : L93090MH2009PLC190063</p> <p>Website : www.kaarya.co.in</p> <p>Email : info@kaarya.co.in</p> <p>Contact No. : 022 4003 0768</p> <p>BOARD OF DIRECTORS</p> <p>Mr.Vineet Pandey : Joint Managing Director</p> <p>Mr. Vishal Panchal : Joint Managing Director</p> <p>Mr. Ganesh Vanmali : Non-Executive Director</p> <p style="padding-left: 20px;">: Independent Director</p> <p>Mr.Gaurang Shah : Non-Executive Director</p> <p style="padding-left: 20px;">: Independent Director</p> <p>Mrs.Smriti Chhabra : Non-Executive Director</p> <p style="padding-left: 20px;">: Independent Director</p> <p>COMMITTEES OF THE BOARD</p> <p>AUDIT COMMITTEE</p> <p>Mr. Ganesh Vanmali : Chairman & Member</p> <p>Mrs.Smriti Chhabra : Member</p> <p>Mr.Vineet Pandey : Member</p>	<p>Nomination & Remuneration Committee</p> <p>Mr. Ganesh Vanmali : Chairman & Member</p> <p>Mr.Gaurang Shah : Member</p> <p>Ms.SmritiChhabra : Member</p> <p>STAKEHOLDERS RELATIONSHIP COMMITTEE</p> <p>Mr.Gaurang Shah : Chairman & Member</p> <p>Ms.Smriti Chhabra : Member</p> <p>Mr. Vishal Panchal : Member</p> <p>STATUTORY AUDITORS</p> <p>Aniket Kulkarni & Associates Chartered Accountants</p> <p>INTERNAL AUDITORS</p> <p>H Dave & Co., Chartered Accountants</p> <p>BANKERS</p> <p>Bank of Maharashtra REGISTRAR & TRANSFER AGENT Karvy Computershare Private Limited Karvy Selenium Tower, B, Plot 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad, Telangana - 500032</p>
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NOTICE

Notice is hereby given that the 10th Annual General Meeting of the Members of Kaarya Facilities And Services Limited will be held on Friday, 27th September, 2019 at 4:00 P.M at the Registered Office of the Company at Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400064 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2019, along with the Board of Directors Report and Auditors Report thereon.
2. To ratify appointment of M/s. Aniket Kulkarni & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, as amended from time to time, the appointment of M/s. Aniket Kulkarni & Associates, Chartered Accountants (Firm Registration No. 130521W), as Statutory Auditors be and is hereby ratified and confirmed to hold the office from the conclusion of this AGM till the conclusion of the next AGM of the Company to be held in the year 2020, at such remuneration plus service tax and out of pocket expenses as may be determined by the Board of Directors of the Company in consultation with Statutory Auditors.”

By Order of the Board
For Kaarya Facilities And Services Limited

Sd/-
Vineet Pandey
Joint Managing Director
(DIN: 00687215)

Date :28 August 2019

Registered Office:
Office 217,
Gemstar Commercial Complex,
Ramchandra Lane Extn, Road,
Malad West, Mumbai-400064.

Notes:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than ten percent of the total issued and paid up share capital of the Company. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A member holding more than 10% of the total issued and paid up share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

1. The relevant explanatory Statements to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 (hereinafter called "the Act"), which sets out details relating to the Special Business to be transacted at the meeting.
2. Members are requested to:
 - i. Bring their copies of the annual report and the attendance slip duly completed and signed at the meeting.
 - ii. Quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
3. Bodies Corporate, who are the members of the Company, are requested to send in advance duly certified copy of Board Resolution authorizing their representative to attend and vote at the annual general meeting.
4. The Register of Members and the Transfer Book of the Company will remain closed from 21th September, 2019 to 27th September, 2019 (both days inclusive).
5. The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent of the Company (M/s. Karvy Computershare Private Limited).
6. Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat/physical form at: M/s. Karvy Computershare Private Limited, at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032.
7. Pursuant to the provisions of Sections 101 and 136 of the Act read with 'The Companies (Accounts) Rules, 2014' electronic copy of the Annual Report for financial year 2018-2019 is being sent to those members whose email IDS are registered with their respective Depository Participant(s) (DPs), the Company or Karvy Computershare Pvt. Ltd. unless any member has requested for a hard copy of the same. For members who have not registered their email address so far, are

requested to promptly intimate the same to their respective DPs or to the Company/ Karvy Computershare Pvt. Ltd., as the case maybe. Physical copies of the Annual Report for the year 2018-2019 will be sent in the permitted mode in cases where the email addresses are not available with the Company.

8. Electronic copy of the Notice convening the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialized mode and whose email addresses are registered with their respective Depository Participants. For those members who have not registered their email address, physical copies of the said Notice inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.
9. Members may also note that the Notice of the 10th Annual General Meeting and the Annual Report for 2018-2019 is also available on the Company's website www.kaarya.co.in which can be downloaded from the site. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on all the working days except Saturdays.
10. Voting through electronic means:
 - I. **In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 10th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited (Karvy).**
 - II. The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.
 - III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
Process and manner for remote e-voting are as under:
 - IV. The e-voting period commences on **24th September, 2019(Sunday)** at 9:00 A.M. and ends on **26thSeptember, 2019(Tuesday)**, at 5:00 P.M. During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cutoff / relevant date i.e. **20th September,2019**. may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.

V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., **20th September, 2019** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

Instructions and other information relating to remote e-voting are as under :

1. A **In case a member receives an e-mail** [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]

- (i) Launch internet browser by typing the URL <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password mentioned overleaf). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
- (iii) After entering these details appropriately, Click on "LOGIN".
- (iv) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the E-Voting Event Number for Kaarya Facilities And Services Limited.
- (vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed our total share holding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Member holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

- (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - (xii) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send a scanned certified true copy (PDF Format) of the Board Resolution/Power of Attorney/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer. E-mail ID: Compliance@sarkcs.in They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENTNO."
- B In case a member receives physical copy of the Notice by post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:
- (i) **User ID and initial password** – As mentioned over leaf.
 - (ii) Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote.
2. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
 3. The facility for voting through polling paper shall be made available at the Annual General Meeting (the "meeting") and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting.
 4. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
 5. The Board of Directors of the Company has appointed Mr. Sumit Khanna (CP No. 9304) Membership No. 22135, a Practising Company Secretary, Partner, SARK & Associates, Mumbai as scrutiner to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
 6. The voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 20, 2019.
 7. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e.

September 20, 2019 only shall be entitled to avail the facility of remote e-voting/ voting at the meeting.

8. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 20, 2019, may obtain the USER ID and Password in the manner as mentioned below:

a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL : MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXX1234567890

b. If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click “forgot password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. Member may call Karvy’s toll free number 1-800-3454-001

d. Member may send an e-mail request to einward.ris@karvy.com

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

9. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. September 26, 2018.

10. In case of any query pertaining to e-voting, please visit Help & FAQ’s section available at Karvy’s website <https://evoting.karvy.com>.

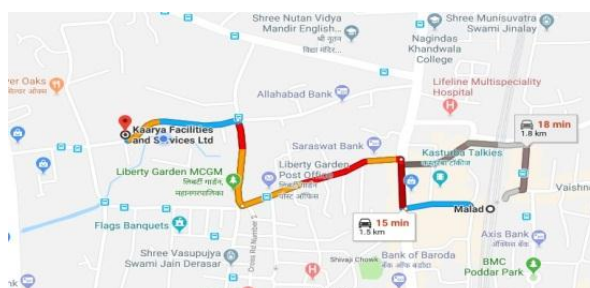
11. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated Scrutinizer’s Report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company www.kaarya.co.in and on the website of the Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

By Order of the Board
For Kaarya Facilities And Services Limited

Registered Office:

Sd/-
VineetPandey
Joint Managing Director
(DIN: 00687215)
Date :28 August 2019

Office 217,
Gemstar Commercial Complex,
Malad West, Mumbai-400064.
Venue of the AGM :



DIRECTORS REPORT

To,

The Members,

Your Directors have a great pleasure in presenting the 10th Annual Report of the Company and Audited Statement of Accounts and the State of Affairs of the Company for the Financial Year ended on 31st March, 2019.

FINANCIAL RESULTS:

The Company Financial Performance for the Financial Year ended on 31st March, 2019 under review along with previous year figures are given hereunder:

PARTICULARS	For the year ended 31.03.2019 (Rs.)	For the year ended 31.03.2018 (Rs.)
Total Revenue	17,79,68,340	10,93,31,119
Total Expenditure	16,16,25,688	9,82,06,740
Profit/(Loss) Before Tax	1,65,93,641	1,11,88,378
Less : Tax Expense	45,86,904	31,37,754
Profit/(Loss) After Tax	1,20,06,737	80,50,623

OPERATIONS:

The Net Profit for the current Financial Year under review amount to Rs. 1,20,06,737/- which is a 49.15% increase Y-O-Y as compared to Net profit for the previous financial year of Rs.80,50,623/-.

DIVIDEND:

The Directors have refrained from recommending dividend for the year under review.

TRANSFER TO RESERVES:

The Company has transferred net profit after tax of Rs. 1,20,06,737/- to reserves.

SHARE CAPITAL AND CHANGES THEREIN

During the year under review, there has been no changes in share capital of the Company.

CHANGE IN THE NATURE OF BUSINESS

During the year under review there was no change in the nature of business of the Company.

DIRECTOR'S AND KEY MANAGERIAL PERSONNEL:

During the financial year Ms. Rekha Rajaram Dhekale, appointed as a Company Secretary of the Company on the place of Ms. Vidhi Patel who resigned from the post of Company Secretary w.e.f. 15th February, 2019.

None of Directors are disqualified as Directors of the Company as per the disclosure received from them pursuant to Section 164(2) of the Companies Act, 2013.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

During the financial year under review, declarations were received from all Independent Directors of the Company that they satisfy the "criteria of Independence" as defined under Regulation 16(b) of SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 read with the Schedules and Rules made thereunder.

DETAILS OF REMUNERATION TO DIRECTORS:

Disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 has been appended as **ANNEXURE – I**

PARTICULARS OF EMPLOYEES:

There are no such employees drawing salary as specified under provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

NUMBER OF MEETINGS OF THE BOARD

During the financial year ended on 31st March, 2019 the Board of Directors of your Company have met 08 (Eight) times viz. 17.04.2018,16.05.2018,29.05.2018,13.08.2018, 17.08.2018, 13.11.2018,11.12.2018 and 07.02.2019. For further details, please refer Report on Corporate Governance of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March, 2019, the Board of Directors to the best of their knowledge and ability, confirm/state that:

- a) in the preparation of the annual accounts for the year ended March31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) 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 as at March 31, 2019 and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care 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 Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DETAILS OF COMMITTEES OF THE BOARD OF THE DIRECTORS

Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, number of meetings held of each Committee during the financial year 2018-19 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report forming part of this report.

The Recommendation by the Audit Committee as and when made to the Board has been accepted by it.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL PERIOD:

There have been no Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the Financial Year under review, there has been no such significant and material order passed by the regulators/courts/tribunals impacting the going concern status and company's operations in future.

DETAILS OF SUBSIDIARIES COMPANY, JOINT VENTURES AND ASSOCIATES COMPANY:

The Company does not have any Wholly Owned Subsidiary, Subsidiaries, Joint Ventures and Associates Company.

EXTRACTS OF ANNUAL RETURN:

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is provided on the website and annexed as **ANNEXURE II** of the Company www.kaarya.co.in.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Your Company has framed Whistle Blower Policy to deal with instances of fraud and mismanagement, if any in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The details of the policy are given in Corporate Governance Report and policy is available on the Company's website

www.kaarya.co.in

BUSINESS RISK MANAGEMENT

Your Company has approved Risk Management Policy wherein all material risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

NOMINATION AND REMUNERATION POLICY

As required under Section 178 of the Companies Act, 2013 the Board of Directors has approved the Nomination and Remuneration Policy, which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013. Gist of this policy are given in **ANNEXURE – III** to this report. The detailed policy is available on the Company's website www.kaarya.co.in

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. Complaint Redressal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is available on the Company's website www.kaarya.co.in.

