

# **KONARK BUILDERS AND DEVELOPERS LIMITED**

## **NOTICE OF 38<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty Eight (38<sup>th</sup>) Annual General Meeting of KONARK BUILDERS & DEVELOPERS LTD will be held on Saturday, September 30, 2023 at 11:00 A.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

### **ORDINARY BUSINESS:**

1. **To receive, consider, approve and adopt the Audited Financial Statements, for the financial year ended as on March 31, 2023 together with the Reports of the Directors and the Statutory Auditor, thereon.**
2. **To appoint a director in place of Mr. Hiteshkumar G. Pedhadiya (DIN :- 09730310), who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.**

### **SPECIAL BUSINESS :**

3. **To Re-appoint Mr. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) as an Independent Director of the Company for 5 years.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013('the Act') and the Companies ( Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mr. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329), who was appointed as an Independent Director of the Company for a term up to 38th AGM, being eligible for being reappointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 signifying intention to propose DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329), as a candidate for the office of Director, be and is hereby reappointed as an Independent Director of the Company, to hold office with effect from 38th AGM till AGM held in 2028, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein, to any committee of Directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be necessary in this regard.”

Place: Ahmedabad  
Date: 8<sup>th</sup> September, 2023

### **Registered Office:**

505, Abhishree Adroit,  
Nyay Marg, Nr. Mansi Circle,  
Vastrapur, Ahmedabad – 380015,  
Gujarat, India.

For and on behalf of the Board

Sd/-

Hiteshkumar pedadiya  
Managing Director  
DIN: 09719512

## NOTES

1. The Ministry of Corporate Affairs (“MCA”) has vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and all other relevant Circulars issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”) and Circular Nos. SEBI/HO/CFD/ CMD1/CIR/ P/2020/79, SEBI/HO/CFD/CMD2/ CIR/P/2021/11, SEBI/HODDHS/P/CIR/2022/0063 and SEBI/HO/CFD/PoD- 2/P/CIR/2023/4 dated May 12, 2020, January 15, 2021, May 13, 2022, and January 05, 2023 respectively issued by the Securities and Exchange Board of India (collectively referred to as ‘SEBI Circulars’), holding of the Annual General Meeting (‘AGM’) through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 (‘the Act’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the Listing Regulations’), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM..
2. 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 ensuing AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. 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 for 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 the Circulars issued by the Ministry of Corporate Affairs 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 Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.konarkdevelopers.in](http://www.konarkdevelopers.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. CSE Limited at [www.cseindia.com](http://www.cseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. 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 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and 02/2022 dated May 05, 2022.
8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
9. Members are requested to quote Folio number in all their correspondences
10. Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re- appointment is annexed hereto.
11. SEBI As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent i.e. Skyline Financial Services Private Limited for assistance in this regard.

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

The remote e-voting period begins on Wednesday 27<sup>th</sup> September, 2023 at 10:00 A.M. and ends on Friday 29<sup>th</sup> September, 2023 at 05:0 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Depositories as on Saturday 23<sup>rd</sup> September, 2023 (cut-off date) shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

### **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?**

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.

Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member/ Creditor' section.

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 under IDEAS section as Beneficial Owner. 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.

**1. Your User ID details are given below:**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 demat account with CDSL.	16 Digit Beneficiary ID 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***

**2. 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 clientID 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

**3. 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](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

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

4. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
5. Now, you will have to click on “Login” button.
6. 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 [cssuchaknikhil@gmail.com](mailto:cssuchaknikhil@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to (Pratik Bhatt) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pratikb@nsdl.co.in](mailto:pratikb@nsdl.co.in) Contact No. 02224994738
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

5. The Company has notified closure of Register of Members and Share Transfer Books from 23<sup>rd</sup> September, 2023 to 30<sup>th</sup> September, 2023 (both days inclusive).
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / SKYLINE FINANCIAL SERVICES PRIVATE LIMITED. (RTA)
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form can submit their PAN to the Company / SKYLINE FINANCIAL SERVICES PRIVATE LIMITED. (RTA)
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to SKYLINE FINANCIAL SERVICES PRIVATE LIMITED (RTA) for consolidation into a single folio.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address on the website of the Registrar and Share Transfer Agent of the Company i.e. SKYLINE FINANCIAL SERVICES PRIVATE LIMITED (RTA) for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically .
10. M/S NIKHILSUCHAK AND ASSOCIATES, Practicing Company Secretary Membership No.: ACS 40614; CP No: 18938) (Address: M1 Floor, Abhishek Complex, Sector -11, Gandhinagar -382011, Gujarat, India) has been appointed as the Scrutinizer for overseeing the voting through Remote-E-voting in a fair and transparent manner.
11. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. Saturday, September, 30<sup>th</sup> 2023.
12. Members of the Company had approved the Appointment of M/s. Talati & Talati, Chartered Accountants as the Statutory Auditor of the Company which is valid till 33<sup>rd</sup> AGM And appoint in agm of 2027-28 of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by Ministry of Corporate Affairs, the Appointment of Statutory Auditors is not required to be ratified at every AGM.

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:

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 [kbd184@gmail.com](mailto:kbd184@gmail.com) .

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 [kbd184@gmail.com](mailto:kbd184@gmail.com) .

#### 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.

Place: Ahmedabad  
Date: 8<sup>th</sup> September, 2023

For and on behalf of the Board

Sd/-  
Hiteshkumar pedadiya  
Managing Director  
DIN: 09719512

**Registered Office:**  
505, Abhishree Adroit,  
Nyay Marg, Nr. Mansi Circle,  
Vastrapur, Ahmedabad – 380015,  
Gujarat, India.

