



KAARYA FACILITIES AND SERVICES LIMITED

ANNUAL REPORT

2019- 2020

CORPORATE INFORMATION

Name of the Company : Kaarya Facilities And Services Limited

Registered Office : 115, 1 Floor, Adani Western Heights
J P road, Opp Gurudwara
Andheri (W),
Mumbai - 400058

CIN : L93090MH2009PLC190063
Website : www.kaarya.co.in
Email : info@kaarya.co.in
Contact No. : 7710065447

BOARD OF DIRECTORS

Mr. Vineet Pandey : Joint Managing Director
Mr. Vishal Panchal : Chairman & Managing Director
Mr. Gaurang Shah : Non Executive Director, Independent Director
Ms. Smriti Chhabra : Non Executive Director, Independent Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Ms. Smriti Chhabra : Chairman & Member
Mr. Gaurang Shah : Member
Mr. Vineet Pandey : Member

NOMINATION & REMUNERATION COMMITTEE

Ms. Smriti Chhabra : Chairman & Member
Mr. Gaurang Shah : Member
Mr. Vishal panchal : Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Gaurang Shah : Chairman & Member
Ms. Smriti Chhabra : Member
Mr. Vishal Panchal : Member

STATUTORY AUDITORS

Aniket Kulkarni & Associates
Chartered Accountants

BANKERS

Bank of Maharashtra

REGISTRAR & TRANSFER AGENT

KFin Technologies Private Limited
Selenium Building, Tower-B, Plot No- 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi,
Telangana, India, 500032

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NOTICE

Notice is hereby given that the 11th Annual General Meeting of the Members of Kaarya Facilities And Services Limited will be held on Tuesday, the 29th day of December, 2020 at 4.00 P.M through Video Conferencing (VC)/Other Audio Means (OAVM) facility 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 2020, along with the Board of Directors Report and Auditors Report thereon.
2. To Re-appoint M/s. Aniket Kulkarni & Associates, Chartered Accountants as Statutory Auditors of the Company for 2 (Two) Financial years from 2020-2021 to 2021-2022 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, M/s. Aniket Kulkarni & Associates, Chartered Accountants (Firm Registration No. 130521W), be and are hereby re-appointed as Statutory Auditors of the company to hold office for 2 (Two) Financial years from 2020-2021 to 2021-2022 at a remuneration to be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolutions

3. Special Resolution for approval of the limits for the Loans and Investment by the Company in terms of the provisions Section 186 of the Companies Act, 2013

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial

and in the interest of the Company, for an amount not exceeding INR 1,20,00,000 (Rupees One Crore Twenty Lakh Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT in case of divestment of the investment, the Directors of the Company be and are hereby authorized to sign the necessary applications, papers, forms, documents etc. for effective implementation of decision of divestment taken by the Company from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

By Order of the Board

For Kaarya Facilities And Services Limited

Sd/-

Vineet Pandey
Joint Managing Director
(DIN: 00687215)

Date : 4th December, 2020

Registered Office:
115, 1 Floor, Adani Western Heights,
J P road, Opp Gurudwara,
Andheri (W),
Mumbai - 400058.

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), which sets out details relating to Special Business at the meeting, is annexed hereto.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depositories (India) Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and

participate thereat and cast their votes through e-voting hence the proxy form and Attendance Slip are not annexed to this Notice.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-AGM along with Annual Report for FY2020 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories and has been uploaded on the website of the Company at www.kaarya.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
8. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form.
9. Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
10. Register of Members and Share Transfer Book of the Company will remain closed from the 23/12/2020 to 29/12/2020 (both days inclusive) for the purpose of Annual General Meeting.
11. The Company has been maintaining, inter alia, the following statutory registers at its registered office at 115, 1 Floor, Adani Western Heights , J P road, Opp Gurudwara Andheri (W), Mumbai - 400058 i) Register of contracts or arrangements in which directors are interested under section 189 of the Act. ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Act. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
13. In case of any queries you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com or contact NSDL by email at evoting@nsdl.co.in

14. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot password' option available on the site to reset the password.
15. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
16. The e-voting period commences on **26th December, 2020 (Saturday)** at 9:00 A.M. and ends on **28th December, 2020 (Monday)**, 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. **22nd December, 2020**, may cast their vote electronically. The e-voting module shall be disabled by NSDL 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.
17. Any person, who becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e., **22nd December, 2020**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@kaarya.co.in. However, if such member is already registered with NSDL for remote e-voting then he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by NSDL by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
18. 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., **22nd December, 2020** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
19. The Company has appointed M/s SARK & Associates, Company Secretaries, Mumbai as the Scrutinizer of the Company to scrutinize the voting and e-voting process in a fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.kaarya.co.in and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorized. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 26th December, 2020 at 9:00 A.M. and ends on 28th December, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in	16 Digit Beneficiary ID

demat account with CDSL.	For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to compliance@sarkcs.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@kaarya.co.in.
In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@kaarya.co.in.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required. Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account. Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Extra-Ordinary General Meeting for an amount not exceeding INR 1,20,00,000 (Rupees One Crore and Twenty Lakh Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

By Order of the Board

For Kaarya Facilities And Services Limited

Sd/-

Vineet Pandey
Joint Managing Director
(DIN: 00687215)

Date : 04/12/2020

Registered Office:
115, 1 Floor, Adani Western Heights,
J P road, Opp Gurudwara,
Andheri (W),
Mumbai - 400058.

DIRECTORS REPORT

To,

The Members,

Your Directors have a great pleasure in presenting the 11th 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, 2020.

FINANCIAL RESULTS:

The Company Financial Performance for the Financial Year ended on 31st March, 2020s under review along with previous year figures are given hereunder:

Particulars	Financial Year 2019-20	Financial Year 2018-2019
Revenue from operations	20,21,15,965	17,79,68,340
Other Income	9,41,579	2,50,989
Total Income	20,31,57,544	17,82,19,329
Expenditure (excluding depreciation)	19,26,13,024	15,38,94,386
Depreciation	63,52,233	77,31,302
Total Expenditure	19,89,65,257	16,16,25,688
Profit / (Loss) before Tax	41,92,287	1,65,93,641
Current Tax	9,43,265	47,33,234
Deferred Tax	3,09,328	-1,46,330
Profit / (Loss) after tax	29,39,694	1,20,06,737
Earnings per share (Basic)	0.63	2.57
Earnings per share (Diluted)	0.63	2.57

OPERATIONS:

The Net Profit for the current Financial Year under review amount to Rs. 29,39,694/- as compared to Net profit for the previous financial year of Rs. 1,20,06,737/-.