The following is summary of sexual harassment complaints received and disposed off during the calendar year:

No. of complaints received	Nil
No. of complaints disposed off	Nil

AUDITORS

STATUTORY AUDITOR

M/s. Aniket Kulkarni & Associates, Chartered Accountants, Mumbai, were appointed as Statutory Auditors for 5 Financial Years in the Annual General Meeting held on 30th September, 2015. Their ratification and payment of remuneration for the Financial Year 2019-20 is to be ratified and approved in the ensuing Annual General Meeting.

Further as required under Regulation 33(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed M/s SARK & Associates, Practising Company Secretaries, to conduct the Secretarial Audit of your Company.

The Secretarial Audit Report is enclosed as **ANNEXURE IV** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis. The Internal Financial Control System has been routinely tested and certified by Statutory as well as Internal Auditors. Significant Audit observations and follow up actions thereon are reported to the Audit Committee.

DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public within the purview of Chapter V of the Companies Act, 2013 during the year under review and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forms part of this report.

RELATED PARTY TRANSACTION

The Company has entered into Related Party Transaction during the financial year were on Arm's length basis and in ordinary course of business. Particulars of related party transaction entered during the year as per Section 188(1) of the Companies Act,2013 in the prescribed form AOC-2 is annexed to Directors report as **ANNEXURE – V**.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company has carried out annual evaluation of its own performance, its Committees and individual directors, the Board as a whole and that of Chairman after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking in to account the views of Executive Director and Non-executive Directors, performance evaluation of Independent Directors being evaluated.

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

a) Conservation of Energy

The Company is not involved in any manufacturing activity and hence has low energy consumption levels. Nevertheless, the Company makes all efforts to conserve and optimize the use of energy by using energy – efficient infrastructure, computers and equipments with latest technologies.

b) Technology Absorption and Research and Development

The Company's research and development focus is on developing new frameworks, processes and methodologies to improve the speed and quality of service delivery.

c) Foreign Exchange Earnings and Outgo

The earnings and expenditure in foreign exchange were as under:

Earning NIL lacs

Expenditure NIL lacs

Corporate Social Responsibility (CSR)

CSR provisions are not applicable for the Company.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

A separate section on Corporate Governance along with the Management Discussion & Analysis forming part of Directors' Report and certificate from the company secretary in whole time practice regarding compliance of conditions of Corporate Governance stipulated as per Part B and C of Schedule V of the Listing Regulations is annexed to and forms part of the Director's Report.

Pursuant to the provisions of the Listing Regulations, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Regulations are complied with.

ACKNOWLEDGEMENTS

Your Directors wish to thank all Employees, Bankers, Investors, Business Associates, Advisors etc. for their continued support during the year.

**ANNEXURE I
Details of Remuneration of Director**

Details Pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies(Appointment and Remuneration of Managerial Personnel) Amended Rules, 2016

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and are as under :

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/KMP for financial year 2017-18 (` in lacs)	Remuneration of Director/KMP for financial year 2018-19 (` in lacs)	% increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director / to median remuneration of employees
1	VineetPandey, Managing Director	30.16	16.5	-45.29%	N.A.
2	Vishal Panchal, Managing Director	28.45	16.5	-42.00%	N.A.
3	Vidhi Patel, CS	2.1	3.6	71.43%	N.A.
4	JitendraAdhyaru, CFO	4.64	5.64	21.55%	N.A.
5	Ganesh Narayan Vanmali	N.A.	N.A.	N.A.	N.A.
6	SmritiDavinderChhabra	N.A.	N.A.	N.A.	N.A.
7	GaurangAjitbhai Shah	N.A.	N.A.	N.A.	N.A.

Notes:

- i. Ms. Rekha Rajaram Dhekale, appointed as a Company Secretary of the Company w.e.f. 15th February, 2019.
- II. The median remuneration of employees of the Company for the financial year was Rs. 3.48 lacs.
- III. During the financial year, there was an increase of 9.87% in the median remuneration of employees.
- IV. There were 15 permanent employees on the rolls of the Company during the financial year.
- V. Average percentage increase made in the salaries of the employees other than the managerial personnel (Managing Director, CEO and Whole-time Director) in the FY 2018-19 is 19%.
- VI. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2019 is as per the Nomination & Remuneration Policy of the Company.

ANNEXURE II

Form No. MGT – 9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L93090MH2009PLC190063
ii)	Registration Date	03/02/2009
iii)	Name of the Company	Kaarya Facilities and Services Limited
iv)	Category / Sub – Category of the Company	Company limited by shares / Indian Non- Government Company
v)	Address of the Registered office and contact details	Office No. 217, Gemstar Commercial Complex, Ramchandra Lane Extn Road, Malad (West), Mumbai – 400064 022 4003 0768
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, Telangana 040 6716 2222

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: -

Sl. No.	Name and Description of main services	NIC Code of the service	% to total turnover of the company
1.	Facilities Management Services	74	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

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

i) Category – wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2018)				No. of Shares held at the end of the year (As on 31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2591630	0	2591630	55.43	2591630	0	2591630	55.43	0
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	0	0	0	0	0	0	0	0	0
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):	2591630	0	2591630	100	2591630	0	2591630	100	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other..	0	0	0	0	0	0	0	0	0
Sub –total (A)(2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	2591630	0	2591630	100	2591630	0	2591630	100	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

KAARYA FACILITIES AND SERVICES LIMITED

f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	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	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	464475	0	464475	9.94	456679	0	456679	9.77	-0.17
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	945820	0	945820	20.23	768820	0	768820	16.44	-3.79
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Member	9000	0	9000	0.19	48000	0	48000	1.03	0.94
Bodies Corporate	646204	0	646204	13.82	765000	0	765000	16.36	2.54
Non Resident Indians (NRI)	18000	0	18000	0.39	45000	0	45000	0.96	0.57
Sub – total (B)(2):-	2083499	0	2083499	44.48	2083499	0	2083499	44.57	0.09
Total Public Shareholding(B) = (B)(1)+(B)(2)	2083499	0	2083499	44.48	2083499	0	2083499	44.57	0.09
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4675129	0	4675129	100	4675129	0	4675129	100	100

ii) Shareholding of Promoters

SI No	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2018)			Shareholding at the end of the year (As on 31 st March, 2019)			% Change in shareholding during the year
		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	Vineet Pandey	1295815	27.72	0	1295815	27.72	0	0
2	Vishal Panchal	1295815	27.72	0	1295815	27.72	0	0
	Total	2591630	55.44	0	2591630	55.44	0	0

iii) Change in Promoters' shareholding

SI No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of share	% of total shares of the company
1	Vineet Pandey				
	At the beginning of the year	1295815	27.72	1295815	27.72
	Issue during the year	-	-	-	-
	At the end of the year	1295815	27.72	1295815	27.72
2	Vishal Panchal				
	At the beginning of the year	1295815	27.72	1295815	27.72
	Issue during the year	-	-	-	-
	At the end of the year	1295815	27.72	1295815	27.72

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SI No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nupur Anil Shah				
	At the beginning of the yar	159000	3.40		
	Movement during the year	-		159000	0.00
	At the end of the year	159000			
2	Hari Jhunjhun wala Mehta				
	At the beginning of the year	65000	1.39	65000	0.00
	Movement during the year	-			
	At the end of the year	65000			
3	Rameshbhai Chinubhai Shah				
	At the beginning of the yar	60000	1.28	60000	0.00
	Movement during the year	-			
	At the end of the year	60000			

4	Marfatia Stock Broking Private Limited At the beginning of the year Movement during the year At the end of the year	233000 - 233000	4.98	233000	0.00
5	Nimesh Shashikant Mehta At the beginning of the year Movement during the year At the end of the year	102000 - 102000	2.18	102000	0.00
6	Mohit Ganesh Gupta At the beginning of the year Movement during the year At the end of the year	232500 - 232500	4.97	232500	0.00
7	Anjali Khatter At the beginning of the year Movement during the year At the end of the year	50625 - 50625	1.08	50625	0.00
8	Globe Capital Market Limited At the beginning of the year Movement during the year At the end of the year	75000 - 75000	1.60	75000	0.00
9	Shriram Insight Share Brokers Ltd At the beginning of the year Movement during the year At the end of the year	123000 - 123000	2.63	123000	0.00
10	Edelweiss Custodial Services Limited At the beginning of the year Movement during the year At the end of the year	262000 - 262000	5.60	262000	0.00

v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Name of Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vineet Pandey At the beginning of the year Issue during the year At the end of the year	1295815 - 1295815	27.72 - 27.72	1295815 - 1295815	27.72 - 27.72
2	Vishal Panchal At the beginning of the year Issue during the year At the end of the year	1295815 - 1295815	27.72 - 27.72	1295815 - 1295815	27.72 - 27.72
3	Ganesh Vanmali At the beginning of the year Sale /purchase At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0
4	Gaurang Shah At the beginning of the year	0	0	0	0

	Sale /purchase At the end of the year	0 0	0 0	0 0	0 0
5	Smriti Chhabra At the beginning of the year Sale /purchase At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0
6	Jitendra Adhyaru At the beginning of the year Sale /purchase At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0
7	Vidhi Patel At the beginning of the year Sale /purchase At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,84,42,497.43	0	0	1,84,42,497.43
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,84,42,497.43	0	0	1,84,42,497.43
Change in Indebtedness during the financial year				
• Addition	22,38,39,107.30	31,30,000	0	22,69,69,107.30
• Reduction	(21,85,52,559.38)	0	0	(21,85,52,559.38)
Net change	52,86,547.92	31,30,000	0	84,16,547.92
Indebtedness at the end of the financial year				
i) Principal Amount	2,37,29,045.35	31,30,000	0	2,68,59,045.35
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2,37,29,045.35	31,30,000	0	2,68,59,045.35

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Vineet Pandey	Vishal Panchal	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	16,50,000	16,50,000	33,00,000
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission - As % of profit - Others, specify		-	-
5.	Others, please specify		-	-
	Total (A)	16,50,000	16,50,000	33,00,000
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)		-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ganesh Vanmali	Smriti Chhabra	Gaurang Shah	
1.	Independent Directors • Fee for attending board /committee meetings, • Commission • Others, please specify	1,000	3,000	3,000	7,000
	Total (1)	1,000	3,000	3,000	7,000
2.	Other Non-Executive Directors • Fee for attending board/ committee meetings • Commission • Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+2)	1,000	3,000	3,000	7,000
	Total Managerial Remuneration	-	-	-	-
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	-	-	-	-

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Ms. Vidhi Patel CS	Ms. Rekha Rajaram Dhekale CS	Mr. Jitendra Adhyaru CFO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	3,15,000	45,000	5,64,000	9,24,000
2.	Stock Option	-			-
3.	Sweat Equity	-			-
4.	Commission - As % of profit - Others, specify	-			-
5.	Others, please specify	-			-
	Total	3,15,000	45,000	5,64,000	9,24,000

D. 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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure III
Gist of Nomination and Remuneration Policy

1. Policy for appointment and removal of Director, KMP and Senior Management

(A) Appointment criteria and qualifications

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c. The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(C) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

(D) Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

2. Policy relating to the remuneration for the Whole-time Director, KMP and Senior Management Personnel

(A) General:

- a) The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole time Director shall be in accordance with the percentage/slabs/conditions laid down in the provisions of the Act.
- c) Term/Tenure of the Directors shall be as per company's policy and subject to the provisions of the Act.

- d) Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

- a) Fixed pay:
The Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.
- b) Minimum Remuneration:
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 Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) Provisions for excess remuneration:
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(C) Remuneration to Non- Executive / Independent Director:

- a) Remuneration / Commission:
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.
- b) Sitting Fees:
The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.
- c) Commission:
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

ANNEXURE IV
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2019

[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
KAARYA FACILITIES AND SERVICES LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kaarya Facilities And Services 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 audit period covering the financial year ended on 31st March, 2019 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, 2019 according to the provisions of:

- (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) 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) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not applicable to the Company during the Audit Period.**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the Company during the Audit Period.**
- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the Company during the Audit Period** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable to the Company during the Audit Period.**

(vi) Other laws applicable to the company:

- i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
- ii. Maharashtra Shops and Establishments Act, 1948
- iii. The Minimum Wages Act, 1948
- iv. The Income Tax Act, 1961

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that –

- a) 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 provision of the Act.
- b) 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.