**Details of Directors retiring by rotation/seeking re-appointment at the AGM**  
**[Pursuant to Regulations 26(4) and 36(3) of SEBI Listing Regulations and Secretarial Standard (SS-2) on General Meetings]**

Hiteshkumar Pedhadiya-Managing Director

Age	33 years
Qualifications	Post Graduate in M.A.
Experience (including expertise in specific functional area)/Brief Resume	In the field of Real Estate and allied activities of construction
Terms and conditions of appointment	As mutually decided by the Board
Remuneration last drawn (including Sitting Fees, if any)	nil
Remuneration proposed to be paid	As Board may decide from time to time
Date of first appointment on the Board	8th September, 2022
Shareholding in the Company as on 31 <sup>st</sup> March, 2023	Nil
Relationship with other Directors/Key Managerial Personnel	Nil
Number of meetings of the Board attended during the financial year (2022-23)	2
Directorships of other Boards as on 31 <sup>st</sup> March, 2023	Nil
Membership/Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2023	Nil

Mr. Dineshbhai Bavaliya (DIN: 08162329) - Independent Director

Age	33 years
Qualifications	Bachelor's Degree in commerce
Experience (including expertise in specific functional area)/Brief Resume	Vast experience in education industry and management of educational institutes and also in real estate
Terms and conditions of appointment	As mutually decided by the Board
Remuneration last drawn (including Sitting Fees, if any)	As mutually decided by the Board
Remuneration proposed to be paid	As Board may decide from time to time
Date of first appointment on the Board	30th June, 2018
Shareholding in the Company as on 31 <sup>st</sup> March, 2023	Nil
Relationship with other Directors/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel
Number of meetings of the Board attended during the financial year (2022-23)	6
Directorships of other Boards as on 31 <sup>st</sup> March, 2023	Nil
Membership/Chairmanship of Committees of other Boards as on 31 <sup>st</sup> March, 2023	3

Place: Ahmedabad  
Date: 8<sup>th</sup> September, 2023

**Registered Office:**  
505, Abhishree Adroit,  
Nyay Marg, Nr. Mansi Circle,  
Vastrapur, Ahmedabad – 380015,  
Gujarat, India.

For and on behalf of the Board

Sd/-  
Hiteshkumar pedadiya  
Managing Director  
DIN: 09719512

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

The following statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

#### **Reappointment of MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) as an Independent Director of the company for a second term of five years.**

MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) was appointed as an Independent Director of the company in the financial year 2018-19 for the period starting from 33<sup>rd</sup> AGM to 38<sup>th</sup> AGM. As per the provisions of Section 149 of the Companies Act, 2013 and the Rules made thereunder, an

Independent Director can be reappointed for a second term of maximum 5 (five) years by obtaining approval of the shareholders by a way of special resolution and on disclosure of such reappointment in the Board's Report. Schedule IV of the Companies Act, 2013 provides for performance evaluation by the Board before extending the term of Independent Director. MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) has given declaration to the Board that he meets the criteria of 4 Captcha Enter the verification code i.e., please enter the alphabets and numbers in the exact way as they as they are displayed for security reasons. independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations and intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules 2014, to the effect that he is not disqualified under Sub-section(2) of Section 164 of the Companies Act 2013. In the opinion of the Board, MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) the conditions provided in the Act and the Rules made thereunder for reappointment as Independent Director and is independent of the management. Brief background of MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) is exhibited in this document separately. The Board of Directors and Nomination & Remuneration Committee are of the opinion that considering the vast experience, knowledge and the possession of relevant expertise by MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) his continued association would be of immense benefit to the Board and recommend the Resolution for your approval. None of the Directors/Key Managerial Personnel or their relatives except MR. DINESHBHAI AMBARAMBHAI BAVALIYA (DIN: 08162329) is concerned or interested financially or otherwise is in the said Resolution.

## **DIRECTORS' REPORT**

To,  
The Members,  
**Konark Builders & Developers Limited**

Your Directors have pleasure in presenting their 38<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31<sup>st</sup>, 2023.

### **1. PERFORMANCE OF THE COMPANY (Standalone):**

The Board's Report is to prepared based on the stand alone financial statements of the Company.

(In lakh)

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2023</b>	<b>Year ended 31<sup>st</sup> March, 2022</b>
Revenue from operations	37.83	10.82
Add: Other Income	2.40	4015
<b>Total Revenue</b>	<b>40.23</b>	<b>14.97</b>
Less: Expenses	49.91	13.80
<b>Profit/(Loss) Before Tax, Interest &amp; Depreciation</b>	<b>-9.68</b>	<b>1.17</b>
Less: Finance Cost	0.00	0.00
Less: Depreciation	0.11	0.10
<b>Profit/(Loss) Before Tax</b>	<b>-9.79</b>	<b>1.07</b>
Tax		
Expense	1	0.97
Current	0.00	0.00
Deferred		
<b>Profit/(Loss) After Tax</b>	<b>-10.79</b>	<b>0.31</b>
<b>Earnings Per Share</b>		
Basic	-0.35	0.01
Diluted	-0.35	0.01

### **2. DIVIDEND:**

With a view to enlarge the business operations by way of reinvesting the profit of the Company in the business activities of the Company, the directors did not recommend any Dividend for the Year 2022-23.

### **3. SHARE CAPITAL:**

There is no change in Share Capital of the company.

### **4. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year 2022-23 the following changes has been taken place in the composition Board of Directors and the Key Managerial Personnel of the Company:

Name	DIN/PAN	Appointment/Resignation/Change in Designation	Effective Date	Designation
Mr.Hiteshkumar Pedhadiya	09730310	Appointment	08/09/2022	Managing Director
Ms. Hiral Patel	09719512	Appointment	08/09/2022	Independent (Woman) Director
Mr. Jay Patel	08022488	Appointment	19/05/2022	Managing Director
Mr. Jay Patel	08022488	Resignation	14/07/2022	Managing Director
Mr. Dipen Limbani	08271635	Resignation	19/05/2022	Managing Director
Mrs. Nitaben Panchal	07775934	Resignation	08/09/2022	Independent (Woman) Director

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**5. NUMBER OF THE MEETING OF BOARD OF DIRECTORS:**

During the period under review, 6 Board Meetings were held on 19<sup>th</sup> May, 2022, 14<sup>th</sup> July, 2022, 13<sup>th</sup> August, 2022, 8<sup>th</sup> September, 2022, 14<sup>th</sup> November, 2022, 13<sup>th</sup> February, 2023.

**6. COMMITTEES OF THE BOARD OF THE COMPANY:**

The Company has several committees which have been established as a part of best corporate governance practices and are in compliances with the requirements of the relevant provisions of applicable laws and statutes.

The Board has constituted following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

**7. EXTRACT OF ANNUAL RETURN:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2023 is available on the website of the Company at <https://konarkdevelopers.in>

**8. STATUTORY AUDITORS & AUDIT REPORT:**

M/s. Shah Thacker & Co., Chartered Accountants (FRN: 129967W) are the Statutory Auditors of the Company who were appointed at the 37<sup>th</sup> Annual General Meeting held on 8<sup>th</sup> September, 2022 to hold office until the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2027. In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditor is not required to be ratified at every Annual General Meeting. There are no qualifications, reservations or adverse remarks made by M/s Shah Thacker & Co., Chartered Accountants (FRN: 129967W), the Statutory Auditors of the Company, in their report.

The report of the Statutory Auditor forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments.