DIVIDEND:

The Directors have not declared dividend for the year under review.

TRANSFER TO RESERVES:

The Company has transferred net profit after tax of Rs. 29,39,694/- 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:

As on 31st March 2020, your Board comprised of the following Directors:

Name of the Director	DIN	Designation
Mr. Vineet Pandey	00687215	Joint Managing Director
Mr. Vishal Panchal	00687445	Chairman and Managing Director
Mr. Smriti Davinder Chhabra	07894310	Independent Director
Mr. Gaurang Ajitbhai Shah	07917226	Independent Director
Mr. Ganesh Vanmali	07833853	Independent Director

During the year under review, there was no change in the Directors.

During the financial year Ms. Rekha Rajaram Dhekale – Company Secretary and Compliance Officer resigned on 15th November, 2019 and again appointed as Company Secretary and Compliance Officer w.e.f. 19th December, 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, 2020 the Board of Directors of your Company have met 8 (Eight) times viz. 30.05.2019, 20.07.2019, 24.07.2019, 28.08.2019, 26.10.2019, 14.11.2019, 19.12.2019 and 05.03.2020. 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, 2020, 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 March 31, 2020, 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, 2020 and of the profit 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 2019-

2020 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, (FRN 130521W), Mumbai carried out the Statutory Audit of the company. The Statutory Audit report is appended. M/s. Aniket Kulkarni & Associates are eligible for reappointment as Statutory Auditor. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors shall consider appointment of M/s. Aniket Kulkarni & Associates as Statutory Auditors for 2 (Two) financial years from 2020-2021 to 2021-2022 in the ensuing Board 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.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 is issued with unmodified opinion.

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.

For and on behalf of the Board of Directors

Vineet Pandey
Joint Managing Director
DIN: 00687215

Vishal Panchal
Chairman and Managing Director
DIN : 00687445

Date: July 30, 2020
Place: Mumbai

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 2019-2020, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and are as under :

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/KMP for financial year 2018-19 (in lacs)	Remuneration of Director/KMP for financial year 2019-20 (in lacs)	% increase in Remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director / to median remuneration of employees
1	Vineet Pandey, Managing Director	16.5	19.8	20%	N.A.
2	Vishal Panchal, Managing Director	16.5	19.8	20%	N.A.
3	Vidhi Patel, CS	3.6	N.A.	N.A.	N.A.
4	Jitendra Adhyaru, CFO	5.64	7.44	31.91%	N.A.
5	Ganesh Narayan Vanmali	N.A.	N.A.	N.A.	N.A.

6	Smriti Davinder Chhabra	N.A.	N.A.	N.A.	N.A.
7	Gaurang Ajitbhai Shah	N.A.	N.A.	N.A.	N.A.
8	Rekha Dhekale	N.A.	3.6	N.A.	

Notes:

- II. The median remuneration of employees of the Company for the financial year was Rs. 5.22 lacs.
- III. During the financial year, there was an increase of 22.08% in the median remuneration of employees.
- IV. There were 23 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 2019-2020 is 31%.
- VI. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2020 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, 2020**

[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	115, 1 Floor, Adani Western Heights, J P road, Opp Gurudwara, Andheri (W), Mumbai – 400058 7710065447
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Building, Tower-B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India, 500032.

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

Sl 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, 2019)				No. of Shares held at the end of the year (As on 31st March, 2020)				% 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

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b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) 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	456679	0	456679	9.77	420679	0	420679	9.00	-0.77
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	768820	0	768820	16.44	1353820	0	1353820	28.96	12.52
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Member	48000	0	48000	1.03	0	0	0	0	-1.03
Bodies Corporate	765000	0	765000	16.36	264000	0	264000	5.65	-10.72
Non Resident Indians (NRI)	45000	0	45000	0.96	45000	0	45000	0.96	0

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SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 30/03/2019 AND 31/03/2020

Sub – total (B)(2):-	2083499	0	2083499	44.57	2083499	0	2083499	44.57	0.00
Total Public Shareholding(B) = (B)(1)+(B)(2)	2083499	0	2083499	44.57	2083499	0	2083499	44.57	0.00
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, 2019)			Shareholding at the end of the year (As on 31 st March, 2020)			% 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

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	1295815	27.72	1295815	27.72
	At the beginning of the year	-	-	-	-
	Issue during the year	1295815	27.72	1295815	27.72
2	Vishal Panchal	1295815	27.72	1295815	27.72
	At the beginning of the year	-	-	-	-
	Issue during the year	1295815	27.72	1295815	27.72
	At the end of the year				

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

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Sno	Category	Type	Name of the Share Holder	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	LTD	Opening Balance - 30/03/2019	EDELWEISS CUSTODIAL SERVICES LIMITED	262000	5.60	262000	5.60
		Sale		3000	0.06	259000	5.54
		Sale		259000	5.54	0	0.00
		Purchase		78000	1.67	78000	1.67
		Purchase		168000	3.59	246000	5.26
		Sale		168000	3.59	78000	1.67
		Closing Balance - 31/03/2020				78000	1.67
2	LTD	Opening Balance - 30/03/2019	MARFATIA STOCK BROKING PRIVATE LIMITED	233000	4.98	233000	4.98
		Purchase		3000	0.06	236000	5.05
		Purchase		22000	0.47	258000	5.52
		Sale		156000	3.34	102000	2.18
		Sale		9000	0.19	93000	1.99
		Sale		15000	0.32	78000	1.67
		Sale		78000	1.67	0	0.00
		Closing Balance - 31/03/2020				0	0.00
3	PUB	Opening Balance - 30/03/2019	MOHIT GANESH GUPTA	232500	4.97	232500	4.97
		Closing Balance - 31/03/2020				232500	4.97
4	PUB	Opening Balance - 30/03/2019	NUPUR ANIL SHAH	159000	3.40	159000	3.40
		Sale		30000	0.64	129000	2.76
		Purchase		18000	0.39	147000	3.14
		Closing Balance - 31/03/2020				147000	3.14
5	LTD	Opening Balance - 30/03/2019	SHRIRAM INSIGHT SHARE BROKERS LTD	123000	2.63	123000	2.63
		Purchase		108000	2.31	231000	4.94
		Sale		231000	4.94	0	0.00
		Closing Balance - 31/03/2020				0	0.00
6	PUB	Opening Balance - 30/03/2019	NIMESH SHASHIKANT MEHTA	102000	2.18	102000	2.18
		Sale		21000	0.45	81000	1.73
		Sale		21000	0.45	60000	1.28
		Closing Balance - 31/03/2020				60000	1.28
7	LTD	Opening Balance - 30/03/2019	GLOBE CAPITAL MARKET LIMITED	75000	1.60	75000	1.60
		Sale		75000	1.60	0	0.00
		Closing Balance - 31/03/2020				0	0.00