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.

Place : Mumbai
For & on behalf of
SARK & Associates
SumitKhanna

Company Secretaries

(Partner)

CP No. 9304

Membership No. 22135

Note: 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
Kaarya Facilities And Services Limited
Office 217, Gemstar Commercial Complex,
Ramchandra Lane Extn Road, Kanchpada,
Malad (West), Mumbai – 400 064

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 the secretarial records based on our audit.
2. We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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.

Place : Mumbai
For & on behalf of
SARK & Associates

Company Secretaries

Sumit Khanna

(Partner)

CP No. 9304
Membership No. 22135

ANNEXURE – V
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

Details of contracts or arrangements or transactions at Arm's length basis.

Sr.No.	Name Of Related Party	Nature of Relationship	Nature of Contract	Salient terms of Contract	Date of Approval (Entered Ordinary Course of Business)	Amount Paid
1.	Kaarya Next Solutions Pvt. Ltd.	Other Party	Loans & Advances	Loans & Advances	01.04.2018 to 31.03.2019	38,94,801/-

CORPORATE GOVERNANCE REPORT

(Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A brief statement on Company's Philosophy on Code of Governance

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interest and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by trusteeship, transparency, accountability and integrity. It provides the fundamental systems, processes and principles that promote objective decision making, performance based management and a corporate culture that is characterized integrity and fairness in all dealings.

Your Company practices the highest standards of corporate behaviour towards its stakeholders, people and our business partners and society at large. Kaarya endeavors its best to constantly comply with these aspects in letter and spirit, in addition to the statutory compliances as required under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR Regulations).

COMPLIANCE WITH SEBI CODE OF CORPORATE GOVERNANCE

BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. Eight meetings of the Board of Directors were held during the year ended March 31, 2019 17.04.2018, 16.05.2018, 29.05.2018, 13.08.2018 17.08.2018, 13.11.2018, 11.12.2018 and 07.02.2019. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI LODR Regulations.

Attendance of Directors at the Board Meetings & Annual General Meeting are as under:

Name of the Director	Category	No. of Board meetings attended during the year 2018-19	Whether attend last AGM held on 26 th September, 2018
Mr. Vineet Pandey	Joint Managing Director (Executive Director)	8	Yes
Mr. Vishal Panchal	Chairman & Managing Director (Executive Director)	8	Yes
Ms. Smriti Chhabra	Non-executive (Independent Director)	8	Yes
Mr. Gaurang Shah	Non-executive (Independent Director)	8	Yes
Mr. Ganesh Vanmali	Non-executive (Independent Director)	8	Yes

The Directors of the Company possess highest personal and professional ethics, integrity and values, and are committed to representing the long term interest of the stakeholders. As on 31st March, 2019, in compliance of Regulation 17 of the SEBI LODR Regulations the Company's Board comprises 5 (Five) Directors with considerable experience in their respective fields and out of these 3 (Three) Directors are Non-Executive Directors, Independent Directors including one-woman director. The Chairman of the Board is an Executive Director

Details of Composition, Category of Directors, their other Directorships, Committee memberships:

Composition and Category of Directors						
Sr. No.	Name	Designation	Category	Directorship in other companies (excluding the company)	Board Committees on which member (including the Company)	Board Committees on which Chairperson (including the Company)
1.	Vineet Pandey	Joint Managing Director	Promoter, Executive Director	3	1	0
2.	Vishal Panchal	Chairman & Managing Director	Promoter, Executive Director	3	1	0
3.	Smriti Chhabra	Independent Director	Non – Executive Director	0	3	0
4.	Ganesh Vanmali	Independent Director	Non – Executive Director	1	0	2
5.	Gaurang Shah	Independent Director	Non – Executive Director	0	1	1

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.

Information placed before the Board

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of SEBI LODR Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Independent Directors Meeting

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI LODR Regulations, the Board has carried out the annual performance evaluation of its own performance. During the year under review, the Independent Directors met on February 07th, 2019, inter alia :

- a. to review the performance of Non Independent Directors and the Board of Directors as a whole;
- b. to review the performance of the Chairperson of the Board, taking into account the views of the Executive and Non - Executive Directors.
- c. access the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Directors expressed their satisfaction with the evaluation process.

AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee with all its members being Non-Executive Directors, to over see the accounting and financial governance of the Company. The Committee acts as a link between the management, statutory auditors and the Board of Directors. The Audit Committee met 4(Four) times during the year 2018-2019 on 29.05.2018, 17.08.2018, 13.11.2018 and 07.02.2019. Details of Committee meetings held during the year ended 31st March, 2019 and attendance of members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
				Held	Attended
1	Ganesh Vanmali	Chairman & Member	Non-Executive (Independent Director)	4	4
2	Smriti Chhabra	Member	Non-Executive (Independent Director)	4	4
3	Vineet Pandey	Member	Executive Director	4	4

The role and terms of reference of the Audit Committee covers the areas mentioned in Part C of Schedule II read with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act,2013, as amended from time to time, which inter alia includes:

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report hereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;

8. monitoring the end use of funds raised through public offer and related matters.

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee at the Board level with the powers and roles that are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations. During the year under review, the Committee met 4 (Four) times on 29.05.2018, 17.08.2018, 13.11.2018 and 07.02.2019. Details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
				Held	Attended
1	Ganesh Vanmali	Chairman & Member	Non-Executive (Independent Director)	4	4
2	Gaurang Shah	Member	Non-Executive (Independent Director)	4	4
3	Smriti Chhabra	Member	Non-Executive (Independent Director)	4	4

The terms of reference of the Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. 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.

Performance Evaluation of Independent Directors:

The Performance Evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated. The evaluation questionnaire form in respect of each independent director was filled up by the directors. The independent directors were evaluated on the basis of criteria such as skills, knowledge, discharge of duties, level of participation in the meetings etc.

Nomination & Remuneration Policy

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors. The remuneration policy is aimed at attracting and retaining high calibre talent. Executive Directors are entitled for the remuneration by way of salary and commission not to exceed limits prescribed under the

Companies Act, 2013 read with Schedule V of the said Act. The Joint Managing Directors is appointed for a period of 5 years w.e.f.25th July, 2016. The details of remuneration paid to Managing Director during the year ended 31st March, 2019, have been provided under Notes on Accounts. Remuneration to Directors as given in Schedule V of Part C Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary relationship or transaction with the Company.

No compensation is paid to Non-Executive Directors except sitting fees. No sitting fee is paid to the Executive Director for attending the board meetings.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, the Company has constituted Stakeholders Relationship Committee to consider transfer of shares and resolve the grievances of security holders of the company including complaints related to transfer of shares, non – receipt of dividends, interest, non-receipt of balance sheet etc. During the year under review, the Committee met 4 (Four) times, on 29.05.2018, 17.08.2018, 13.11.2018 and 07.02.2019. Details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	No. of Meetings	
				Held	Attended
1	Gaurang Shah	Chairman & Member	Non-Executive (Independent Director)	4	4
2	SmritiChhabra	Member	Non-Executive (Independent Director)	4	4
3	Vishal Panchal	Member	Executive Director	4	4

Ms. Vidhi Patel – Company Secretary is the Compliance Officer of the Company resigned and appointed Ms. Rekha Rajaram Dhekale w.e.f. 15th February, 2019.

During the year ended March 31, 2019 the Company has not received any complaint from investors. Status of Investor complaints received during the year under review is as follows:

Particulars	Pending as on 1st April, 2018	Received during the year	Disposed during the year	Pending as on 31st March, 2019
No. of Complaints	NA	Nil	Nil	Nil

RISK MANAGEMENT COMMITTEE

Pursuant to Regulation 21 (5) of the SEBI (LODR) Regulations, it is not mandatory for the Company to constitute Risk Management Committee. The Company has formulated and adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Risk Management Policy is available on the website of the Company www.kaarya.co.in.

SUBSIDIARY COMPANY

During the year under review, the Company has no any subsidiary company.

DISCLOSURES

The Board reviews the risk assessment and minimization procedure from time to time. The risk management issues are discussed in detail in the report of Management Discussion and Analysis. The Management Discussion and Analysis Report is prepared in accordance with the requirements laid out in Schedule V of the SEBI (LODR) Regulations.

ELECTRONIC SERVICE OF DOCUMENTS TO MEMBERS AT THE REGISTERED EMAIL ADDRESS

As a responsible corporate citizen, your Company has been continuously supporting the “Green Initiatives” taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI). Accordingly, in respect of members who have registered their email addresses, the Company have been dispatching all documents vide electronic form.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rules provides that advance opportunity should be given at least once in a financial year to the members for registering their email address and changes therein, as may be applicable.

Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members whose shareholding is in dematerialized form and whose

email Ids are registered with the Depository for communication purposes. As regards members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/updated from time to time. We wish to reiterate that members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time.

Please note that the Annual Report of the Company will also be available on the Company's website www.kaarya.co.in for viewing/downloading. However, in case you do desire to receive the Annual Report in physical form, you are requested to inform us by sending an email to info@kaarya.co.in indicating your decision. You will be entitled to receive a copy of the annual report at free of cost. Physical copies of the Annual Report will also be available at our Registered Office in Mumbai for inspection during office hours. Physical copies will be sent to those shareholders who do not have valid e-mail address.

MANAGING DIRECTOR AND CFO CERTIFICATION

Certificate on Financial Statements from Mr. Vineet Pandey, Joint Managing Director and Mr. Jitendra Adhyaru, Chief Financial Officer of the Company in terms of Regulation 17(8) of the SEBI (LODR) Regulations entered into with the BSE Limited was placed before the Board of Directors of the Company at their meeting held on 30th May, 2019.

COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from M/s. SARK & Associates, Company Secretaries in terms of Part E of Schedule V of the SEBI (LODR) Regulations is attached and forms part of this report.

OTHER DISCLOSURES

Materially significant related party transactions

The Company has not entered into any transaction with related parties for the year under review as per the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company

at large. There are no material pecuniary transactions with any Non-Executive as well as Independent Directors of the Company that requires a separate disclosure. Pursuant to Regulation 23 of the SEBI (LODR) Regulations the Company has formulated policy on Materiality of Related Party Transactions and the same is available on website of the Company www.kaarya.co.in.

DETAILS OF NON-COMPLIANCE

The Company has complied with the requirements of the SEBI (LODR) Regulations as well as the regulations/guidelines prescribed by the Securities and Exchange Board of India. There has been no instance of non-compliance by the Company or no penalties were imposed on the Company by the BSE Limited or SEBI or any other statutory authority on any matter related to capital market during the last three years.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Your Company's Whistle Blower Policy is in line with the provisions of the Sub-section 9 and 10 of Section 177 of the Companies Act and Regulation 22 of the SEBI LODR Regulations. The Company has adopted a Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of illegal, unethical behaviour or in conflict with the fundamental business principles of the Company. The employees are encouraged to raise any of their concerns by way of whistle blowing and none of the employees have been denied access to the Audit Committee. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are reported to the members of Audit Committee for their review. The Whistle Blower Policy is available on the website of the Company www.kaarya.co.in.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares lying in its Demat Suspense Account / Unclaimed Suspense Account .All mandatory requirements as per Chapter IV of the Listing Regulations have been complied with by the Company.