**9. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

Your Company has implemented adequate procedures and internal controls which provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements. The Company also ensures that internal controls are operating effectively.

**10. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Director appointed M/s. Nikhil Suchak & Associates (ACS: A-40614), a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for year ended March 31<sup>st</sup>, 2023. The Report of the Secretarial Audit is annexed herewith as Annexure-I.

The Secretarial Audit Report does not contain any qualification, reservations, adverse remarks and disclaimer.

**11. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

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 into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

**12. DEPOSITS:**

The Company has not raised any deposits during the period under review under Section 73 of the Companies Act, 2013.

**13. CORPORATE GOVERNANCE:**

As per the Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance is not application to the Company.

**14. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has not earned any Foreign Exchange by the way of Export Sales during the Financial Year 2022-23.

**15. VIGIL MECHANISM:**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company. Investors may visit link <http://www.konarkdevelopers.in/investors.html> for policies of the Company.

**16. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

<b>A. Conservation of energy:</b>	
The steps taken or impact on conservation of energy	<b>The activities carried out by the company are not power intensive and the cost of the energy is insignificant.</b>
the steps taken by the company for utilizing alternate sources of energy	
The capital investment on energy conservation equipments	
<b>B. Technology absorption:</b>	
i. The efforts made towards technology absorption	<b>The company has not imported any technology during the year.</b>
ii. The benifits derived like product improvement, cost reduction, product development or import substitution	
iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
iv. The expenditure incurred on Research and Development	
<b>C. Technology absorption:</b>	
The Foreign Exchange earned in terms of	<b>During the year under review, there were</b>
actual inflows during the year and	<b>no foreign exchange earnings and outflows</b>
The foreign Exchange outgo during the year in terms of actual outflows	

**17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year there was no contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

**18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

**19. PARTICULARS OF EMPLOYEES REMUNERATION:**

No Employee of the Company draws remuneration in excess of limit prescribed under Section 197 read with Rule, 5 of The Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014.



**20. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The company does not fall under the purview of the Section 135 of the Companies Act, 2013 which requires formulating a Corporate Social Responsibility Committee and adopting any activities as specified in Schedule VII.

**21. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 every company having women employees engaged in the company during the financial year is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace received from any woman employee. There is one woman employee working in the Organization. The motive of the company is to provide the protection against the Sexual Harassment of woman employee at the workplace, therefore the company has setup the Internal complaints committee and the said committee has framed policy for prevention of sexual harassment at workplace in accordance with the section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. However, during the year no complaints were received by the Internal Complaints committee for sexual harassment from any of the women employees of the company.

**22. CHANGE IN NATURE OF BUSINESS:**

There has been no change in the nature of business of the company during the year under review.

**23. MANAGEMENT DISCUSSION AND ANALYSIS:**

As per corporate governance norms, a separate section on Management Discussion and Analysis outlining the business of the Company is set out in Annexure III forming part of this Report.

**24. SIGNIFICANT OR MATERIAL PROCEEDINGS AGAINST THE COMPANY:**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

**25. SIGNIFICANT OR MATERIAL EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:**

No significant or material events were occurred during the period after the close of the financial year 2022-23 and the date of approval of this report affecting the operations of the Company.

**26. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement under Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 (Act), Directors, confirm that:

- a) In the preparation of the annual accounts for the year ended on 31<sup>st</sup> March, 2023, the applicable accounting standards read with requirement set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- 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<sup>st</sup>, 2023 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 had prepared the annual accounts on a going concern basis;
- e) The Directors, had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**27. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their gratitude and sincere appreciation for the assistance and cooperation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors would like to express a profound sense of appreciation for the commitment shown by the employees in supporting the Company in its continued robust performance on all fronts.

**Place: Ahmedabad**  
**Date: 8<sup>th</sup> September, 2023**

**For and on behalf of the Board of Directors**

**Sd/-**  
**Hiteshkumar pedadiya**  
**Managing Director**  
**DIN: 09719512**

**Annexure-I**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the financial year ended 31<sup>st</sup> March, 2023

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

To,  
The Members,  
Konark Builders & Developers Limited  
Ahmedabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Konark Builders & Developers Limited (CIN: L51109GJ1984PLC094498)** (hereinafter called as “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** (‘audit period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder and the applicable provisions of the Companies Act, 2013;
- ii) The Securities Contracts (Regulation) Act, 1956 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; (*not applicable to the company during the audit period*)**
- 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (***not applicable to the company during the audit period***)
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,

2014; (not applicable to the company during the audit period)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(not applicable to the company during the audit period)*
- f) 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and *(not applicable to the company during the audit period)*
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(not applicable to the company during the audit period)

- vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;
  - a) Local taxes as applicable in the State of Gujarat.

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

- i. Secretarial Standards of The Institute of Company Secretaries of India;
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and subject to the following observations:

- a) One of Independent director has not passed Independent Director exam.

**I further report that: -**

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

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

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

I further report that during the audit period there were no specific events/action having a major bearing on the Company's affairs:

**I 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.

However there were no instances of:

- (i) Redemption/buy-back of securities.
- (j) Merger/amalgamation etc. except the scheme of capital reconstruction as detailed herein above.
- (k) Foreign technical collaborations.

Note: This report is to be read with our letter of even date which is annexed as Annexure -1 herewith and forms an integral part of this report.

**Date: 08<sup>th</sup> September, 2023**

**Place: Gandhinagar**

**For Nikhil Suchak & Associates  
Practicing Company Secretaries**

**Sd/-  
CS Nikhil Suchak  
Proprietor  
ACS No.: A40614  
COP No.: 18938**

**UDIN : A040614E000973691**

## **Annexure**

**To,  
The Members,  
Konark Builders & Developers Limited  
Ahmedabad**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations 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. My 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.

**Date: 8<sup>th</sup> September, 2023  
Place: Gandhinagar**

**For Nikhil Suchak & Associates  
Practicing Company Secretaries**

**Sd/-  
CS Nikhil Suchak  
Proprietor  
ACS No.: A40614  
COP No.: 18938**

**UDIN : A040614E000973691**

## **Annexure II**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **(i) Industry structure and developments:**

The Company is dealing in building materials and same is substantially depends on the infrastructure development in the country. Past Year Shows substantially development and growth of infrastructure i.e. buildings, roads etc.

#### **(ii) Opportunities and Threats**

The Impact of support from the Central and State Government in the construction sector along with the private investment in the sector has provided the boost to the construction Activity during the year and it is set to grow in Expected line. Outlook for the Year 2016 is Positive. The company expect the pressure on Quality Customer to continue due to competition.