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8	PUB	Opening Balance - 30/03/2019	HARI JHUNJHUNWALA	65000	1.39	65000	1.39
		Closing Balance - 31/03/2020				65000	1.39
9	PUB	Opening Balance - 30/03/2019	RAMESHBHAI CHINUBHAI SHAH	60000	1.28	60000	1.28
		Sale		60000	1.28	0	0.00
		Closing Balance - 31/03/2020				0	0.00
10	PUB	Opening Balance - 30/03/2019	ANJALI KHATTER	50625	1.08	50625	1.08
		Closing Balance - 31/03/2020				50625	1.08

iii) Shareholding of Directors and Key Managerial Personnel:

Sl 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	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
3	Ganesh Vanmali				
	At the beginning of the year	0	0	0	0
	Sale /purchase	0	0	0	0
	At the end of the year	0	0	0	0
4	Gaurang Shah				
	At the beginning of the year	0	0	0	0
	Sale /purchase	0	0	0	0
	At the end of the year	0	0	0	0
5	Smriti Chhabra				
	At the beginning of the year	0	0	0	0
	Sale /purchase	0	0	0	0
	At the end of the year	0	0	0	0
6	Jitendra Adhyaru				
	At the beginning of the year	0	0	0	0
	Sale /purchase	0	0	0	0
	At the end of the year	0	0	0	0

7	Vidhi Patel				
	At the beginning of the year	0	0	0	0
	Sale /purchase	0	0	0	0
	At the end of the year	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	2,40,73,045	31,30,000	-	2,72,03,045
ii) Interest due but not paid			-	
iii) Interest accrued but not due			-	
Total (i+ii+iii)	2,40,73,045	31,30,000	-	2,72,03,045
Change in Indebtedness during the financial year				
• Addition	1,57,73,807	34,26,349	-	1,92,00,156
• Reduction			-	
Net change	1,57,73,807	34,26,349	-	1,92,00,156
Indebtedness at the end of the financial year				
i) Principal Amount	3,98,46,852	65,56,349	-	4,64,03,201
ii) Interest due but not paid			-	
iii) Interest accrued but not due			-	
Total (i+ii+iii)	3,98,46,852	65,56,349	-	4,64,03,201

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	19,80,000	19,80,000	39,60,000
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission - As % of profit - Others, specify		-	-
5.	Others, please specify		-	-
	Total (A)	19,80,000	19,80,000	39,60,000
	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	-	-	-	-
	Total (1)	-	-	-	-
2.	Other Non-Executive Directors • Fee for attending board/ committee meetings • Commission • Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	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

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Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Ms.Rekha Rajaram Dhekale CS	Mr. Jitendra Adhyaru CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,60,000	7,44,000	11,04,000
	(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			
2.	Stock Option			-
3.	Sweat Equity			-
4.	Commission			-
	- As % of profit			
	- Others, specify			
5.	Others, please specify			-
	Total	3,60,000	7,44,000	11,04,000

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 thereunder, 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 Wholetime 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, 2020

*[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, 2020 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, 2020 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; -
 - 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 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
Date : 30.07.2020

For & on behalf of
SARK & Associates
Company Secretaries

Sumit Khanna
(Partner)
CP No. 9304
Membership No. 22135

UDIN: A022135B000815521

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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
Date 30.07.2020

For & on behalf of
SARK & Associates
Company Secretaries

Sumit Khanna
(Partner)
CP No. 9304
Membership No. 22135

UDIN: A022135B000815521

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.	Enterprises owned or significantly influence by Key	Loans & Advances	Loans & Advances	30.05.2019	55,36,489/-

		Management personnel or their relatives				
2.	Evetan Fintech Pvt Ltd	Enterprises owned or significantly influence by Key Management personnel or their relatives	Advance Paid	NA	30.05.2019	25,000

ADDENDUM TO DIRECTORS' REPORT

TO THE SHAREHOLDERS:

In the Directors' Report of the Company's Annual Report 2020, under sub-heading "Statutory Auditor" the following was stated:

Statutory Auditors

M/s. Aniket Kulkarni & Associates, Chartered Accountants, (FRN 130521W), Mumbai carried out the Statutory Audit of the company. The Statutory Audit report is appended. M/s. Aniket Kulkarni & Associates are eligible for reappointment as Statutory Auditor. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors shall consider appointment of M/s. Aniket Kulkarni & Associates as Statutory Auditors for 2 (Two) financial years from 2020-2021 to 2021-2022 in the ensuing Board 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.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 is issued with unmodified opinion.

Changes Made for Appointing Statutory Auditor

It is now presented as :

M/s. Aniket Kulkarni & Associates, Chartered Accountants, (FRN 130521W), Mumbai carried out the Statutory Audit of the company. The Statutory Audit report is appended. M/s. Aniket Kulkarni & Associates are eligible for reappointment as Statutory Auditor. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Board of Directors have approved appointment of M/s. Aniket Kulkarni & Associates as Statutory Auditors for 2 (Two) financial years from 2020-2021 to 2021-2022 in their meeting held on 5th September, 2020 subject to approval of Shareholders at 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.

The Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 is issued with unmodified opinion.

For Kaarya Facilities And Services Limited

Vineet Pandey
Joint Managing Director
DIN: 00687215

Vishal Panchal
Chairman and Managing Director
DIN : 00687445

Date: 04/12/2020
Place: Mumbai

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, 2020 on 30.05.2019, 20.09.2019, 24.07.2019, 28.08.2019, 26.10.2019, 14.11.2019, 19.12.2019 and 05.03.2020. 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 2019-2020	Whether attend last AGM held on 27 th September, 2019
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, 2020, 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	5	1	0
2.	Vishal Panchal	Chairman & Managing Director	Promoter, Executive Director	5	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 May 30th, 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 oversee 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 8 (Eight) times during the year 2019-2020 on 30.05.2019, 20.07.2019, 24.07.2019, 28.08.2019, 26.10.2019, 14.11.2019, 19.12.2019 and 05.03.2020. Details of Committee meetings held during the year ended 31st March, 2020 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)	8	8
2	Smriti Chhabra	Member	Non-Executive (Independent Director)	8	8
3	Vineet Pandey	Member	Executive Director	8	8