GENERAL BODY MEETINGS

Location and time of last three AGMs held

Year ended 31st March	Date of AGM	Time of AGM	Venue
2018	26.09.2018	04.00 P.M.	Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai - 400064
2017	29.09.2017	12.00 P.M.	Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai - 400064
2016	30.09.2016	04.00 P.M.	Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400064

Means of communications

Quarterly/annual results are published in Free Press Journal & Nav Shakti. All vital information relating to the Company viz. financial results, annual reports, shareholding patterns, press releases, information on new developments and business opportunities are available on the Company's website www.kaarya.co.in and the copies of the same are also sent to BSE Ltd. Share holders information forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

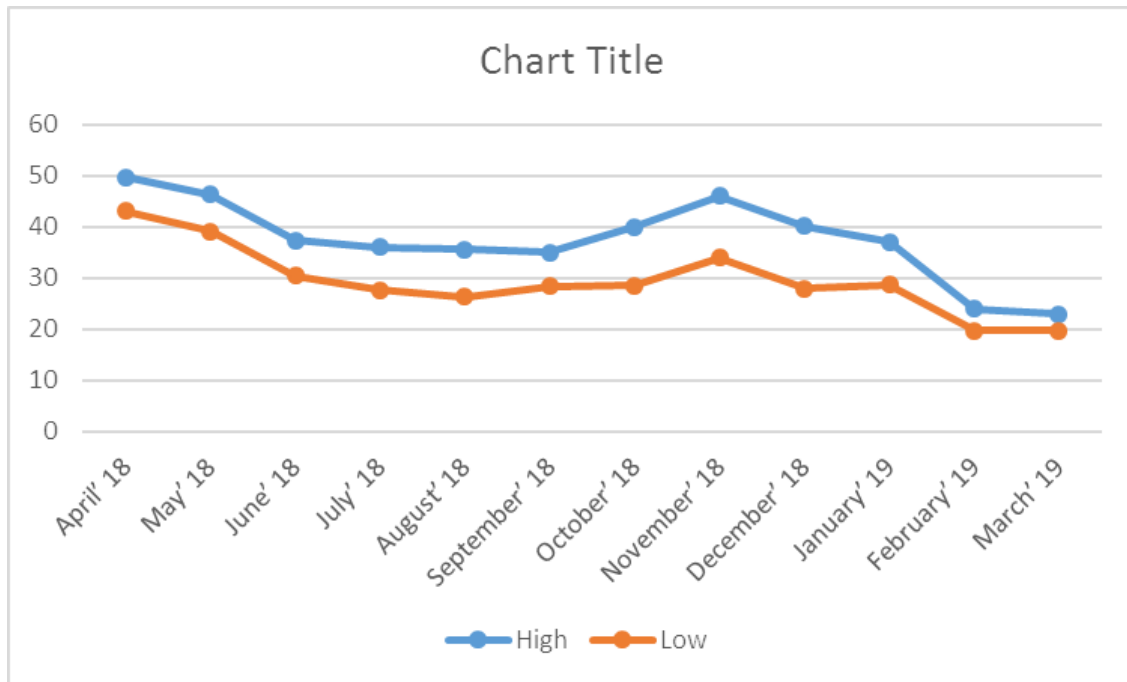
AGM: Date, Time and Venue	Friday, 27 th September, 2019 at 4.00 p.m. at Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai - 400064
Financial Year 1 st April to 31 st March	
- Financial reporting for the quarter ending September 30, 2019	On or before November 14, 2019
- Financial reporting for the year ending March 31, 2020	On or before May 30, 2020
Date of Book Closure	21 st September, 2019 to 27 th September, 2019(both days inclusive)
Dividend Payment Date	N.A.
Listing on Stock Exchanges and Address	BSE Limited PJ Towers, Dalal Street, Mumbai 400 001
Stock Code	Code –540756
Listing fees	The Listing fees paid to the BSE for the financial year 2019-20
Market Price data	The Company's Shares are frequently traded
Registrar and Share transfer agents	Kaarvy Computershare Private Limited Address : Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500032
Share Transfer System	Entire Share Capital of the Company is in Demat Format.
SEBI Complaints Redress System (SCORES)	The investors' complaints are also being processed through the centralized web base complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.
Dematerialization of shares and	The Company's equity shares have been admitted in electronic/dematerialized mode by

liquidity	<p>both Central Depository Services (India) Limited and National Securities Depository Limited under the International Securities Identification Number (ISIN) INE282Y01016</p> <p>This number is required to be mentioned in each correspondence relating to the dematerialization of shares of the Company. As on 31st March, 2019, 46,75,129 equity shares representing 100% of the company's total number of shares have been dematerialized.</p>
E-Voting facility to members	<p>In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited (Karvy).</p>
Plant Locations	NA
Registered Office and Address for correspondence	<p>KaaryaFacilities And Services Limited Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400064</p>

STOCK MARKET DATA

The Monthly High and Low quotation of equity shares traded on BSE are as under:

Month	BSE	
	High	Low
April' 18	49.60	43.00
May' 18	46.20	39.05
June' 18	37.25	30.45
July' 18	36	27.60
August' 18	35.50	26.35
September' 18	35.00	28.35
October' 18	40.00	28.50
November' 18	46.00	34.00
December' 18	40.10	27.90
January' 19	37.00	28.65
February' 19	24.00	19.70
March' 19	22.90	19.75



Distribution of Shareholding as on March 31, 2019

Distribution – As on March 31, 2019				
Range	Shareholders		Shares	
Amount	Numbers	% of Total	Numbers	% of Total
1-5000	1	0.93	100	1,000
10001- 20000	1	0.93	1,950	19,500
20001- 30000	48	44.44	1,44,000	14,40,000
30001- 40000	1	0.93	3,900	39,000
40001- 50000	1	0.93	4,052	40,520
50001- 100000	22	20.37	1,59,564	15,95,640
100001& Above	34	31.48	43,61,563	4,36,15,630
Total	108	100	46,75,129	4,67,51,290

Shareholding Pattern as on March 31, 2019

Category	No. of Shares held	Percentage Shareholding	of
Promoter's holding			
- Indian Promoters	25,91,630	55.43	
- Foreign Promoters	-	-	
Non-Promoters Holding			
Foreign Institutional Investors	-	-	
Bodies Corporate	7,65,000	16.36	
Indian Public	12,25,499	26.21	
Clearing Member	48,000	1.03	
Non-Resident Indians	45,000	0.96	
Total	46,75,129	100	

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Discretionary Disclosures

The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non mandatory requirements to the extent mentioned below:

- a. Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspaper and are also posted on the Company's website, the same are not being sent separately to the share holders.
- b. Audit Qualifications: The notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further clarifications by the Board.
- c. Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

MANAGING DIRECTOR/CFO CERTIFICATION

**To,
The Board of Directors,
Kaarya Facilities And Services Limited**

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. 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.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps and we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Kaarya Facilities And Services Limited

Place: Mumbai

Sd/-

Sd/-

Date:

VineetPandey

JitendraAdhyaru

(Joint Managing Director)

(CFO)

DIN : [00687215](#)

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members,
Kaarya Facilities And Services Limited.**

We have examined the compliance of conditions of Corporate Governance by Kaarya Facilities And Services Limited. ("the Company"), for the year ended on 31st March, 2019, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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.

In our opinion, and to the best of our information and according to the explanations given to us and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, 46 (2)(b) to (i) and para C, D & E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR).

We further 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.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For SARK& Associates
Company Secretaries**

Sd/-
SumitKhanna
Partner
Membership No. 22135
CP No. 9304

Mumbai
Date:

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Key Highlights

FY 18-19 was an eventful year for our company. The company consolidated its position in its core offerings as well as derived significant benefits in terms of new accounts and improved margins as a result of its initiatives and investments made in the previous Financial Year.

Our company completed a decade of successful operations on 3rd February 2019. What started out as humble beginnings by our founding team, has gradually transformed into a fast growing and innovative venture cementing a strong position in the ever growing Facilities Management industry.

Your company is an end-to-end & Integrated Facilities & Property Management company with deep domain expertise driven by our team of experts across over 20+ critical FM services. From mechanized cleaning & housekeeping to engineering operations & maintenance services, various Workplace solutions and RWA / Housing Society managed services; your company is one of very few such select solution providers.

Your company also expanded into offering specialised procurement services for institutions as well as ventured into management of project executions for various civil, & electrical works for its clients.

Today, our client base spans across industries such as BFSI, IT/ITES, Government, Retail, Hospitality, RWAs, Logistics, Consumer, Infrastructure, Realty, and New Economy segments such as e-commerce, co-living, co-working and fintech segments covering over 20 million sq feet of presence. Critically, the company expanded its geographical reach establishing delivery capabilities in terms of offices and operations teams across all major metros as well as tier II cities. Kaarya today offers services in cities such as Mumbai, Delhi & NCR, Pune, Lonavala, Bengaluru, Chennai, Hyderabad, Mangalore as well as has partner networks in places as diverse as Dehradun, Rae Bareilly, Indore, Siwan, & more.

In addition to our strong focus in building diverse domain capabilities, & geographic reach; your company also made significant progress in strengthening its organizational processes around employee development, training, audit & customer relationships. Your company has also developed in-house technology to enable all our employees to engage with our company through web and mobile App interfaces. Various HR and daily operations have been able to be automated such as employee queries, leave management, payroll, etc through this intelligent App "Insido" (Available on Android)

Challenges & Opportunities

Realty slowdown, an occurrence for the last few quarters may have an impact in terms of supply & demand of commercial and residential realty in the short term. The earlier inventory build up and bookings has allowed FM off take to maintain its momentum. Segments that your company has a strong presence in such as IT/ITES, BFSI, New Economy, RWAs has bucked the trend and have been delivering robust growth thus driving increased demand for realty and consequently professional real estate services providers.

Cost of compliances for customers in terms of wages & social security benefits have been steadily increasing; thus putting pressure on margins of FM companies. However, strong value propositions vis-a-vis end to end capability, national presence, high service orientation allows companies like us to still command premium pricing from our customer base.

Technology has started playing an increasing role with IOT and Building Automation systems being the buzzword in our industry, with its ability to deliver improved efficiencies and reduction of OPEX for large customers. Such solutions are still at a nascent stage requiring dedicated R&D in hardware, electronics, ML and analytics. Your company realises this changing landscape and has been gearings towards offering such alternatives to our client base. Company has invested in building a team of such professionals and hopes to offer its clients fully automated solutions for Predictive maintenance, operations and analytics concerning all building assets, in a single platform.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the Company's objective, projections and estimates, are forward looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental/related factors.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

Secretarial compliance report of Kaarya Facilities And Services Limited for the year ended 31st March, 2019

I, Sumit Khanna, partner of SARK & Associates, Practicing Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Kaarya Facilities And Services Limited("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31.03.2019 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;***(Not applicable during the year under review)***
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;***(Not applicable during the year under review)***
- (e) **Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;*****(Not applicable during the year under review)***
- (f) **Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;*****(Not applicable during the year under review)***
- (g) Securities and Exchange Board of India(Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations,2013;***(Not applicable during the year under review)***
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

And based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. no:	Compliance (Regulations! guidelines including clause)	Requirement circulars! specific	Deviations	Observation/remark by Practicing Company Secretaries
Nil	Nil		Nil	Nil

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. no:	Action taken by	Details of violation	Details of action taken	Observation/remark by Practicing Company Secretaries
Nil	Nil	Nil	Nil	Nil

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. no:	Observation/remark by Practicing Company Secretaries	Observations made in the secretarial compliance report for the year endeth (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Nil	Nil	Nil	Nil	Nil

**For SARK & Associates
Practicing Company Secretaries**

Sumit Khanna

Partner

Membership No.: 22135

C P No.: 9304

Place: Mumbai

Date: 27th May, 2019

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Business Conduct & Ethics

This is to certify that the Company has laid down Code of Business Conduct & Ethics for all Board Members and Senior Management Personnel of the Company and the copies of the same are uploaded on the website of the Company – www.kaarya.co.in

Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed having complied with the Code applicable to them during the year ended 31st March, 2019.

For Kaarya Facilities And Services Limited

Place: Mumbai VineetPandey

Date :

Director

Joint Managing

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF KAARYA FACILITIES AND SERVICES LIMITED

Report on the Audited Financial Statements.