#### **(iii) Segment Wise- Product wise performance**

The business of the company falls under a single segment i.e. For the purpose of accounting standard.

#### **(iv) Outlook**

The Continual growth in the Construction sector expected to give necessary support to the industry. The company is making all effort to accelerate the growth of its business. It is expected to improve its position in the market by focusing in the technologically advanced and working aggressively in the area of efficiency and cost reduction.

#### **(v) Risk and Concerns:**

The Company is exposed due to disparity resulting into pressure on margins and day to day changing norms of Government. However, the management is aware of the said problems and therefore is in process of designing the system to address the same.

#### **(vi) Internal Control systems and its adequacy**

The company has internal control systems, the adequacy of which has been reported by its auditors in their report as required under the Companies (Auditor's Report) Order, 2015.

#### **(vii) Discussion on financial performance of the Company with respect to operational performance.**

For the year ended 31st March, 2023, your Company has reported total revenue and net loss after taxation of Rs. 37.83/- lacs and Rs. 10.79/- lacs respectively as compared to last year's total revenue and net profit of Rs. 10.82/- lacs and Rs. 0.31/- lacs respectively.

#### **(vii) Material developments in Human resources / industrial Relations front, including number of people employed**

The management is continuously trying to see the ways to overcome the crisis and in future to generate employment opportunities for people.

#### **(Viii) Cautionary Statement**

This report contains forward- looking statements based on the perceptions of the Company and the data and information available with the company. The company does not and cannot guarantee the accuracy of various assumptions underlying such statements and they reflect Company's current views of the future events and are subject to risks and uncertainties. Many factors like change in general economic conditions, amongst others, could cause actual results to be materially different. The Company does not assume any obligation for such variations.

**Place: Ahmedabad**

**Date: 8<sup>th</sup> September, 2023**

**For and on behalf of the Board**

**Sd/-  
Hiteshkumar Pedadiya  
Managing Director  
DIN:09719512**

### **ANNEXURE – III”**

The ratio of the remuneration of each director to the median employee’s remuneration and other details in terms of Sub Section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD/WTD	N/A
		Other Director	N/A
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD/WTD	N/A
		Other Director	N/A
III.	The percentage increase in the median remuneration of employees in the financial year	N/A	
IV.	The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2023	8	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

**Place: Ahmedabad**  
**Date: 8<sup>th</sup> September, 2023**

**For and on behalf of the Board**

**Sd/-**  
**Hiteshkumar Pedadiya**  
**Managing Director**  
**DIN:09719512**



## **ANNEXUR-IV**

### **NOMINATION AND REMUNERATION POLICY**

#### **1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### **2. DEFINITIONS**

- (a) Key Managerial Personnel:

Key Managerial Personnel means—

- i. Chief Executive Officer or the Managing Director or the Manager;
- ii. Company Secretary;
- iii. Whole-Time Director;
- iv. Chief Financial Officer; and
- v. such other officer as may be prescribed

- (b) Senior Management:

Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

#### **3. ROLE OF COMMITTEE**

The role of the Committee inter-alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) To recommend to the Board the appointment and removal of Senior Management.
- c) To carry out evaluation of Director's performance and recommend to the Board appointment / removal base on his / her performance.
- d) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of

remuneration to performance is clear and meets appropriate performance benchmarks.

- g) To devise a policy on Board diversity.
- h) To develop a succession plan for the Board and to regularly review the plan.

#### **4. MEMBERSHIP**

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **5. CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

#### **7. SECRETARY**

- a) The Company Secretary of the Company shall act as Secretary of the Committee.

#### **8. VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **9. NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non- Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation;

- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- k) Considering any other matters as may be requested by the Board.

## **10. REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) To consider any other matters as may be requested by the Board.
- d) Professional indemnity and liability insurance for Directors and senior management.

## **11. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the Subsequent Board and Committee meeting.

**Place: Ahmedabad**  
**Date: 8<sup>th</sup> September, 2023**

**For and on behalf of the Board**

Sd/-  
**Hiteshkumar Pedadiya**  
**Managing Director**  
**DIN:09719512**

## **CERTIFICATE BY CHIEF FINANCIAL OFFICER OF THE COMPANY**

**To**  
**Board of Directors,**

### **CERTIFICATE**

Mr. Dilipbhai Patel CFO of the Company hereby certifies that:

- (a) I have reviewed financial statements and the cash flow statement for The year ended 31<sup>st</sup> March, 2023 and that to the best of my Knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) 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.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that have evaluated the effectiveness of the internal control systems of the Company and he has disclosed this to the auditors and the Audit Committee.
- (d) I have indicated to the auditors and the Audit committee:
  - (i) Significant changes in internal control during the year.
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
  - (iii) Instances of significant fraud of which they 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.

For and on behalf of the Board of  
Directors

**Sd/-**  
**Dilipbhai Patel**

**Date: 08.09.2023**  
**Place : Ahmedabad**

**Chief Financial Officer**  
**PAN : APLPP7101B**

To  
The Shareholders,

**Sub: Declaration for Compliance of Code of Conduct**

I hereby declare that all the Board Members and senior Managerial Personnel have for the year ended 31<sup>st</sup> March, 2023, affirmed compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of Para D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

By Order of the Board  
For, **Konark Builders & Developers Limited**  
Sd/-  
**Hiteshkumar Pedhadiya**  
Chairman & Managing Director  
DIN: (09730310)

**Date: 08<sup>th</sup> septmber, 2023**  
**Place: Ahmedabad**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTOR**

**(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

**M/S. Konark Builders & Developers Limited**

505, Abhishree Adroit, Nyay Marg, Nr. Mansi Circle, Vastrapur,

NA Ahmedabad Ahmedabad GJ 380015 IN

We, M/S. NIKHIL SUCHAK & ASSOCIATES Practising Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Konark Builders & Developers Limited** office at 505, Abhishree Adroit, Nyay Marg, Nr. Mansi Circle, Vastrapur, NA Ahmedabad Ahmedabad GJ 380015 IN (herein after referred to as a 'the Company'), produced before 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 obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications(including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to 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 2023 have been debarred or disqualified from being appointed or continuing as Director of the companies by the securities and Exchange Board of India, Ministry Of Corporate Affairs or any such other Statutory Authority.