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 thereon;
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 offers 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 8 (Eight) times on 30.05.2019, 20.07.2019, 24.07.2019, 28.08.2019, 26.10.2019, 14.11.2019, 19.12.2019 and 05.03.2020. 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)	8	8
2	Gaurang Shah	Member	Non-Executive (Independent Director)	8	8
3	Smriti Chhabra	Member	Non-Executive (Independent Director)	8	8

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. The details of remuneration paid to Managing Director during the year ended 31st March, 2020, 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 8 (Eight) times, on 30.05.2019, 20.07.2019, 24.07.2019, 28.08.2019, 26.10.2019, 14.11.2019, 19.12.2019 and 05.03.2020. 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)	8	8
2	Smriti Chhabra	Member	Non-Executive (Independent Director)	8	8
3	Vishal Panchal	Member	Executive Director	8	8

Ms. Rekha Rajaram Dhekale - Company Secretary and Compliance Officer of the Company resigned on 15th November, 2019 and again appointed as Company Secretary and Compliance Officer w.e.f. 19th December, 2020.

During the year ended March 31, 2020 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, 2019	Received during the year	Disposed during the year	Pending as on 31st March, 2020
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.

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.

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 July, 2020.

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
2019	27.09.2019	04.00 P.M.	Office 217, Gemstar Commercial Complex, Ramchandra Lane Extn. Road, Malad (West), Mumbai - 400064
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

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. Shareholders information forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

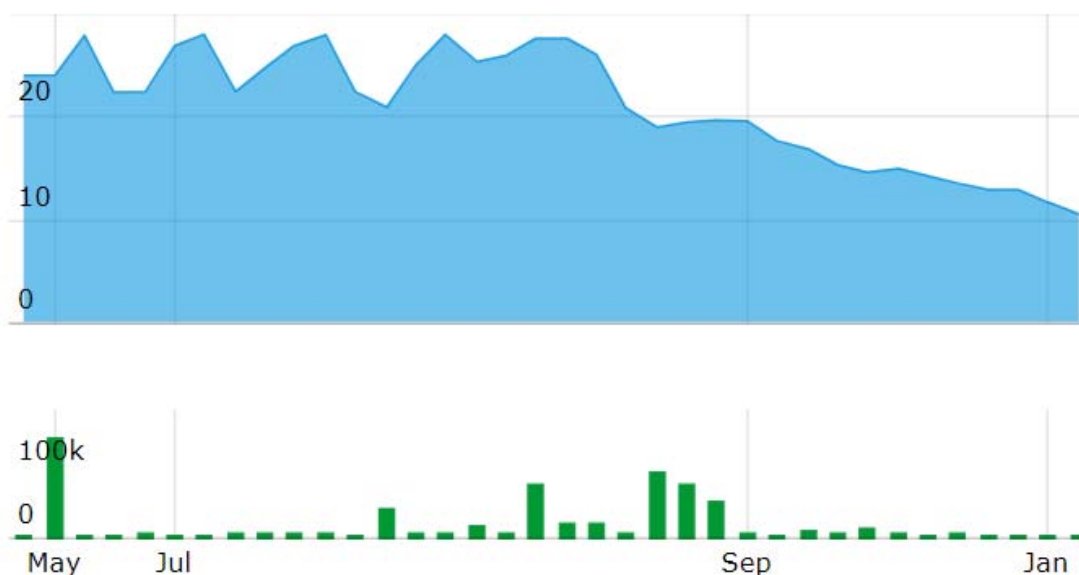
AGM: Date, Time and Venue	Tuesday, 29 th December, 2020 at 4.00 p.m. through Video Conferencing/Other Audio Visual Means.
Financial Year 1 st April to 31 st March	
- Financial reporting for the quarter ending September 30, 2019	On or before November 14, 2019
- Financial reporting for the year ending March 31, 2020	On or before July 31, 2020
Date of Book Closure	23 rd December, 2020 to 29 th December, 2020 (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	KFin Technologies Private Limited Address : Selenium Building, Tower-B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India, 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 liquidity	The Company's equity shares have been admitted in electronic/dematerialized mode by both Central Depository Services (India) Limited and National Securities Depository Limited under the International Securities Identification Number (ISIN) INE282Y01016 This number is required to be mentioned in each correspondence relating to the dematerialization of shares of the Company. As on 31 st March, 2020, 46,75,129 equity shares representing 100% of the company's total number of shares have been

	dematerialized.
E-Voting facility to members	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 NSDL
Plant Locations	NA
Registered Office and Address for correspondence	Kaarya Facilities And Services Limited 115, 1 Floor, Adani Western Heights, J P road, Opp Gurudwara, Andheri (W), Mumbai - 400058

STOCK MARKET DATA

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

Month	BSE	
	High	Low
April' 19	24.00	24.00
May' 19	28.40	23.90
June' 19	22.45	22.40
July' 19	28.00	18.10
August' 19	30.00	18.00
September' 19	19.60	14.60
October' 19	15.00	12.95
January' 20	11.76	10.59



Distribution of Shareholding as on March 31, 2020

Distribution of Shareholding as on 31/03/2020 (TOTAL)					
Slno	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 5000	51	46.79	151002	3.23
2	5001 - 10000	20	18.35	141564	3.03
3	10001 - 20000	13	11.93	191113	4.09
4	20001 - 30000	5	4.59	123695	2.65
5	30001 - 40000	1	0.92	39000	0.83
6	40001 - 50000	3	2.75	126000	2.70
7	50001 - 100000	9	8.26	625625	13.38
8	100001 and above	7	6.42	3277130	70.10
	TOTAL:	109	100.00	4675129	100.00

Shareholding Pattern as on March 31, 2020

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	2,64,000	5.65

Indian Public	17,74,499	37.96
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 shareholders.
- 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.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI

Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Kaarya Facilities And Services Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kaarya Facilities And Services Limited having CIN : L93090MH2009PLC190063 and having registered office at 115, 1 Floor, Adani Western Heights, J P road, Opp Gurudwara, Andheri (W), Mumbai - 400058 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or Securities Exchange Board of India or any such other Statutory Authority

Sr No	Name of Director	DIN	Date of Appointment
1	Mr. Vineet Pandey	00687215	03/02/2009
2	Mr. Vishal Panchal	00687445	03/02/2009
3	Mr. Smriti Davinder Chhabra	07894310	29/07/2017
4	Mr. Gaurang Ajitbhai Shah	07917226	24/08/2017
5	Mr. Ganesh Vanmali	07833853	29/07/2017

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. `

Date: 30/07/2020

Place: Mumbai

UDIN : **A022135B001119583**

For & on behalf of SARK & Associates
Sd/-
Sumit Khanna
(Partner)
Company Secretaries
CP No. 9304 / Membership No. 22135

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, 2020 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.