Opinion

We have audited the accompanying audited financial statements of “Kaarya Facilities and Services Limited”, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the 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 financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required *except given below in tabular format is still outstanding and not paid as on the date of audit report to the government treasury*, 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 March 31, 2019, its profit (or Loss) and cash flows on that date.

Particulars	Pending Since	Amount
Provident Fund	February 2019	377,126

Basis for Qualified Opinion

We conducted our audit of the audited financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Audited 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 (ICAI) together with the independence requirements that are relevant to our audit of the audited financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the audited 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 audited financial statements of the current period. These matters were addressed in the context of our audit of the audited financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Sales Contracts - Accuracy of revenues and onerous obligations in respect of fixed price contracts.	<p>Principal Audit Procedures Our audit approach was a combination of test of internal controls and substantive procedures which included the following: -</p> <p>Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</p> <ul style="list-style-type: none"> • Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.

Information other than the Audited Financial Statements and Auditor's Report Thereon.

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the audited financial statements and our auditor's report thereon. Our opinion on the audited 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 audited financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained during the course of our 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 Audited Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these audited financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes 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 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 audited financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the audited financial statements, management is 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Audited Financial Statements

Our objectives are to obtain reasonable assurance about whether the audited 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 audited 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 audited 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 financial controls 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 system 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 management.
- 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 audited 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 auditor's 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 audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the audited financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 audited 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 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 purposes 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 Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid audited financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 on its financial position in its audited financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- 2 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Aniket Kulkarni & Associates

Chartered Accountants

Aniket Kulkarni
Proprietor
Membership No – 127246
FRN No – 130521W
Date: 30th May 2019
Place: Mumbai

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kaarya Facilities and Services Limited (‘the Company’) of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Hence reporting under clause 3(iii) of Caro 2016 is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the company has neither granted any loans to directors, etc. nor made loan and investment under section 185 and 186 of the Companies Act respectively. Hence, reporting under clause 3(iv) of Caro 2016 is not applicable to the company.
- (v) According to the information and explanations given to us, during the FY 2018-19 the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 3(v) of Caro 2016 are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (l) of section 148 of the Act, for any of the goods manufactured or services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-tax, service tax, goods and service tax, cess *except Provident Fund reported as below* and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

Particulars	Pending Since	Amount
Provident Fund	February 2019	377,126

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, service tax, goods and service tax, cess and other material statutory dues were in arrears as at **31 March 2019** for a period of more than six months from the date they became payable *except TDS Defaults showing on TDS Traces website amounting to Rs.1880/- as on 31st March 2019.*

- (b) According to the information and explanation given to us, there are no material dues of income tax or service tax or GST which have not been deposited with appropriate authorities on account of any dispute
- (viii) According to the information and explanations given to us, and based on the verification of records of company examined by us, the company has not default in repayment of loan or borrowing's to financial institution & bank.
- (ix) According to the information and explanations provided to us and as per the records of the company examined by us, company has not raised funds by way of public issue/ follow-on offer (including debt instruments) and term loans. Therefore paragraph 3(ix) of the Order is not applicable to the company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment of Equity Share / private placement of shares or fully or partly convertible debenture. Therefore paragraph 3(xiv) not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with director or person connected with them.
- (xvi) In our opinion and according to information and explanation provide to us, Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Therefore paragraph 3(xvi) of the Order is not applicable to the company

For Aniket Kulkarni & Associates
Chartered Accountants
Firm Registration No: 130521W
Aniket Kulkarni
Director
Membership No: - 127246

Place: Mumbai
Date: 25th May 2019

“Annexure-A” to the Independent Auditors’ Report – 31st March 2019

Report on the Internal Financial Controls under clause (i) of sub – section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over financial reporting of **Kaarya Facilities and Services Limited** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of assets, the prevention and detection of fraud 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the standards on auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining understanding of internal financial controls over financial reporting, 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 risk of material misstatement of the 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal Financial Controls over Financial Reporting

Because of inherent limitations of internal controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were effectively as at 31st March,2019, based on the internal control over financial reporting 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 Institute of Chartered Accounts of India.

For AniketKulkarni& Associates
Chartered Accountants
Firm Registration No. 130521W

Aniket Kulkarni
Proprietor
Membership No: - 127246
Place: Mumbai
Date: 29th May 2019

KAARYA FACILITIES AND SERVICES LIMITED						
AUDITED BALANCE SHEET AS AT 31-MARCH-2019						
Sr No	PARTICULARS	Note No.	31-Mar-19		31-Mar-18	
			Rs.	Rs.	Rs.	Rs.
I.	<u>EQUITY AND LIABILITIES</u>					
1.	Shareholders' funds					
	(a) Share Capital	1	4,67,51,290		4,67,51,290	
	(b) Reserves and Surplus	2	6,05,61,459		4,84,93,256	
	(c) Money received against share warrants		-			
				10,73,12,749		9,52,44,546
2.	Share application money pending allotment			-		-
	(To the extent not refundable)					
3.	Non- current liabilities					
	(a) Long-term borrowings	3	22,56,349		8,87,662	
	(b) Deferred Tax liabilities (Net)	4	-		-	
	(c) Other Long term liabilities		-		-	
	(d) Long-term Provisions		-		-	
				22,56,349		8,87,662
4.	Current Liabilities					
	(a) Short term borrowings	5	2,49,46,696		1,75,54,835	
	(b) Trade payables	6	75,55,154		69,25,685	
	(c) Other current liabilities	7	1,05,71,607		78,97,023	
	(d) Short term provisions	8	50,90,319		31,38,129	
				4,81,63,776		3,55,15,672
	TOTAL			15,77,32,874		13,16,47,879
II	<u>ASSETS</u>					
1.	Non-current assets					
	(a) Fixed assets	9				
	(i) Tangible assets		2,80,84,391		2,18,94,854	
	(ii) Intangible assets		-		-	

Sr No	PARTICULARS	Note No.	31-Mar-19		31-Mar-18	
			RS.	RS.	RS.	RS.
	(iv) Intangible assets under development		-			
	(b) Non-current investments		-		-	
	(c) Deferred tax assets (net)	4	3,33,578		1,87,248	
	(d) Long-term loans and advances	10	3,88,000		3,34,000	
	(e) Other non-current assets	10A	34,19,940		1,02,13,354	
				3,22,25,910		4,27,16,224
2.	Current assets					
	(a) Current investments	11	-		-	
	(b) Inventories		3,04,32,463		2,68,24,162	
	(c) Trade receivables	12	5,76,38,934		3,77,89,112	
	(d) Cash and Bank Balances, Cash Equivalent	13	96,67,152		51,36,221	
	(e) Short-term loans and advances	14	2,77,68,415		1,91,82,160	
	(f) Other current assets		-		-	
				12,55,06,964		8,89,31,655
	TOTAL			15,77,32,874		13,16,47,879
	Significant accounting policies and notes to accounts	21				

For Aniket Kulkarni & Associates
Chartered Accountants

For Kaarya Facilities & Services Limited

SD/
Aniket Kulkarni
Proprietor
Membership No. 127246
FRN No – 130521W
Date : 30-05-2019

SD/
Vishal Panchal
Chairman / Managing Director

SD/
Vineet Pandey
Join Managing Director

KAARYA FACILITIES AND SERVICES LIMITED						
AUDITED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31-MARCH-2019						
Sr.No	PARTICULARS	Note No.	For the Year Ended 31-MARCH-2019		For the Year Ended 31-MARCH-2018	
			Rs.	Rs.	Rs.	Rs.
I	Revenue from operations: (Net Of Taxes)					
	Sale of Products		-		19,87,430	
	Sale of Services	15	17,79,68,340		10,73,43,689	
	Other Operating Revenues		-	17,79,68,340	-	10,93,31,119
II	Other Income	16		2,50,989		63,999
III	Total Revenue (I + II)			17,82,19,329		10,93,95,118
IV	Expenses					
	Cost Of Material Consumed	17	3,22,21,521		1,53,69,645	
	Employee Benefits Expenses	18	7,73,56,856		6,27,47,924	
	Finance Costs	19	32,74,126		30,74,693	
	Depreciation And Amortization Expenses	9	77,31,302		44,60,636	
	Other Expenses	20	4,10,41,883		1,25,53,842	
	Total Expenses			16,16,25,688		9,82,06,740
V	Profit before exceptional and extraordinary items and tax (III-IV)			1,65,93,641		1,11,88,378
VI	Exceptional Items			-		-
VII.	Profit before extraordinary items and tax (V-VI)			1,65,93,641		1,11,88,378
VIII	Extraordinary items			-		-
IX	Profit before tax (VII-VIII)			1,65,93,641		1,11,88,378
X	Tax expense:					
	(1) Current tax		47,33,234		29,31,129	

KAARYA FACILITIES AND SERVICES LIMITED

NOTES TO THE ACCOUNT FOR THE YEAR ENDED 31-MARCH-2019

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '1'				
SHARE CAPITAL				
-Authorised				
50,00,000 Equity Shares of Rs. 10/- each		5,00,00,000		5,00,00,000
[Previous Year : 150000 Equity Shares of Rs.10/- each]				
-Issued, Subscribed and Paid up				
46,75,129 Equity Shares of Rs.10/- each fully paid-up		4,67,51,290		4,67,51,290
[Previous Year : 46,75,129 Equity Shares of Rs.10/- each]				
TOTAL		4,67,51,290		4,67,51,290
- Reconciliation of Shares:	Nos	Amt(Rs)		
Opening Share Capital		4,67,51,290		10,74,410
Add: Shares issued During the Reporting Period		-		2,54,19,040
Add: Rights/Bonus Shares Issued		-		2,02,57,840
Total		4,67,51,290		4,67,51,290
Less: Buy back of Shares		-		-
Less Reduction in Capital		-		-
Closing Share Capital		4,67,51,290		4,67,51,290
-List of Share holders having 5% or more Shares (In Nos)				
Name Of Shareholders	In Nos	In %	In Nos	In %
Vineet Pandey	12,95,815	27.72	12,95,815	27.72
Vishal Panchal	12,95,815	27.72	12,95,815	27.72

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE `2'				
RESERVES AND SURPLUS				
Share Premium				
Opening Balance		3,80,25,042		81,45,588
Add : Received on Issue of Shres		-		5,52,47,120
Less : Utilised for Bonus issue		-		(1,14,73,088)
Less : Utilisation		-		(1,38,94,578)
Closing Balance	(A)	3,80,25,042		3,80,25,042
General Reserve				
As per Balance Sheet		1,04,68,214		1,07,92,743

KAARYA FACILITIES AND SERVICES LIMITED

Add: Profit During the Year		1,20,06,737		80,50,623
Add/(Less): Appropriations/ Adjustment		61,466		14,49,600
Less: Bonus Issue		-		(98,24,752)
Closing Balance	(B)	2,25,36,417		1,04,68,214
TOTAL	(A+B)	6,05,61,459		4,84,93,256

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '3'				
LONG TERM BORROWINGS				
-Secured				
Term Loans				
From Bank - Bank of Maharashtra		-		8,87,662
-Un Secured				
From Kotak Mahindra Bank - Non Current Portion		22,56,349		-
Loans and Advances from Others				
TOTAL		22,56,349		8,87,662

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '4'				
DEFERRED TAX LIABILITY				
Deferred Tax Liabilities		-		-
Deferred Tax Assets		3,33,578		1,87,248
TOTAL		3,33,578		1,87,248

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '5'				
SHORT TERM BORROWINGS				
-Secured				
From Bank (Secured by way of Hypothecation of Book Debts, Stock and Machinery having limit of Rs. 3 Cr.)		2,31,92,063		1,63,12,043
Term Loans				
From Bank of Maharashtra - Current Portion of Long Term Debt		8,80,983		12,42,792
- Unsecured				
Term Loans				
From Kotak Mahindra Bank - Current Portion of Long Term Debt		8,73,651		-
TOTAL		2,49,46,696		1,75,54,835

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '6'				
TRADE PAYABLES				
Trade Payables				