07244521	ASHISHKUMAR PRABHUDAS LIMBANI	21/03/2017	-
08162329	DINESHBHAI AMBARAMBHAI BAVALIYA	30/06/2018	-
09719512	HIRAL VINODBHAI PATEL	30/09/2022	-
09730310	HITESHKUMAR GATURBHAI PEDHADIYA	30/09/2022	-

Ensuring the eligibility of for the 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

**For, Nikhil Suchak & Associates  
Company Secretaries**

**Place:-Gandhinagar**

**Date:-8<sup>th</sup> September, 2023**

**Nikhil Suchak  
Proprietor ACS:-40614  
COP No. :- 18938**

**To the Members of  
Konark Builders & Developers Ltd**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the financial statements of Konark Builders & Developers Ltd (“the Company”), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 Act in the manner so required and 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 31st March, 2023, its profit/loss and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined there are no any key audit matters to be communicated in our report.

**Information other than the financial statements and auditors’ 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 Board’s Report including Annexures to Board’s Report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 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.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that;

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.

- a) 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.
- b) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- e) 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 B'.
  
- f) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
  
- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend have been declared or paid during the year by the company.

**FOR, SHAH THACKER AND CO**  
**Chartered Accountants**  
**FRN: 129967W**

**CA. Sudhirkumar Shah**  
**Partner**  
**M. No. 119008**  
**UDIN:**

Date: 30<sup>th</sup> May 2023

Place: Ahmedabad

## Annexure A

### **The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.**

We report that:

- (i) (a)
    - (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
    - (B) The company has maintained proper records showing full particulars of intangible assets;
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not have any immovable property. (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee),
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management, and in our opinion, the coverage and procedure of such verification by the management is appropriate; and there is no discrepancies of 10% or more in the aggregate for each class of inventory.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to other entities:

(A) the aggregate amount during the year with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is Rs. 59,09,000/- and balance outstanding at the balance sheet date is Rs. 4,65,080/-;

(B) the aggregate amount during the year with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates is Rs.17,70,000 /- and balance outstanding at the balance sheet date is Rs.17,84,063/-

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans and advance in the nature of loan given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no overdue amounts for more than 90 days in respect of the loans granted to the parties

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:

- Aggregate amount of loans or advances of above nature given during the year is Rs. 76,79,000/-.

- Percentage thereof to the total loans granted is 100 %

- Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is NIL.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non charging of interest on the loan.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;  
  
(b) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,  
  
(c) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.

(d) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.

(e) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) Based on our audit procedures and according to the information given by the management, moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company

(xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;

(xiv) (a) Based on information and explanations provided to us and our audit procedures, the company has not an internal audit system commensurate with the size and nature of its business;

(b) As the Company has not appointed any internal Auditor hence, We have not received or considered the internal audit reports of the Company during the period under audit.



- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

**FOR, SHAH THACKER AND CO**  
**Chartered Accountants**  
**FRN: 129967W**

**CA. Sudhirkumar Shah**  
**Partner**  
**M. No. 119008**  
**UDIN:**

Date: 30<sup>th</sup> May 2023  
Place: Ahmedabad

## **Annexure 'B'**

### **Report on Internal Financial Controls Over Financial Reporting**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Konark Builders & Developers Ltd ("the Company") as of March 31, 2023 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We 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, both 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 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 included obtaining an 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 judgement, including the assessment of the risks 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. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions 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 only in accordance with authorisations 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 the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not 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 operating effectively as on March 31, 2023, 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 the Institute of Chartered Accountants of India.

**FOR, SHAH THACKER AND CO**

**Chartered Accountants**

**FRN: 129967W**

**CA. Sudhirkumar Shah**

**Partner**

**M. No. 119008**

**UDIN:**

Date: 30<sup>th</sup> May 2023

Place: Ahmedabad

**KONARK BUILDERS AND DEVELOPERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**1. Corporate Information:**

**Company Overview**

Konark Builders and Developers Ltd.(hereinafter referred to as "the company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having a CIN : L65910GJ1994PTC021759. Equity shares are listed on Calcutta Stock Exchange (CSE). The financial statements comprise financial statements of the Company for the year ended March 31, 2023 were approved by the Board of Directors on 30-05-2023. The Company is engaged in trading of building materials, trading of agriculture products and books etc. The Company has its registered office at Ahmedabad in Gujarat.

**2. Basis of preparation, key accounting estimates and significant accounting policies**

**2.1 Basis of preparation**

The financial statements as at and for the year ended on March 31, 2023 have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.

**2.2 Functional and presentation currency**

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest Rupee

**2.3 Key accounting estimates**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.4 Taxes**

There are few transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

**Deferred tax**

Deferred tax assets and liabilities are classified as non-current assets and liabilities

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be

**KONARK BUILDERS AND DEVELOPERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**KONARK BUILDERS AND DEVELOPERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**3.00 - Property, Plant & Equipment (PPE)**

Property, plant and equipment (PPE) and capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Depreciation is calculated on a straight-line method on the basis of the useful life as specified in Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Estimated useful lives of the assets are as follows:

Asset class	Useful Life (Years)
Plant & Machinery	15 years
Office Equipment including Computer	3-5 years
Building	30-60 years
Furniture and fixtures	10 years
Vehicles	8 years

**3.1 Depreciation methods, estimated useful lives and residual value**

Property, plant and equipment as disclosed in note 3 are depreciated/amortised over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation/amortisation rates prospectively and hence the asset carrying values.

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

**3.2 Financial instruments**

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.



**KONARK BUILDERS AND DEVELOPERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**(A) Financial Assets**

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cashflows.

The financial assets are classified in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) Those to be measured at amortised cost.

**(B) Fair value measurements**

The Company measures financial instruments at fair value at each balance sheet date on a portfolio basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**3.3 Current and non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is classified as current if it satisfies any of the following criteria:

- a) It is expected to be realised or intended to sale or consumed in the Company's normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is expected to be realised within twelve months after the reporting period, or
- d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period,
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent. Current liabilities include current portion of noncurrent financial liabilities. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**KONARK BUILDERS AND DEVELOPERS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **4.00 Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### **4.1 Sale of products**

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

#### **4.2 Interest Income**

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

### **5. Inventories**

Stores and spares and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**6. Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**7. Financial Liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

*Loans and Borrowings*

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**8. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

**9. Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

**10. Earnings per share**

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**11. Segment Reporting**

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

# Konark Builders & Developers Limited

Balance Sheet as at March 31, 2023  
(CIN: L51109GJ1984PLC094498)

(INR in Lakhs)