Place: Mumbai
Date: 04/12/2020

For Kaarya Facilities And Services Limited
Sd/- Sd/-
Vineet Pandey Jitendra Adhyaru
(Joint Managing Director) (CFO)
DIN : 00687215

Sd/-
Vishal Panchal
(Chairman & Managing
Director)
DIN : 00687445

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, 2020.

Place: Mumbai
Date: 04/12/2020

For Kaarya Facilities And Services Limited

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

Sd/-
Vishal Panchal
(Chairman & Managing
Director)
DIN : 00687445

CORPORATE GOVERNANCE CERTIFICATE

**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, 2020, 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/-
Sumit Khanna
Partner
Membership No. 22135
CP No. 9304
UDIN: A022135B001401911
Mumbai
Date: 30/07/2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Back ground

Kaarya is facilities and Service Management Company providing services into Property Management / Facilities Management End to End Management of Real Estate Assets for commercial and residential properties, Facilities / Property Operations & Maintenance, On Site Facility Management / Property Management Team. Various Specialized Services in Housekeeping, Engineering Services, Workplace Solutions viz. Reception, Mail, Help Desk Office Help, Floor Assistants F & B Service Pest Control, Facade, Gardening Specialized Cleaning.

Facility management services refers to the use of third-party service providers for the maintenance of the building facility or outsourcing the management of entire facilities to an organization for the professional delivery of services. It comprises of hard services or building operation and maintenance and soft services or support services, and energy management services. Hard services include electrical, electro-mechanical, mechanical, water management and energy management. Soft services include housekeeping, security, catering, transportation, and horticulture and landscaping. It is gaining huge acceptance among the customers in Commercial sector as it helps the companies in the hassle-free management of its facilities in a professional manner.

Indian Scenario

India facility management market to cross \$ 100 billion by 2023. Anticipated growth in the market can be attributed to an increase in construction activities across commercial as well as residential sector. Moreover, various initiatives by Government to provide housing for all citizens and development of smart cities in India are further expected to positively influence India facility management market in the coming years. Furthermore, rising population across tier 1 cities and continuing growth in IT/ITeS and banking sectors would further steer India facility management market during the forecast period. The market is dominated by unorganized players.

"The swiftly growing services sector is creating huge potential for FM services, which is anticipated to grow at a CAGR of around 17 per cent during 2015-2020 and reach to approximately \$19.4 billion by 2020," the report by Global Infrastructure Facilities and Project Managers Association (GIFPMA) said. The report pointed out that various factors such as boom in real estate, increasing awareness levels, growth in retail and hospitality sectors are the major drivers of this sector.

"In light of the immense growth potential that the sector promises, many players, including foreign players, have dotted the Indian market... India's service sector is the fastest growing part of its economy," the study said.

As per the report, the overall services sector held 33.3 per cent of GDP (at current prices) in 1950-51 and it grew to 64.8 per cent in 2012-13. Commenting on the findings, GIFPMA President Amit Raul said: "Companies are increasingly concerned about the skills of the manpower provided by them with changing needs of the customer... It was also found that the qualification and the minimum salary of the manpower vary with the type of service to be offered."

Indian Services Sector

The Government has taken many initiatives in the different Services which include digitization, e-visas, infrastructure status to Logistics, Start-up India, Schemes for the housing sector, etc. which could give a further fillip to the Services Sector.

Operating Results of the Company

The financial statements have been prepared in compliance with the requirements of the Companies Act 2013 and Accounting Standards (AS) notified by the companies (Accounting Standards) Rules, 2006. The salient features of the company performance are:-

- Total Sales of Rs. 20,22,15,965/-
- Net profit of Rs. 29,39,694/-
- Earnings per share for the year of Rs.0.63 of Rs. 10/share which was Rs. 2.57 (Diluted) previous year.

With a net worth of Rs. 9,52,44,545/- as on March 31, 2020, Kaarya Facilities And Services Limited.

Internal Control System

Your company maintains an internal control system in different areas like purchases, billing for the jobs etc. Moreover there are internal auditors who make consistent monitoring to have proper and sufficient care for maintenance of adequate accounting records required for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

Threats and Opportunities

INDUSTRY CHALLENGES Lack of availability of technical and non-technical manpower is one of the biggest challenges the industry is facing currently. The lack of qualified staff has increased the lead times in mobilizing resources/staff after a project has been successfully contracted. Increase in inflation and labour cost have forced many customers to replace long-term contracts with medium-term ones. Many customers find it easier to maintain medium- and short-term contracts rather than long-term ones as the latter will lead to price rise.

The next big factor posing as a deterrent is competition. Since the market is riddled with low cost unorganized service providers, pricing and margins come under pressure as these unorganized players provide services at low rates, essentially scuttling the competition from large organized players. However, many international property management companies have entered into this market and achieved phenomenal growth rates over the last five years. As the construction sector is witnessing an increase in investments across vertical markets, this sector is expected to witness more competition from new entrants, majorly from the US and UK, in the future. Joint ventures (JV) are being viewed as a disincentive factor, due to high entry barriers. JVs would make it easier for the market players to provide easy access to the customer network, increase manpower strength, widen their service portfolio, and expand their geographic footprints to increase brand visibility. Very few new or existing FM companies are looking at entering or expanding into this market by partnering or acquiring a local company.

GROWTH OPPORTUNITIES The outlook of FM services in India is shaping up to be highly optimistic mainly due to the growing maturity of end users and the need for improved safety, comfort and professional maintenance of assets. Presence of Global and Indian MNCs across various end-user sectors is mainly driving the market for FM services in India as they are the potential customers due to their increased awareness levels, exposure to facilities and willingness to invest. The IT sectors are more concerned about personalized and specialized services utilizing both hard and soft services due to the recent boom and increase in investments in the Indian

IT/ITeS/BPO and finance/banking sectors. Increase in investments from emerging sectors such as health-care, retail and infrastructure sector are expected to further push this market to a higher growth curve in the life cycle.

Disclosure by the Management

Your board has not received any disclosure by the management relating to any material, financial and commercial transactions where any of the managerial staff has personal interest that may have a potential conflict with the interest of the company at large.