KAARYA FACILITIES AND SERVICES LIMITED

Trade Payables for Goods		69,78,641		3,18,530
Trade Payables for Expenses		5,76,513		66,07,155
TOTAL		75,55,154		69,25,685
Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '7'				
OTHER CURRENT LIABILITIES				
Other Payables				
GST		74,85,617		6,23,777
TDS		10,82,509		15,74,208
Provided Fund		16,12,476		54,03,476
ESIC		63,302		2,42,062
Professional Tax		9,850		53,500
Salary Payable		3,17,853		-
TOTAL		1,05,71,607		78,97,023

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '8'				
SHORT TERM PROVISIONS				
Provision for Taxation		47,33,234		29,31,129
Provision for Expenses		1,12,085		27,000
Audit Fees Payable		2,45,000		1,80,000
TOTAL		50,90,319		31,38,129

KAARYA FACILITIES AND SERVICES LIMITED
Calculation of Depreciation as per Company's Act for Financial Year 2018-2019
NOTE '9' FIXED ASSETS

Sr. No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01/04/2018	Addition during the year	Adj. during the year	Total cost as at 31/03/2019	Depreciation as at 01/04/2018	Addition during the year	Depreciation Adj.	Total Dep. As at 31/03/2019	as at 31/03/2019	as at 31/03/2018
	Tangible Assets:										
1	PLANT AND MACHINERY	27,617,049	138,500	-	27,755,549	12,628,665	2,733,613		15,362,278	12,393,270	14,988,384
2	COMPUTER & PERIPHERALS	658,964	216,416	-	875,380	635,206	93,969		729,175	146,181	23,735
3	FURNITURE AND FIXTURES	1,377,032	3,309,525	-	4,686,557	1,081,286	456,917		1,538,202	3,148,354	295,745
4	OFFICE EQUIPMENT	275,062	17,250	-	292,312	261,624	4,489		266,114	26,198	13,438
5	Intangible Assets:										
	SOFTWARES	8,973,700	10,239,149	-	19,212,849	2,400,148	4,442,313		6,842,461	12,370,388	6,573,552
	TOTAL RS.	38,901,807	13,920,840	-	52,822,646	17,006,929	7,731,302	-	24,738,231	28,084,391	21,894,854

Note : Depreciation is calculated as per WDV Method

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '10'				
LONG TERM LOANS AND ADVANCES				
Secured Considered Good:		-		-
Unsecured Considered Good:				
Deposits for Leasehold Premises		3,88,000		3,34,000
TOTAL		3,88,000		3,34,000

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '10A'				
Other Non current Asset				
Security Deposit with Clients / Tender Deposits		33,30,000		92,94,600
GST Refund Claim		89,940		89,940
TDS Receivable from Vendor		-		8,28,814
TOTAL		34,19,940		1,02,13,354

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '11'				
CURRENT INVESTMENTS				
TOTAL		-		-

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '12'				
TRADE RECEIVABLES				
Over Six Months				
Good		38,14,142		46,14,142
Doubtful				
Below Six Months				
Good		5,38,24,792		3,31,74,970
Doubtful				
Less:				
Provision for Doubtful Debts(Debts Due by Directors and Other Related Parties To be disclosed)		-		
TOTAL		5,76,38,934		3,77,89,112

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '13'				

KAARYA FACILITIES AND SERVICES LIMITED

CASH AND BANK BALANCES				
-Cash and Cash Equivalents				
Cash balance	20,18,018		15,77,705	
Banks balance	39,74,985		1,50,777	
Fixed Deposit with Bank	33,71,278		34,07,739	
Recurring Deposit Bank	3,02,871		-	
TOTAL		96,67,152		51,36,221

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '14'				
SHORT TERM LOANS AND ADVANCES				
Loans and advances to related parties (Secured/ Unsecured/ Doubtful)				
Loans and Advance to Directors				
Others				
Advance against under salaries	89,78,024		39,73,363	
Loan to Employee	13,31,585		13,01,913	
Imprest account	42,10,927		73,41,403	
Prepaid Expenses	3,90,587		28,808	
Uniform Consumable Stores	-		4,53,643	
Kaarya Next Solutions Pvt Ltd	38,94,801		23,18,189	
Tax deducted at source under Income Tax Act	31,92,482		22,73,578	
Tax deducted at source under GST Act	40,351			
Securities and Exchange Board of India	5,82,000		5,82,000	
WIP for FM Contract	51,47,658		-	
Others	-		4,09,263	
Advance Tax	-		5,00,000	
		2,77,68,415		1,91,82,160
TOTAL		2,77,68,415		1,91,82,160

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '15'				
REVENUE FROM OPERATION				
Sale of Products				
Gross Sales	-		19,87,430	
Less: GST	-		-	
		-		19,87,430
Service				
Gross Services				
<i>Integrated Facilities Management Services</i>	18,28,58,897		11,34,75,876	
<i>Project Work Services</i>	2,64,69,179		92,67,332	
<i>Consulting Services</i>	6,96,200		10,00,000	
	21,00,24,276		12,37,43,208	
Less: Credit notes	(19,55,111)		(74,332)	
Less: GST	(3,01,00,825)	17,79,68,340	(1,63,25,187)	10,73,43,689

KAARYA FACILITIES AND SERVICES LIMITED

Net Service Provided				
TOTAL		17,79,68,340		10,93,31,119

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '16'				
OTHER INCOME				
Interest on Fixed Deposit		2,16,655		63,999
Interest on Recurring Deposit		34,334		-
TOTAL		2,50,989		63,999

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '17'				
COST OF MATERIAL CONSUMED				
Stock at Commencement	2,68,24,162		20,36,786	
Purchases	3,46,99,240		3,89,80,855	
Uniform Expenses (Others)	11,30,582		11,76,166	
Less:- Stocks at Sold	-		-	
Less:- Stocks at Closed	3,04,32,463		2,68,24,162	
TOTAL		3,22,21,521		1,53,69,645

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '18'				
EMPLOYEE BENEFITS EXPENSES				
Salaries, Wages & Bonus	6,04,63,235		4,69,36,887	
Administrative Salaries	1,18,60,458		95,57,281	
Contribution to P.F, E.S.I and Other Statutory Funds	42,86,124		57,53,377	
Workmen and Staff Welfare Expenses	7,47,039	7,73,56,856	5,00,379	6,27,47,924
TOTAL		7,73,56,856		6,27,47,924

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.
NOTE '19'				
Interest Expense				
Interest on Term Loan	1,73,241		3,58,278	
Interest on Cash Credit	25,35,719	27,08,959	23,25,286	26,83,564
Other Financial Costs				
Bank Charges	5,65,167		3,40,610	
ASBA Charges	-	5,65,167	50,519	3,91,129
TOTAL		32,74,126		30,74,693

Particulars	As at 31-MARCH-2019		As at 31-MARCH-2018	
	Rs.	Rs.	Rs.	Rs.

NOTE '20'				
OTHER EXPENSES				
Advertising expenses	20,664		1,58,840	
Remuneration to Auditor			-	
<i>Statutory Audit Fees</i>	2,20,000		1,22,000	
<i>Tax Audit Fees</i>	30,000		25,001	
<i>Other Matters</i>	-		-	
Books & Periodicals	-		676	
Business Promotion Expenses	3,50,000		24,994	
Courier Charges	14,762		3,320	
Director's Remuneration	33,00,000		58,60,534	
Electricity Expenses	1,48,574		1,41,180	
Expense Billable to Client-Outsourced Contract	2,82,49,625		10,84,755	
Employees Background Verification Charges	81,317		-	
Hiring Charges-Air conditioner	36,000		37,215	
Insurance	3,26,018		2,20,803	
IT Expenses	40,699		24,048	
Listing Fees	33,475		-	
Office Expenses	7,01,094		3,15,702	
Pest Control Expenses	-		11,000	
Printing & Stationery Expenses	1,03,064		3,80,279	
Professional Fees	14,53,588		28,78,311	
Registrar of company charges	4,618		1,10,400	
Rent, Rates & Taxes	36,54,181		6,04,696	
Rounding Off	551		35,950	
Sitting Fees	7,000		-	
Sundry Balance Write Off	2,57,464		44,882	
Telephone and Internet Expenses	1,66,861		2,00,807	
Tender fees	1,500		27,599	
Travelling, Hotels stay and Related Expenses	18,40,828		2,40,850	
		4,10,41,883		1,25,53,842
TOTAL		4,10,41,883		1,25,53,842
NOTE '21'				
RELATED PARTY DISCLOSURES				
Related party transactions				
(a) Details of related parties and nature of relationship:				
Description of relationship				
Entities over which key management personnel and their relatives exercise significant influence	Kaarya Next Solution Pvt Ltd Evetan Fintech Pvt Ltd LMK Comtrade Pvt Ltd		Kaarya Next Solution Pvt Ltd Evetan Fintech Pvt Ltd LMK Comtrade Pvt Ltd	
Key Managerial Personnel	Mr.Vineet Pandey - JMD Mr.Vishal Panchal - CMD		Mr.Vineet Pandey - JMD Mr.Vishal Panchal - CMD	

KAARYA FACILITIES AND SERVICES LIMITED

ACCOUNTING YEAR FROM 01-04-2018 TO 31-03-2019

DETAILS OF DEPRECIATION ON FIXED ASSETS AS ON 31-03-2019 UNDER COMPANIES ACT 2013

As per WDV Method										
Asset	Date Of Purchase Of Asset	Original Cost	WDV as on 31-03-18	Addition	Estimated useful life (in years)	Balance days of Assets as on 31-3-19	Days used in year	Rate of Dep.	Dep. Amount	Net block 31-3-19
COMPUTERS & ACCESSORIES										
Computer	7-Jun-14	32,500	1,625	-	3	-663	0	63.16%	-	1,625
Computer	2-Sep-15	4,899	422	-	3	-211	0	63.16%	177	245
Computer	9-Jun-16	10,300	1,858	-	3	70	365	63.16%	1,173	684
Computer	26-Apr-16	25,500	3,884	-	3	26	365	63.16%	2,453	1,431
Computer	9-Jun-16	24,500	4,418	-	3	70	365	63.16%	2,791	1,628
Computer	29-Jun-16	24,500	4,731	-	3	90	365	63.16%	2,988	1,743
Computer	20-Jan-17	20,990	6,796	-	3	295	365	63.16%	4,292	2,504
Computer	18-Apr-18	22,373	-	22,373	3	748	347	63.16%	13,434	8,939
Computer	13-Jun-18	70,466	-	70,466	3	804	291	63.16%	35,483	34,983
Computer	12-Oct-18	68,644	-	68,644	3	925	170	63.16%	20,193	48,451
Computer	17-Nov-18	22,670	-	22,670	3	961	134	63.16%	5,256	17,413
Computer	22-Nov-18	11,500	-	11,500	3	966	129	63.16%	2,567	8,933
Computer	2-Jan-19	20,763	-	20,763	3	1007	88	63.16%	3,162	17,601
COMPUTER TOTAL		3,59,605	23,734	2,16,416					93,969	1,46,180
SOFTWARES										
Software	31-May-14	61,667	3,083	-	3	-670	0	63.16%	-	3,083
Software	22-Aug-14	67,000	3,350	-	3	-587	0	63.16%	-	3,350
Software	1-Dec-17	82,88,136	65,67,119	-	3	610	365	63.16%	41,47,772	24,19,347
Software	28-Jun-18	1,52,380	-	1,52,380	3	819	276	63.16%	72,775	79,605
Software	28-Feb-19	1,00,86,769	-	1,00,86,769	10	3619	31	25.89%	2,21,766	98,65,003
SOFTWARES TOTAL		1,86,55,952	65,73,552	1,02,39,149					44,42,313	1,23,70,388
Plant & Machinery										
Cleaning Kit	13-Apr-12	2,36,250	76,836	-	15	2932	365	18.10%	13,910	62,926
Cleaning kit	20-Mar-15	6,062	2,760	-	15	4003	365	18.10%	500	2,261
Drill Machine	19-Jun-12	3,038	1,020	-	15	2999	365	18.10%	185	836
Jet Spray	1-Dec-11	31,500	9,652	-	15	2798	365	18.10%	1,747	7,905
Jet Spray	1-Mar-12	33,188	10,588	-	15	2889	365	18.10%	1,917	8,671
Jet Spray	7-Apr-12	3,488	1,131	-	15	2926	365	18.10%	205	926
Jet Spray	7-Apr-12	2,47,500	80,259	-	15	2926	365	18.10%	14,530	65,729
Jet Spray	14-May-12	6,500	2,146	-	15	2963	365	18.10%	389	1,758
Jet Spray	7-Jul-12	3,746	1,269	-	15	3017	365	18.10%	230	1,039