	Particulars	Note	As at 31 March, 2023	As at 31 March, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	3	0.80	0.73
	(b) Financial Assets			
	(i) Investments	4	160.29	269.06
	(ii) Loans	5	64.83	39.94
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	6	0.84	0.20
	(b) Financial Assets			
	(i) Trade receivables	7	22.85	43.07
	(ii) Cash and cash equivalents	8	75.89	2.63
	(c) Other current assets	9	1.37	2.25
	<b>Total Assets</b>		<b>326.86</b>	<b>357.88</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Share Capital	10	309.25	309.25
	(b) Other Equity	11	16.74	27.49
	<b>Total Equity</b>		<b>325.99</b>	<b>336.74</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	Borrowings	12	0	20.00
	(b) Deferred tax liability (Net)		0.04	0.04
	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	Trade Payables	13	0.23	0.39
	(b) Other Current Liabilities			
	Short-Term Provisions	14	0.60	0.72
	<b>Total Liabilities</b>		<b>0.87</b>	<b>21.15</b>
	<b>Total Equity and Liabilities</b>		<b>326.85</b>	<b>357.88</b>
	<b>See accompanying notes forming an integral part of financial statements</b>	1 to 26		

In terms of our report attached  
For M/S SHAH THACKER & CO  
Chartered Accountants

For & on behalf of the Board of Directors of  
Konark Builders & Developers Limited  
(CIN: L51109GJ1984PLC094498)

**Sudhirkumar Shah**  
Partner  
M. No. 119008  
FRN 129967W

UDIN :- 23119008BGWZJ6785

**Hiteshkumar Pedhadiya**  
Managing Director  
(DIN: 09730310)

**Ashish Limbani**  
Managing Director  
(DIN: 07244521)

**Garvi Shah**  
Secretary

**Dilipbhai Patel**  
Chief Financial Officer

Place : Ahmedabad  
Date : 30-May-23

Place : Ahmedabad  
Date : 30-May-23

**Konark Builders & Developers Limited**  
**Profit & Loss Account for the year ended on March 31, 2023**  
**(CIN: L51109GJ1984PLC094498)**

(INR in Lakhs)

Particulars	Note	For the year Ended 31 March, 2023	For the year Ended 31 March, 2022
1. Revenue from Operations (gross)	15	37.83	10.82
2. Other income	16	2.40	4.15
<b>3. Total revenue (1+2)</b>		<b>40.23</b>	<b>14.97</b>
<b>4. Expenses</b>			
(a) Purchase of Stock-in-Trade	17	37.01	7.87
(b) Changes in Inventory	18	(0.64)	(0.20)
(c) Employee Benefits Expense	19	5.74	1.05
(d) Depreciation and Amortisation Expense	3	0.11	0.10
(e) Other Expenses	20	7.80	4.87
<b>Total Expenses</b>		<b>50.02</b>	<b>13.70</b>
<b>5. Profit Before Tax (3-4)</b>		<b>(9.79)</b>	<b>1.27</b>
<b>6. Tax Expense / (benefit):</b>			
(a) Current Tax	23	1.00	0.96
(b) Deferred Tax	23	0.00	0.00
<b>Net Tax expense / (benefit)</b>		<b>1.00</b>	<b>0.96</b>
<b>7. Profit After Tax (5-6)</b>		<b>(10.79)</b>	<b>0.31</b>
<b>8. Earnings per share (of INR 10/- each):</b>			
Basic	21	(0.35)	0.01
<b>See accompanying notes forming an integral part of financial statements</b>	1 to 26		

In terms of our report attached  
**For M/S SHAH THACKER & CO**  
**Chartered Accountants**

**Sudhirkumar Shah**  
**Partner**

**M. No. 119008**  
**FRN 129967W**  
**UDIN :- 23119008BGWZWJ6785**

**For & on behalf of the Board of Directors of**  
**Konark Builders & Developers Limited**

**Hiteshkumar Pedhadiya**  
**Managing Director**  
**(DIN: 09730310)**

**Ashish Limbani**  
**Director**  
**(DIN: 07244521)**

**Garvi Shah**  
**Secretary**  
 Place : Ahmedabad

**Dilipbhai Patel**  
**Chief Financial Officer**

Place: Ahmedabad

**Konark Builders & Developers Limited**  
**Statement of Changes in Equity for the year ended on March 31, 2023**

**A] Equity Share Capital**

(INR in Lakhs)

Particulars	Note	Amount
<b>Issued, Subscribed and fully paid equity shares of ₹10 each</b>		
Balance as at March 31, 2021		309.25
Changes during the year	11	-
<b>Balance as at March 31, 2022</b>		<b>309.25</b>
Changes during the year	11	-
<b>Balance as at March 31, 2023</b>		<b>309.25</b>

**B] Other equity**

Particulars	Reserves and Surplus		Total
	Forfeiture Share	Retained Earnings	
	Note 12	Note 12	
Balance as at April 1, 2020	-	27.52	27.52
Profit for the year	-	(10.79)	(10.79)
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>16.74</b>	<b>16.74</b>

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
**For M/S SHAH THACKER & CO**  
**Chartered Accountants**

**For & on behalf of the Board of Directors of**  
**Konark Builders & Developers Limited**

**Sudhirkumar Shah**  
**Partner**

**Hiteshkumar Pedhadiya**  
**Managing Director**  
**(DIN: 09730310)**

**Ashish Limbani**  
**Director**  
**(DIN: 07244521)**

**M. No. 119008**  
**FRN 129967W**  
**UDIN :- 23119008BGWZJ6785**

**Garvi Shah**  
**Secretary**

**Dilipbhai Patel**  
**Chief Financial Officer**

Place: Ahmedabad  
Date: 30-May-2023

Place: Ahmedabad  
Date: 30-May-2023

**Konark Builders & Developers Limited**  
**Cash Flow Statement for the year ended on March 31, 2023**

(INR in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net profit before tax	(10.79)	1.27
	<b>Adjustments For :</b>		
	Depreciation and amortization expense	0.11	0.10
	Interest income	(2.54)	-3.68
	Income Tax Excess provision written back		-
	Tax provision created		-
	<b>Operating Profit Before Working Capital Changes</b>	<b>-13.22</b>	<b>-2.31</b>
	<b>Adjustments For :</b>		
	(Increase)/Decrease in inventories	(0.64)	-0.20
	(Increase)/Decrease in trade receivables	20.23	21.39
	(Increase)/Decrease in other assets	(69.61)	2.06
	Increase/(Decrease) in trade and other payables (net)	(0.16)	-5.08
	Increase/(Decrease) in provisions	(0.07)	
	<b>Working Capital Changes</b>	<b>-50.25</b>	<b>18.17</b>
	<b>Cash Generated From Operations</b>	<b>-63.47</b>	<b>15.86</b>
	Taxes Paid / (Reversed) (Net)		0.96
	<b>Net Cash From Operating Activities</b>	<b>-63.47</b>	<b>14.90</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of property, plant & equipment	(0.07)	0.00
	Interest received	2.54	3.68
	Proceeds from equity investment		-158.31
	Proceeds from investments in firms		0.00
	Proceeds from sale of Property	178.75	
	Proceeds from sale of investments	0.51	
	<b>Net Cash Used in Investing Activities</b>	<b>181.73</b>	<b>-154.63</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Availment/(Repayment) of Short Term Borrowings	(20.11)	112
	Proceeds from borrowings		20
	Loans given	(24.89)	
	<b>Net Cash Used In Financing Activities</b>	<b>-45</b>	<b>132</b>
	Net Increase In Cash and Cash Equivalents (A+B+C)	73.26	(7.85)
	Cash and Cash Equivalents at Beginning of Year	2.63	10.48
	<b>Cash and Cash Equivalents at the End of Year</b>	<b>75.89</b>	<b>2.63</b>