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. This MD&A provides analysis of the operating performance of the company's two business segments, as well as a discussion of cash flows, the impact of risks and outlook for the business, Additional information about the company. This discussion and analysis is the responsibility of management. The Board of Directors carries out its responsibilities for review of this disclosure principally through its Audit Committee, comprised exclusively of independent directors. The Audit Committee has reviewed and approved this disclosure and it has also been approved by the Board of directors.

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, 2020

We, 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 31.03.2020 (“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; (Not applicable during the year under review)
- (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;**
- (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
	NA		NA	NA

(b) On the basis of information provided to us, the listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from 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
1	N.A.	N.A	N.A	N.A

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

Sr. no:	Observation/re mark by Practicing Company Secretaries	Observations made in the secretarial compliance report for the year end (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
	NA	NA	NA	

**For SARK & Associates
Practicing Company Secretaries**

**Sd/-
Sumit Khanna
Partner**

**Membership No.: 22135
C P No.: 9304
Place: Mumbai Date: 31.07.2020**

UDIN - A022135B000541379

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, 2020, 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, 2020, its profit (or Loss) and cash flows on that date.

Particulars	Amount
Provident Fund	1,918,026
Profession Tax	150,335
Goods and Service Tax	5,629,382

Basis for 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.
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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: 29th July 2020
Place: Mumbai
UDIN: 20127246AAAAEX4373

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 2019-20 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 and other material statutory dues have been

regularly deposited during the year by the Company with the appropriate authorities. 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 2020** 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.73, 063/- as on 31st March 2020.*

- (b) According to the information and explanation given to us, there are no material dues of income tax or any other statutory dues 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

Aniket Kulkarni
Proprietor
Membership No: - 127246
Firm Registration No: 130521W
Place: Mumbai
Date: 29th July 2020
UDIN: 20127246AAAAEX4373

“Annexure-A” to the Independent Auditors’ Report

Report on the Internal Financial Control s 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 Aniket Kulkarni & Associates
Chartered Accountants
Firm Registration No. 130521W

Aniket Kulkarni
Proprietor
Membership No: - 127246
Place: Mumbai
Date: 29th July 2020
UDIN: 20127246AAAAEX4373

KAARYA FACILITIES AND SERVICES LIMITED						
AUDITED BALANCE SHEET AS AT 31-MARCH-2020						
Sr No	PARTICULARS	Note No.	31-Mar-20		31-Mar-19	
			Rs.	Rs.	Rs.	Rs.
I.	<u>EQUITY AND LIABILITIES</u>					
1.	Shareholders' funds					
	(a) Share Capital	1	46,751,290		46,751,290	
	(b) Reserves and Surplus	2	63,501,153		60,561,459	
	(c) Money received against share warrants		-			
				110,252,443		107,312,749
2.	Share application money pending allotment			-		-
	(To the extent not refundable)					
3.	Non- current liabilities					
	(a) Long-term borrowings	3	2,819,414		2,256,349	
	(b) Deferred Tax liabilities (Net)	4	-		-	
	(c) Other Long term liabilities		-		-	
	(d) Long-term Provisions		-		-	
				2,819,414		2,256,349
4.	Current Liabilities					
	(a) Short term borrowings	5	43,583,787		24,946,696	
	(b) Trade payables	6	7,829,164		7,555,154	
	(c) Other current liabilities	7	14,260,316		10,571,607	
	(d) Short term provisions	8	1,316,798		5,090,319	
				66,990,064		48,163,776
				180,061,921		157,732,874
	TOTAL					
II	<u>ASSETS</u>					
1.	Non-current assets					
	(a) Fixed assets	9				

	(i) Tangible assets		49,123,672		28,084,391	
	(ii) Intangible assets		-		-	
	(iii) Capital work-in-progress		-		-	
	(iv) Intangible assets under development		-		-	
	(b) Non-current investments		-		-	
	(c) Deferred tax assets (net)	4	24,250		333,578	
	(d) Long-term loans and advances	10	523,000		388,000	
	(e) Other non-current assets	10 A	3,901,640		3,419,940	
				53,572,562		32,225,910
2.	Current assets					
	(a) Current investments	11	-		-	
	(b) Inventories		32,888,177		30,432,463	
	(c) Trade receivables	12	44,924,313		57,638,934	
	(d) Cash and Bank Balances, Cash Equivalent	13	7,350,668		9,667,152	
	(e) Short-term loans and advances	14	41,326,200		27,768,415	
	(f) Other current assets		-		-	
				126,489,359		125,506,964
	TOTAL			180,061,921		157,732,874
	Significant accounting policies and notes to accounts	21				

**For Aniket Kulkarni & Associates
Chartered Accountants**

**For Kaarya Facilities And Services
Limited**

**Aniket Kulkarni
Proprietor
Membership no - 127246
FRN No - 130521W
Date: 30-07-2020**

**Vishal Panchal
Chairman and Managing Director
Jitendra Adhyaru
CFO**

**Vineet
Pandey
Joint Managing Director**

KAARYA FACILITIES AND SERVICES LIMITED						
AUDITED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31-MARCH-2020						
Sr. No	PARTICULARS	No te No.	For the Year Ended 31-MARCH-2020		For the Year Ended 31-MARCH-2019	
			Rs.	Rs.	Rs.	Rs.
I	Revenue from operations: (Net Of Taxes)					
	Sale of Products		-		-	
	Sale of Services	15	202,215,965		177,968,340	
	Other Operating Revenues		-	202,215,965	-	177,968,340
II	Other Income	16		941,579		250,989
III	Total Revenue (I + II)			203,157,544		178,219,329
IV	Expenses					
	Cost Of Material Consumed	17	41,623,456		32,221,521	
	Employee Benefits Expenses	18	120,059,910		77,356,856	
	Finance Costs	19	4,891,959		3,274,126	
	Depreciation And Amortization Expenses	9	6,352,233		7,731,302	
	Other Expenses	20	26,037,699		41,041,883	
	Total Expenses			198,965,257		161,625,688
V	Profit before exceptional and extraordinary items and tax (III-IV)			4,192,287		16,593,641
VI	Exceptional Items			-		-
VII.	Profit before extraordinary items and tax (V-VI)			4,192,287		16,593,641
VIII	Extraordinary items			-		-
IX	Profit before tax (VII-VIII)			4,192,287		16,593,641
X	Tax expense:					
	(1) Current tax		943,265		4,733,234	