KAARYA FACILITIES AND SERVICES LIMITED

Asset	Date Of Purchase Of Asset	Original Cost	WDV as on 31-03-18	Addition	Estimated useful life (in years)	Balance days of Assets as on 31-3-19	Days used in year	Rate of Dep.	Dep. Amount	Net block 31-3-19
Jet Spray	14-Aug-12	12,600	4,345	-	15	3055	365	18.10%	787	3,558
Jet Spray	7-Nov-12	77,119	27,644	-	15	3140	365	18.10%	5,004	22,639
Jet Spray	10-Aug-13	36,000	14,620	-	15	3416	365	18.10%	2,647	11,973
Jet Spray	3-Jun-14	32,120	14,482	-	15	3713	365	18.10%	2,622	11,860
Jet Spray	20-Mar-15	6,05,250	2,75,588	-	15	4003	365	18.10%	49,892	2,25,697
Jet Spray	25-Nov-15	8,42,628	5,29,553	-	15	4253	365	18.10%	95,868	4,33,684
Jet Spray	19-Jan-15	4,21,875	2,30,902	-	15	3943	365	18.10%	41,802	1,89,100
Jet Spray	19-Jan-15	2,25,000	1,23,148	-	15	3943	365	18.10%	22,294	1,00,853
Jet Spray	3-Apr-17	22,900	18,788	-	15	4748	365	18.10%	3,401	15,387
Jet Spray	1-Dec-17	16,90,000	15,89,413	-	15	4990	365	18.10%	2,87,741	13,01,672
Jet Spray	25-May-18	52,000	-	52,000	15	5165	310	18.10%	7,995	44,005
Ladder	1-Apr-12	10,000	3,233	-	15	2920	365	18.10%	585	2,648
Ladder	16-Apr-12	1,36,125	44,337	-	15	2935	365	18.10%	8,027	36,311
Ladder	18-Mar-17	6,129	4,987	-	15	4732	365	18.10%	903	4,084
Manual Flipper	3-Apr-12	1,95,750	63,353	-	15	2922	365	18.10%	11,469	51,884
Manual Flipper	23-May-13	4,838	1,894	-	15	3337	365	18.10%	343	1,551
Scrubbing Machine	1-May-11	44,888	12,435	-	15	2584	365	18.10%	2,251	10,184
Scrubbing Machine	27-Jan-12	43,599	13,704	-	15	2855	365	18.10%	2,481	11,223
Scrubbing Machine	9-Feb-12	44,888	14,190	-	15	2868	365	18.10%	2,569	11,621
Scrubbing Machine	1-Mar-12	1,20,299	38,378	-	15	2889	365	18.10%	6,948	31,430
Scrubbing Machine	9-Apr-12	4,21,875	1,36,939	-	15	2928	365	18.10%	24,791	1,12,148
Scrubbing Machine	11-Apr-12	11,81,250	3,83,806	-	15	2930	365	18.10%	69,483	3,14,323
Scrubbing Machine	19-Apr-12	1,07,438	35,045	-	15	2938	365	18.10%	6,344	28,700
Scrubbing Machine	30-Apr-12	33,24,375	10,90,181	-	15	2949	365	18.10%	1,97,362	8,92,819
Scrubbing Machine	30-Jun-12	6,019	2,032	-	15	3010	365	18.10%	368	1,664
Scrubbing Machine	8-Mar-13	1,07,438	40,603	-	15	3261	365	18.10%	7,351	33,253
Scrubbing Machine	24-May-13	44,888	17,579	-	15	3338	365	18.10%	3,182	14,396
Scrubbing Machine	10-Aug-13	89,776	36,458	-	15	3416	365	18.10%	6,600	29,858
Scrubbing Machine	1-Mar-14	89,776	39,864	-	15	3619	365	18.10%	7,217	32,647
Scrubbing Machine	3-Jun-14	1,03,275	46,565	-	15	3713	365	18.10%	8,430	38,135
Scrubbing Machine	17-Jul-14	7,571	3,419	-	15	3757	365	18.10%	619	2,800
Scrubbing Machine	21-Jan-15	16,650	7,567	-	15	3945	365	18.10%	1,370	6,197
Scrubbing Machine	20-Mar-15	3,14,438	1,43,173	-	15	4003	365	18.10%	25,920	1,17,254
Scrubbing Machine	7-Sep-15	12,71,250	7,65,513	-	15	4174	365	18.10%	1,38,586	6,26,927
Scrubbing Machine	15-Sep-15	19,68,750	11,90,768	-	15	4182	365	18.10%	2,15,572	9,75,196
Scrubbing Machine	25-Nov-15	8,66,250	5,44,398	-	15	4253	365	18.10%	98,556	4,45,842
Scrubbing Machine	19-Jan-15	3,71,250	2,03,194	-	15	3943	365	18.10%	36,785	1,66,408
Scrubbing Machine	19-Jan-15	1,33,875	73,273	-	15	3943	365	18.10%	13,265	60,008
Scrubbing Machine	1-Dec-17	12,50,000	11,75,602	-	15	4990	365	18.10%	2,12,827	9,62,775

KAARYA FACILITIES AND SERVICES LIMITED

Asset	Date Of Purchase Of Asset	Original Cost	WDV as on 31-03-18	Addition	Estimated useful life (in years)	Balance days of Assets as on 31-3-19	Days used in year	Rate of Dep.	Dep. Amount	Net block 31-3-19
Scrubbing Machine	11-Jun-18	35,000	-	35,000	15	5182	293	18.10%	5,086	29,914
Sweeper Machine	1-Dec-10	14,500	3,750	-	15	2433	365	18.10%	679	3,071
Sweeper Machine	9-Feb-12	16,312	5,156	-	15	2868	365	18.10%	933	4,223
Sweeper Machine	11-Feb-12	16,313	5,161	-	15	2870	365	18.10%	934	4,227
Sweeper Machine	10-Aug-13	16,313	6,625	-	15	3416	365	18.10%	1,199	5,425
Sweeper Machine	3-Jun-14	11,250	5,072	-	15	3713	365	18.10%	918	4,154
Sweeper Machine	31-May-18	17,500	-	17,500	15	5171	304	18.10%	2,639	14,861
Vaccume Cleaner	2-Jun-09	13,500	2,684	-	15	1886	365	18.10%	486	2,198
Vaccume Cleaner	2-Jun-09	13,500	2,684	-	15	1886	365	18.10%	486	2,198
Vaccume Cleaner	3-Feb-10	15,750	3,527	-	15	2132	365	18.10%	638	2,888
Vaccume Cleaner	1-Dec-10	14,000	3,621	-	15	2433	365	18.10%	655	2,965
Vaccume Cleaner	8-Jan-11	14,000	3,684	-	15	2471	365	18.10%	667	3,017
Vaccume Cleaner	10-May-11	13,500	3,756	-	15	2593	365	18.10%	680	3,076
Vaccume Cleaner	1-Jun-11	12,000	3,375	-	15	2615	365	18.10%	611	2,764
Vaccume Cleaner	5-Dec-11	27,000	8,288	-	15	2802	365	18.10%	1,501	6,788
Vaccume Cleaner	4-Jan-12	12,074	3,757	-	15	2832	365	18.10%	680	3,076
Vaccume Cleaner	9-Feb-12	30,375	9,602	-	15	2868	365	18.10%	1,738	7,864
Vaccume Cleaner	1-Mar-12	20,025	6,388	-	15	2889	365	18.10%	1,157	5,232
Vaccume Cleaner	1-Mar-12	14,963	4,774	-	15	2889	365	18.10%	864	3,909
Vaccume Cleaner	1-Apr-12	95,333	30,824	-	15	2920	365	18.10%	5,580	25,243
Vaccume Cleaner	5-Apr-12	1,23,750	40,090	-	15	2924	365	18.10%	7,258	32,832
Vaccume Cleaner	10-Aug-13	27,000	10,965	-	15	3416	365	18.10%	1,985	8,980
Vaccume Cleaner	4-Oct-13	13,500	5,621	-	15	3471	365	18.10%	1,018	4,603
Vaccume Cleaner	10-Apr-14	13,500	6,075	-	15	3659	365	18.10%	1,100	4,975
Vaccume Cleaner	3-Jun-14	26,831	12,098	-	15	3713	365	18.10%	2,190	9,908
Vaccume Cleaner	20-Mar-15	74,250	33,808	-	15	4003	365	18.10%	6,121	27,688
Vaccume Cleaner	7-Sep-15	5,36,625	3,23,141	-	15	4174	365	18.10%	58,500	2,64,641
Vaccume Cleaner	12-Jan-17	8,588	6,761	-	15	4667	365	18.10%	1,224	5,537
Vaccume Cleaner	19-Jan-15	39,375	18,473	-	15	3943	365	18.10%	3,344	15,128
Vaccume Cleaner	19-Jan-15	54,000	29,556	-	15	3943	365	18.10%	5,351	24,205
Vaccume Cleaner	19-Jan-15	33,750	21,551	-	15	3943	365	18.10%	3,902	17,650
Vaccume Cleaner	1-Dec-17	19,60,000	18,43,343	-	15	4990	365	18.10%	3,33,712	15,09,631
Vaccume Cleaner	27-Dec-17	32,075	30,579	-	15	5016	365	18.10%	5,536	25,043
Vaccume Cleaner	8-Jan-18	8,500	8,154	-	15	5028	365	18.10%	1,476	6,678
Vaccume Cleaner	22-May-18	17,000	-	17,000	15	5162	313	18.10%	2,639	14,361
Vaccume Cleaner	11-Jun-18	8,500	-	8,500	15	5182	293	18.10%	1,235	7,265
Vaccume Cleaner	14-Nov-18	8,500	-	8,500	15	5338	137	18.10%	578	7,922
Inection extraction Machine	19-Jan-15	1,28,250	70,194	-	15	3943	365	18.10%	12,708	57,487
Plant and Machinery	30-Dec-09	2,34,000	51,555	-	15	2097	365	18.10%	9,333	42,222
Plant and Machinery	9-Feb-12	5,153	1,629	-	15	2868	365	18.10%	295	1,334