**Notes:**

<b>1</b>	Cash And Cash Equivalents Comprise Of :	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
a	Cash on Hand	0.55	0.48
b	Balance with Bank in Current Account	75.34	2.14
		<b>75.89</b>	<b>2.63</b>

**2** The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

In terms of our report attached  
**For M/S SHAH THACKER & CO**  
**Chartered Accountants**

**For & on behalf of the Board of Directors of**  
**Konark Builders & Developers Limited**  
**-**

**Sudhirkumar Shah**  
**Partner**  
**M. No. 119008**  
**FRN 129967W**

**Hiteshkumar**  
**Pedhadiya**  
**Managing Director**  
**(DIN: 09730310)**

**Ashish Limbani**  
**Director**  
**(DIN: 07244521)**

**Garvi Shah**

**Dilipbhai Patel**



**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 3: Fixed Asset**

(INR in Lakhs)

Description	Gross block				Accumulated depreciation/ amortisation				Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Deletion	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Office Equipment	1.050	0	-	1.23	0.32	0.11	-	0.43	0.80	0.73
<b>Total</b>	<b>1.05</b>	<b>0</b>	<b>-</b>	<b>1.23</b>	<b>0.32</b>	<b>0.11</b>	<b>-</b>	<b>0.43</b>	<b>0.80</b>	<b>0.73</b>

Description	Gross block				Accumulated depreciation/ amortisation				Net block	
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deletion	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Office Equipment	1.050	-	-	1.05	0.22	0.10	-	0.32	0.73	0.83
<b>Total</b>	<b>1.05</b>	<b>-</b>	<b>-</b>	<b>1.05</b>	<b>0.22</b>	<b>0.10</b>	<b>-</b>	<b>0.32</b>	<b>0.73</b>	<b>0.83</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 4: Non-current Investments**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
<b>Investment at Fair Value through Profit and Loss</b>		
Investment in Equity Instruments (quoted) Valued at Fair value	0.71	0.86
Investment in Equity Instruments (unquoted)	9.60	9.60
Investment in Real Estate	44.85	223.60
Advance for Property	105.13	35.00
<b>Total</b>	<b>160.29</b>	<b>269.06</b>

**Note 5: Loans**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
Unsecured, Considered Good Loans & Advances	64.83	39.94
<b>Total</b>	<b>64.83</b>	<b>39.94</b>

**Note 6: Inventories**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
Inventories (Lower of cost and net realisable value)	0.84	0.20
	<b>0.84</b>	<b>0.20</b>

**Note 7: Trade Receivables**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
Unsecured, considered good less than 6 months	11.00	2.10
Trade receivables - Unsecured considered good		-
Other Trade receivables		-
Unsecured, considered good more than 6 months	11.85	40.97
<b>Total</b>	<b>22.85</b>	<b>43.07</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 8: Cash and Cash Equivalents**

**(INR in Lakhs)**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
(a) Cash-in-hand	0.55	0.48
(b) Balance with Banks		-
- In current account	75.34	2.14
<b>Total</b>	<b>75.89</b>	<b>2.63</b>

**Note 9: Other Current assets**

<b>Particulars</b>	<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
Unsecured, considered good		
(a) MAT Credit		0.92
(b) Tender Deposit		0.36
(c) Income Tax refund (net of provisions)	0.10	0.17
(d) Balance with government authorities	1.27	0.79
<b>Total</b>	<b>1.37</b>	<b>2.25</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 10: Share capital**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	(INR in Lakhs)	Number of shares	(INR in Lakhs)
<b>(a) Authorised</b>				
31,00,000 (Previous year: 31,00,000) equity shares of `10 each	31,00,000	310.00	31,00,000	310.00
3,00,000 Preference Shares of ` 10 each	3,00,000	30.00	3,00,000	30.00
<b>(b) Issued</b>				
30,92,500 (Previous year: 30,92,500) equity shares of INR 10 each, fully paid	30,92,500	309.25	30,92,500	309.25
2,85,000 Preference shares of INR 10 each fully paid			-	-
<b>(c) Subscribed and fully paid up*</b>				
30,92,500 (Previous year: 30,92,500) equity shares of INR 10 each, fully paid	30,92,500	309.25	30,92,500	309.25
2,85,000 Preference shares of ` 10 each fully paid up			-	-
<b>Total</b>	<b>30,92,500</b>	<b>309.25</b>	<b>30,92,500</b>	<b>309.25</b>

\* There is only one class of equity shares carrying equal voting rights.

**Notes:**

(i) Details of shareholders with holding of 5% or more:

Class of shares / Name of shareholder	% of Holding	As at 31 March, 2023	As at 31 March, 2022
		Number of shares held	Number of shares held

Shivam Naileshbhai Gajjar	5%	1,40,000	7,99,200
Bhargav Chandrakantbhai Kachhiya	5%	1,40,000	2,12,000
Yashpalsinh Jashwantsinh Vaghela	5%	1,40,000	3,25,000
Pushparajsinh Narendrasinh vaghela	5%	1,40,000	4,22,500
Palkesh Nitinbhai Patel	5%	1,40,000	3,25,000

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				
Particulars	Number of Shares	Amount as at March 31, 2023	Number of Shares	Amount as at March 31, 2022
		(INR in lakhs)		(INR in lakhs)
Equity shares with voting rights:				
<b>Issued:</b>				
At the beginning of the year	30,92,500	309.25	30,92,500	309.25
During the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>30,92,500</b>	<b>309.25</b>	<b>30,92,500</b>	<b>309.25</b>
<b>Subscribed and paid up:</b>				
At the beginning of the year	30,92,500	309.25	30,92,500	309.25
During the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>30,92,500</b>	<b>309.25</b>	<b>30,92,500</b>	<b>309.25</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 11: Other equity**