	(2) Deferred tax	309,328		(146,330)	
			1,252,593		4,586,904
XI	Profit for the period from continuing operations (IX - X)		2,939,694		12,006,737
XII	Profit/(Loss) for the period from discontinuing operations		-		
XIII	Income Tax For Prior Period		-		
XIV	Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-		-
XV	Profit/(Loss) for the period (XI + XIV)		2,939,694		12,006,737
XVI	Earnings per equity share:				
	(1) Basic		0.63		2.57
	(2) Diluted		0.63		2.57
	See accompanying notes to the financial statements	21			
For Aniket Kulkarni & Associates Chartered Accountants		For Kaarya Facilities And Services Limited			
Aniket Kulkarni Proprietor Membership no - 127246 FRN No - 130521W Date: 30-07-2020		Vishal Panchal Chairman and Managing Director		Vineet Pandey Joint Managing Director	
		Jitendra Adhyaru CFO			

KAARYA FACILITIES & SERVICES LIMITED			
Cash Flow Statement for the year ended 31st March 2020			
Sr no.	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Amount in Rs.	Amount in Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES		
	(Profit/Loss) before exceptional items, prior period items and tax:	4,192,287	16,593,641
	Adjustments for :		
	Depreciation and amortisation	6,352,233	7,731,302
	Interest received	(941,579)	(250,989)
	Interest Expense	4,891,959	3,274,126
		10,302,614	10,754,439
	Operating Profit before working capital changes	14,494,900	27,348,080
	Adjustments for:		
	(Increase)/Decrease in Loans and Advances	(135,000)	(54,000)
	(Increase)/Decrease in Short Term Loans and Advances	(13,557,785)	(8,586,255)
	(Increase)/Decrease in Trade receivables	12,714,621	(19,849,823)
	(Increase)/Decrease in Inventories	(2,455,714)	(3,608,301)
	(Increase)/Decrease in Other Non Current Assets	(481,700)	6,793,414
	(Increase)/Decrease in Investments	-	-
	Increase/(Decrease) in Trade payables	274,010	629,469
	Increase/(Decrease) in Other Liabilities and Provisions	(84,812)	4,688,240
		(3,726,381)	(19,987,255)
	Cash generated from Operations	10,768,520	7,360,825
	Less : Direct taxes paid	(943,265)	(4,733,234)
	Net cash from Operating Activities (A)	9,825,255	2,627,591
	Prior Period Adjustments (Other than Taxation)		-
	Net cash from Operating Activities (A)	9,825,255	2,627,591

B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(27,391,514)	(3,834,071)
	Proceeds from sale of fixed assets	-	-
	Decrease / (Increase) in Deposits	-	-
	Interest received	941,579	250,989
	Dividend received	-	-
	Net Cash used in Investing Activities (B)	(26,449,935)	(3,583,082)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Receipt/(repayment) of Borrowings (net)	19,200,155	8,760,548
	Interest Paid	(4,891,959)	(3,274,126)
	Proceeds from issue of Equity shares	-	-
	Net cash used Financing Activities (C)	14,308,196	5,486,421
	Net increase in cash and cash equivalents (A+B+C)	(2,316,484)	4,530,931
	Cash and cash equivalents at the beginning of the year	9,667,152	5,136,221
	Cash and cash equivalents at the end of the year	7,350,668	9,667,152

KAARYA FACILITIES AND SERVICES LIMITED				
NOTES TO THE ACCOUNT FOR THE YEAR ENDED 31-MARCH-2020				
Particulars	As at 31-MARCH-2020		As at 31-MARCH-2019	
	Rs.	Rs.	Rs.	Rs.
NOTE '1'				
SHARE CAPITAL				
-Authorised				
50,00,000 Equity Shares of Rs. 10/- each [Previous Year : 150000 Equity Shares of Rs.10/- each]		50,000,000		50,000,000
-Issued, Subscribed and Paid up				
46,75,129 Equity Shares of Rs.10/- each fully paid-up [Previous Year : 46,75,129 Equity Shares of Rs.10/- each]		46,751,290		46,751,290
TOTAL		46,751,290		46,751,290
- Reconciliation of Shares:	Nos	Amt(Rs)		
Opening Share Capital		46,751,290		46,751,290
Add: Shares issued During the Reporting Period		-		-
Add: Rights/Bonus Shares Issued		-		-
Total		46,751,290		46,751,290
Less: Buy back of Shares		-		-
Less Reduction in Capital		-		-
Closing Share Capital		46,751,290		46,751,290
-List of Share holders having 5% or more Shares (In Nos)				
Name Of Shareholders	In Nos	In %	In Nos	In %
Vineet Pandey	1,295,815	27.72	1,295,815	27.72
Vishal Panchal	1,295,815	27.72	1,295,815	27.72
Particulars	As at 31-MARCH-2020		As at 31-MARCH-2019	
	Rs.	Rs.	Rs.	Rs.
NOTE `2'				

RESERVES AND SURPLUS					
Share Premium					
Opening Balance		38,025,042		38,025,042	
Add : Received on Issue of Shres		-			
Less : Utilised for Bonus issue		-			
Less : Utilisation		-			
Closing Balance	(A)	38,025,042		38,025,042	
General Reserve					
As per Balance Sheet		22,536,417		10,468,214	
Add: Profit During the Year		2,939,694		12,006,737	
Add/(Less): Appropriations/ Adjustment				61,466	
Less: Bonus Issue		-			
Closing Balance	(B)	25,476,111		22,536,417	
TOTAL	(A+B)	63,501,153		60,561,459	
Particulars		As at 31-MARCH-2020		As at 31-MARCH-2019	
		Rs.	Rs.	Rs.	Rs.
NOTE '3'					
LONG TERM BORROWINGS					
-Secured					
Term Loans					
From Bank - Bank of Maharashtra		-		-	
-UnSecured					
From Kotak Mahindra Bank - Non Current Portion		1,219,414		2,256,349	
Debentures		1,600,000		-	
Loans and Advances from Others					
TOTAL		2,819,414		2,256,349	
Particulars		As at 31-MARCH-2020		As at 31-MARCH-2019	
		Rs.	Rs.	Rs.	Rs.
NOTE '4'					
DEFERRED TAX LIABILITY					
Deferred Tax Liabilities		-		-	