KAARYA FACILITIES AND SERVICES LIMITED

Asset	Date Of Purchase Of Asset	Original Cost	WDV as on 31-03-18	Addition	Estimated useful life (in years)	Balance days of Assets as on 31-3-19	Days used in year	Rate of Dep.	Dep. Amount	Net block 31-3-19
Plant and Machinery	5-Apr-12	3,883	1,258	-	15	2924	365	18.10%	228	1,030
Plant and Machinery	20-Apr-12	1,35,000	44,057	-	15	2939	365	18.10%	7,976	36,081
Plant and Machinery	25-Apr-12	1,02,392	33,497	-	15	2944	365	18.10%	6,064	27,432
Plant and Machinery	27-Apr-12	2,70,000	88,414	-	15	2946	365	18.10%	16,006	72,408
Plant and Machinery	5-Oct-13	26,71,210	11,11,215	-	15	3472	365	18.10%	2,01,170	9,10,045
Plant and Machinery	13-Dec-13	26,61,210	11,42,791	-	15	3541	365	18.10%	2,06,887	9,35,904
Plant and Machinery	7-Sep-15	1,28,250	77,229	-	15	4174	365	18.10%	13,981	63,248
Plant and Machinery	28-Nov-15	11,25,000	7,08,133	-	15	4256	365	18.10%	1,28,198	5,79,935
Plant and Machinery	24-Mar-17	10,826	8,835	-	15	4738	365	18.10%	1,600	7,236
PLANT & MACHINERY TOTAL		2,77,55,549	1,49,88,383	1,38,500					27,33,613	1,23,93,270
OFFICE EQUIPMENT										
Cellular Phone	24-Jan-13	4,499	225	-	5	-432	0	45.07%	-	225
Cellular Phone	17-May-13	42,800	2,140	-	5	-319	0	45.07%	-	2,140
Display Counter	16-Jul-13	79,350	3,968	-	5	-259	0	45.07%	-	3,968
Office Equipment	24-Jan-13	3,499	175	-	5	-432	0	45.07%	-	175
Office Equipment	27-May-13	31,500	1,575	-	5	-309	0	45.07%	-	1,575
Time Attendance Machine	8-Aug-13	16,187	809	-	5	-236	0	45.07%	-	809
Attendance machine	16-Apr-14	31,202	2,855	-	5	15	365	45.07%	1,287	1,568
Attendance machine	15-Oct-18	5,650	-	5,650	5	1658	167	45.07%	1,165	4,485
Attendance machine	1-Jan-19	11,600	-	11,600	5	1736	89	45.07%	1,275	10,325
Fire Extinguisher	5-Jul-14	2,700	253	-	5	95	365	45.07%	114	139
Refrigerator	15-May-15	7,900	1,439	-	5	409	365	45.07%	648	790
OFFICE EQUIPMENT TOTAL		2,36,887	13,439	17,250					4,489	26,199
FURNITURE & FIXTURE										
Office Chair	7-Mar-12	56,447	10,435	-	10	1070	365	25.89%	2,701	7,734
Office Chair	19-Sep-14	6,500	1,988	-	10	1996	365	25.89%	515	1,473
Office Chair	1-Sep-18	40,500	-	40,500	10	3439	211	25.89%	6,061	34,439
FURNITURE & FIXTURE	1-Apr-09	4,80,639	39,608	-	10	-1	0	25.89%	15,576	24,032
FURNITURE & FIXTURE	19-May-11	10,400	1,572	-	10	777	365	25.89%	407	1,165
FURNITURE & FIXTURE	13-Dec-13	1,67,892	47,481	-	10	1716	365	25.89%	12,291	35,190
FURNITURE & FIXTURE	16-Dec-13	21,656	6,136	-	10	1719	365	25.89%	1,588	4,547
FURNITURE & FIXTURE	12-Jan-14	28,300	8,150	-	10	1746	365	25.89%	2,110	6,041
FURNITURE & FIXTURE	15-Jan-14	27,650	7,978	-	10	1749	365	25.89%	2,065	5,912
FURNITURE & FIXTURE	16-Jan-14	10,781	3,112	-	10	1750	365	25.89%	806	2,307
FURNITURE & FIXTURE	18-Jan-14	9,788	2,829	-	10	1752	365	25.89%	732	2,097
FURNITURE & FIXTURE	18-Jan-14	30,746	8,887	-	10	1752	365	25.89%	2,300	6,586
FURNITURE & FIXTURE	21-Jan-14	36,600	10,598	-	10	1755	365	25.89%	2,743	7,854
FURNITURE & FIXTURE	3-Feb-14	99,268	28,968	-	10	1768	365	25.89%	7,499	21,469

KAARYA FACILITIES AND SERVICES LIMITED

Asset	Date Of Purchase Of Asset	Original Cost	WDV as on 31-03-18	Addition	Estimated useful life (in years)	Balance days of Assets as on 31-3-19	Days used in year	Rate of Dep.	Dep. Amount	Net block 31-3-19
FURNITURE & FIXTURE	12-Feb-14	87,078	25,547	-	10	1777	365	25.89%	6,613	18,934
FURNITURE & FIXTURE	15-Feb-14	12,000	3,527	-	10	1780	365	25.89%	913	2,614
FURNITURE & FIXTURE	23-Jan-15	29,000	8,950	-	10	2122	365	25.89%	2,317	6,633
FURNITURE & FIXTURE	17-Mar-15	9,000	2,788	-	10	2175	365	25.89%	722	2,066
FURNITURE & FIXTURE	6-Jun-14	30,000	9,100	-	10	1891	365	25.89%	2,356	6,745
FURNITURE & FIXTURE	4-Jul-14	80,868	24,585	-	10	1919	365	25.89%	6,364	18,221
FURNITURE & FIXTURE	23-Jun-14	92,419	28,072	-	10	1908	365	25.89%	7,267	20,805
FURNITURE & FIXTURE	29-Jan-15	50,000	15,437	-	10	2128	365	25.89%	3,996	11,441
FURNITURE & FIXTURE	20-Oct-18	21,32,250	-	21,32,250	10	3488	162	25.89%	2,44,982	18,87,268
FURNITURE & FIXTURE	20-Oct-18	2,04,000	-	2,04,000	10	3488	162	25.89%	23,438	1,80,562
FURNITURE & FIXTURE	30-Oct-18	9,32,775	-	9,32,775	10	3498	152	25.89%	1,00,555	8,32,220
FURNITURE & FIXTURE TOTAL		46,86,557	2,95,746	33,09,525					4,56,917	31,48,354
TOTAL		3,30,38,597	2,18,94,853	1,39,20,840					77,31,302	2,80,84,391

KAARYA FACILITIES AND SERVICES LIMITED

KAARYA FACILITIES & SERVICES LIMITED					
Cash Flow Statement for the year ended 31st March 2019					
Sr no.	Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
		Amount in Rs.		Amount in Rs.	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	(Profit/Loss) before exceptional items, prior period items and tax:		1,65,93,641		1,11,88,377
	Adjustments for :				
	Depreciation and amortisation	77,31,302		44,60,636	
	Loss/(Profit) on disposal of fixed assets	-		-	
	Interest received	(2,50,989)		(63,999)	
	Dividend Received	-		-	
	Interest Expense	32,74,126		30,74,693	
			1,07,54,439		74,71,330
	Operating Profit before working capital changes		2,73,48,080		1,86,59,707
	Adjustments for:				
	(Increase)/Decrease in Loans and Advances	(54,000)		36,000	
	(Increase)/Decrease in Short Term Loans and Advances	(85,86,255)		(85,82,194)	
	(Increase)/Decrease in Trade receivables	(1,98,49,823)		11,45,920	
	(Increase)/Decrease in Inventories	(36,08,301)		(2,47,87,376)	
	(Increase)/Decrease in Other Non Current Assets	67,93,414		(1,25,31,543)	
	(Increase)/Decrease in Investments	-		1,77,465	
	Increase/(Decrease) in Trade payables	6,29,469		49,62,349	
	Increase/(Decrease) in Other Liabilities and Provisions	46,88,240		(82,36,242)	
			(1,99,87,255)		(4,78,15,621)
	Cash generated from Operations		73,60,825		(2,91,55,914)
	Less : Direct taxes paid		(47,33,234)		(29,31,129)
	Net cash from Operating Activities (A)		26,27,591		(2,62,24,785)
	Prior Period Adjustments (Other than Taxation)				-
	Net cash from Operating Activities (A)		26,27,591		(2,62,24,785)
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of fixed assets		(38,34,071)		(2,33,38,380)

KAARYA FACILITIES AND SERVICES LIMITED

	Proceeds from sale of fixed assets		-		-
	Decrease / (Increase) in Deposits		-		-
	Interest received		2,50,989		63,999
	Dividend received		-		-
	Net Cash used in Investing Activities (B)		(35,83,082)		(2,32,74,381)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Receipt/(repayment) of Borrowings (net)		87,60,547.92		(91,42,908)
	Interest Paid		(32,74,126.44)		(30,74,693)
	Proceeds from issue of Equity shares		-		6,39,60,000
	Net cash used Financing Activities (C)		54,86,421		5,17,42,400
	Net increase in cash and cash equivalents (A+B+C)		45,30,931		22,43,234
	Cash and cash equivalents at the beginning of the year		51,36,221		28,92,987
	Cash and cash equivalents at the end of the year		96,67,152		51,36,221

KAARYA FACILITIES & SERVICES LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

General Information

Kaarya Facilities and Services Limited is a company domiciled and incorporated under the provision of the Indian Companies Act 2013. The Company is a leading Integrated Asset and Facilities Management Company. The services given by the company includes specialized Cleaning and Hygiene services, Housekeeping, Pantry, Mechanical, Electrical and Handyman services – repair and maintenance, Pest Control, landscaping, Guest House Management to Façade cleaning etc.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

Significant Accounting Policies

1. Basis of preparation of Financial Statement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, unless otherwise stated. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non - current classification of assets and liabilities.

2. Use of Estimates

The preparation of financial statements requires use of estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimate are recognized in the period in which the same are known/materialized.

3. Tangible & Intangible Assets and Depreciation

Tangible are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on Tangible Assets are provided using Written down Value method and depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of tangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de recognized.

4. Finance Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

5. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition .Cost of raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis method

6. Impairment of tangible Assets and Intangible Assets.

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists there coverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

7. Investments.

Investments are stated at cost of acquisition together with brokerage etc. but excluding dematerialization charges and security transaction tax. Provision for diminution in the value of long term investments are made only if such a decline is other than temporary.

8. Provisions and Contingent Liabilities

Provisions: Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities: 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 nonoccurrence 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 or a reliable estimate of the amount cannot be made.

9. Employee Benefit Expenses

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. However the company has not made provision for Gratuity during the year

10. Tax Expenses

The tax expense for the period comprises current and deferred tax.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

11. Foreign currencies transactions and translation.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

12. Revenue Recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed. Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

Dividend Income is recognized when the Company's right to receive the payment has been established.

13. Segment reporting

Identification of segments The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered. **Inter-segment transfers** The Company accounts for intersegment sales and transfers at cost. Unallocated items include general corporate income and expense items which are not allocable to any business segment. **Segment accounting policies** The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

ATTENDANCE SLIP

KAARYA FACILITIES AND SERVICES LIMITED

CIN :U93090MH2009PLC190063

Regd Office: Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Kanchpada,
Malad (W), Mumbai – 400064

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 10th Annual General Meeting of the Shareholders of the Company being held on, Friday, September 27, 2019 ata.m./ p.m. at the registered office of the Company at Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Kanchpada, Malad (W), Mumbai – 400064.

DP Id. : _____

Client ID : _____

Folio No. : _____

No. of Share Held : _____

Name of Shareholder : _____

Name of Joint holder : _____

Name of Proxy _____

(To be Filed in case of the proxy attends instead of shareholder)

Signature of Shareholder/Proxy

If undelivered please return to :

KAARYA FACILITIES AND SERVICES LIMITED
217, Gemstar Commercial Complex,
Ramchandra Lane Extn. Road, Kanchpada,
Malad (West), Mumbai - 400064

KAARYA FACILITIES AND SERVICES LIMITED

CIN :U93090MH2009PLC190063

Regd Office: Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Kanchpada, Malad
(West) Mumbai – 400066

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management Administration) Rules, 2014)

Name _____ of _____ Member _____ :

Registered Address : _____

E Mail ID : _____

Folio No./ Client ID : _____

DP ID : _____

I/We, being the member(s) of _____ Shares of Kaarya Facilities And Services Limited, hereby appoint

1. Name : _____ Email ID : _____
Address : _____
Signature : _____, or failing him

2. Name : _____ Email ID : _____
Address : _____
Signature : _____, or failing him

3. Name : _____ Email ID : _____
Address : _____
Signature : _____, or failing him

as my/our proxy to attend and vote (in a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of the Company to be held on Wednesday, September 27, 2019 at a.m/p.m. at the registered office of the Company at Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Kanchpada, Malad (West), Mumbai – 400064 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2019		
2. To Ratify appointment of Statutory Auditor of the Company		

Signed this _____ day of _____ 2019

Signature of Shareholders _____

Affix Rs. 1
Revenue Stamp

Signature of Proxy Holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

COURIER

if undelivered please return to :

KAARYA FACILITIES AND SERVICES LIMITED
217, Gemstar Commercial Complex,
Ramchandra Lane Extn. Road, Kanchpada,
Malad (West), Mumbai - 400064.