Deferred Tax Assets		24,250		333,578
TOTAL		24,250		333,578
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	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. 4.25 Cr.)		39,846,852		23,192,063
Term Loans From Bank of Maharashtra - Current Portion of Long Term Debt		-		880,983
- Unsecured				
Debentures		2,700,000		-
Term Loans From Kotak Mahindra Bank - Current Portion of Long Term Debt		1,036,935		873,651
TOTAL		43,583,787		24,946,696
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '6'				
TRADE PAYABLES				
Trade Payables Total outstanding dues of micro enterprises and small enterprises		506,894		443,799
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,322,270		7,111,355
TOTAL		7,829,164		7,555,154
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '7'				
OTHER CURRENT LIABILITIES				
Other Payables				
GST		9,961,594		7,485,617
TDS		293,354		1,082,509

Providend Fund		3,384,050		1,612,476
ESIC		325,017		63,302
Professional Tax		250,585		9,850
Salary Payable		45,716		317,853
TOTAL		14,260,316		10,571,607
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '8'				
SHORT TERM PROVISIONS				
Provision for Taxation		943,265		4,733,234
Provision for Expenses		148,533		112,085
Audit Fees Payable		225,000		245,000
TOTAL		1,316,798		5,090,319
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '10'				
LONG TERM LOANS AND ADVANCES				
Secured Considered Good:		-		-
Unsecured Considered Good:				
Deposits for Leasehold Premises		523,000		388,000
TOTAL		523,000		388,000
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '10A'				
Other Non current Asset				
Security Deposit with Clients / Tender Deposits		3,811,700		3,330,000
GST Refund Claim		89,940		89,940
TOTAL		3,901,640		3,419,940
Particulars	As at 31-MARCH-2020	As at 31-MARCH-2019		
	Rs.	Rs.	Rs.	Rs.
NOTE '11'				
CURRENT INVESTMENTS				

KAARYA FACILITIES AND SERVICES LIMITED
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Loan to Employee	1,084,822		1,331,585	
Imprest account	4,161,436		4,210,927	
Prepaid Expenses	266,402		390,587	
Kaarya Next Solutions Pvt Ltd	6,119,457		3,894,801	
Tax deducted at source under Income Tax Act	3,842,312		3,192,482	
Tax deducted at source under GST Act	22,541		40,351	
Securities and Exchange Board of India	-		582,000	
WIP for FM Contract	16,112,452		5,147,658	
Others	500,000		-	
		41,326,200		27,768,415
TOTAL		41,326,200		27,768,415
Particulars	As at 31-MARCH-2020		As at 31-MARCH-2019	
	Rs.	Rs.	Rs.	Rs.
NOTE '15'				
REVENUE FROM OPERATION				
Sale of Products				
Gross Sales	-		-	
Less: GST	-		-	
		-		-
Service				
<u>Gross Services</u>				
<i>Integrated Facilities Management Services</i>	208,755,623		182,858,897	
<i>Project Work Services</i>	41,321,671		26,469,179	
<i>Consulting Services</i>	-		696,200	
	250,077,294		210,024,276	
Less: Credit notes	(14,281,979)		(1,955,111)	
Less: GST	(33,579,350)	202,215,965	(30,100,825)	177,968,340

Particulars	As at 31-MARCH-2020		As at 31-MARCH-2019	
	Rs.	Rs.	Rs.	Rs.
NOTE '19'				
Interest Expense				
Interest on Debentures	501,000			
Interest on Term Loan	490,318		173,241	
Interest on Cash Credit	3,244,037	4,235,355	2,535,719	2,708,959
Other Financial Costs				
Bank Charges	656,604		565,167	
	-	656,604	-	565,167
TOTAL		4,891,959		3,274,126
Particulars	As at 31-MARCH-2020		As at 31-MARCH-2019	
	Rs.	Rs.	Rs.	Rs.
NOTE '20'				
OTHER EXPENSES				
Advertising expenses	18,100		20,664	
Remuneration to Auditor				
<i>Statutory Audit Fees</i>	220,000		220,000	
<i>Tax Audit Fees</i>	30,000		30,000	
<i>Other Matters</i>	-		-	
Business Pramotion Expenses	80,500		350,000	
Courier Charges	14,606		14,762	
Director's Remuneration	3,960,000		3,300,000	
Electricity Expenses	126,250		148,574	
Expense Billable to Client-Outsourced Contract	9,549,557		28,249,625	
Employees Background Verification Charges	73,925		81,317	
Hiring Charges-Air conditioner	38,700		36,000	
Insurance	455,976		326,018	
IT Expenses	59,433		40,699	
Listing Fees	25,000		33,475	
Office Expenses	772,623		701,094	

Printing & Stationery Expenses	123,630		103,064	
Professional Fees	3,403,885		1,453,588	
Registrar of company charges	28,000		4,618	
Rent, Rates & Taxes	3,396,536		3,654,181	
Rounding Off	-		551	
Sitting Fees	-		7,000	
Sundry Balance Write Off	944,324		257,464	
Telephone and Internet Expenses	16,997		166,861	
Tender fees	-		1,500	
Donation	25,000		-	
Recruitment Expenses	123,736		-	
Commission	1,675,000		-	
Travelling, Hotels stay and Related Expenses	875,920		1,840,828	
		26,037,699		41,041,883
TOTAL		26,037,699		41,041,883
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
Calculation of Depreciation as per Company's Act for Financial Year 2019-2020
NOTE '9' FIXED ASSETS

Sr. No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 4/1/2019	Addition during the year	Adj. during the year	Total cost as at 3/31/2020	Depreciation as at 4/1/2019	Addition during the year	Depreciation Adj.	Total Dep. As at 3/31/2020	as at 3/31/2020	as at 3/31/2019
	Tangible Assets:										
1	PLANT AND MACHINERY	27,755,549	16,673,333	-	44,428,882	15,362,278	1,293,295	-	16,655,573	27,773,308	12,393,270
2	COMPUTER & PERIPHERALS	875,380	2,836,170	-	3,711,550	729,175	97,520	-	826,696	2,884,831	146,181
3	FURNITURE AND FIXTURES	4,686,557	2,974,082	-	7,660,639	1,538,202	810,995	-	2,349,198	5,311,440	3,148,354
4	OFFICE EQUIPMENT	292,312	38,557,721	-	38,850,033	266,114	10,880,373	-	11,146,487	27,703,546	26,198
5	Intangible Assets:										
	SOFTWARES	19,212,849	-	-	19,212,849	6,842,461	4,143,360	-	10,985,821	8,227,028	12,370,388
	TOTAL RS.	52,822,646	27,391,514	-	80,214,160	24,738,231	6,352,233.36	-	31,090,464	49,123,672	28,084,391

Note : Depreciation is calculated as per WDV Method