**(INR in Lakhs)**

<b>PARTICULARS</b>	<b>As at</b>	<b>As at</b>
	<b>31 March, 2023</b>	<b>31 March, 2022</b>
<b>(1) Retained Earnings</b>		
Balance at the beginning of the year	27.52	27.17
Add: Profit for the year	-10.79	0.31
Balance at the end of the year	<b>16.74</b>	<b>27.49</b>
<b>Total</b>	<b>16.74</b>	<b>27.49</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 12: Financial liabilities**

**(INR in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b><u>Non - current</u></b>		
Unsecured, loan from directors		20.00
		<b>20.00</b>

**Note 13: Trade Payables**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Dues of Micro, Small and Medium enterprises (refer (iv) below)		-
Due of other parties	0.23	0.39
	<b>0.23</b>	<b>0.39</b>

**Notes:**

- (i) Trade payables are non-interest bearing and are normally settled on 120-180 days terms.  
(ii) Refer Note 23 for related party balances and terms and conditions with related parties.  
(iii) For explanation on Company's credit risk management process, refer note 26.  
(iv) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;		-
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		-
(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)		-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year		-
(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.		-

Total		-
On the basis of information and records available with the Company, the above disclosures are made in respect of amount due to the Micro, Small and Medium enterprises, which have been registered with the relevant competent authorities. This has been relied upon by the auditors.		

**Note 14. Other current Liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Current</u></b>		
(a) Provision for expense	0.60	0.72
(c ) Balance payable to Government	0.05	
	<b>0.60</b>	<b>0.72</b>



**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 15 : Revenue from Operation**

**(INR in Lakhs)**

<b>Particulars</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Sale of products	37.83	10.82
<b>Total</b>	<b>37.83</b>	<b>10.82</b>

**Note 16 : Other Income**

<b>Particulars</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Foreign exchange Gain / (Loss)		-
Dividend	0.00	-
Interest Income	2.54	3.68
Speculative Gain	-0.15	
<b>Other Non-Operating Income</b>		
- Profit Share from Patnership Firm		-
- Rent		-
- Short / Long Term Capital Gains		-
- Others	0.01	0.473
<b>Total</b>	<b>2.40</b>	<b>4.15</b>

**Note 17 : Purchase of Goods**

<b>Particulars</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Purchase of goods	37.01	7.87
<b>Total</b>	<b>37.01</b>	<b>7.87</b>

**Note 18 : Change in inventory**

<b>Particulars</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Inventory at the end of the year	0.84	4.45
<b>Inventory at the end of the year</b>	<b>0.84</b>	<b>0.20</b>
Inventory at the beginning of the year	0.20	0.70
<b>Inventory at the beginning of the year</b>	<b>0.20</b>	<b>-</b>
<b>Net (Increase) / decrease</b>	<b>(0.64)</b>	<b>(0.20)</b>

**Note 19 : Employee Benefits**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salary, Wages & Bonus	5.74	1.05
<b>Total</b>	<b>5.74</b>	<b>1.05</b>

**Note 20 : Other expenses**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
GST Expense		0.30
Bank Charges	0.01	0.00
Annual Fees	1.08	0.25
Software Expense		-
Bag Expense		-
Demat Charges	0.01	0.02
Computer Repairing Expense		-
Security Standing Charges		0.00
Interest Expense	0.39	-
Office Expense	0.85	-
Printing & Stationery Expense		0.09
Professional fees	1.91	1.55
Expenses in relation to Listing of Shares		-
Rent Expense	2.40	2.40
Round Off		-
Travelling Expense		-
Telephone Expense	0.20	0.08
Other Miscellaneous Expense	0.35	0.10
Internet Expense		0.09
Refreshment and other Maintainance Charges		-
Advertisement Expense	0.44	
Repair & Maintenance Expense	0.05	
Website Expense	0.12	
<b>Total</b>	<b>7.80</b>	<b>4.87</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**21 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

**i. Profit attributable to Equity holders of Company (INR in Lakhs)**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Profit attributable to equity holders of the Company for basic and diluted earnings per share	(10.79)	0.31

**ii. Weighted average number of ordinary shares**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Issued ordinary shares (in Nos)	30,92,500	30,92,500
Weighted average number of shares at March 31 for basic and diluted earnings per shares	30,92,500.0	30,92,500.0
<b>Basic earnings per share</b>	<b>(0.35)</b>	<b>0.01</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 21**

**Income tax asset (net)**

(INR in Lakhs)

Particulars	As at 31. March 2023	As at 31. March 2022
Income Tax Refund Receivable (Net of Provisions)	0.10	0.17
MAT Credit receivable	-	0.92
Income Tax refund (net of provisions)	0.10	1.09

**Major components of income tax expense for the year**

Particulars	For the year ended on	
	As at 31 March 2023	As at 31 March 2022
<b>(a) Profit &amp; loss section</b>		
Current income tax	0.00	0.96
Tax adjustments relating to earlier years	1.00	0.00
MAT credit recognised	0.00	0.00
Deferred tax relating to Ind AS adjustments	0.00	0.00
Deferred tax relating to origination & reversal of temporary differences	0.00	0.00
<b>Income tax expense reported in the statement of profit or loss</b>	1.00	0.96
<b>(b) Other comprehensive income section</b>		
Unrealised gain on FVTOCI equity securities	0.00	0.00
Net gain on remeasurements of defined benefit plans		
<b>Income tax charged to OCI</b>		

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended	As at 31 March 2023	As at 31 March 2022
Accounting profit before income tax [A]	-9.79	1.272
Statutory income tax rate	26.00%	26.00%
Tax at statutory income tax rate of 26%	<b>0.00</b>	<b>0.33</b>
Tax effects of :		
Adjustment for depreciation allowable in Income tax computation	0.00	0.00
Non-deductible expenses	0.00	0.63
Set-off of brought forward business loss	0.00	0.00
Other adjustments	0.00	0.00
MAT credit of earlier years	0.00	0.00
<b>Total tax effect</b>	<b>0.00</b>	<b>0.63</b>
<b>Current tax</b>	<b>0.00</b>	<b>0.96</b>
Incremental deferred tax liability on account of tangible and intangible assets		0.00
Incremental deferred tax asset on carry forward losses and unabsorbed depreciation		
Incremental deferred tax liability on account of financial assets		
Tax adjustments relating to earlier years	1.00	0.00
<b>Income tax expense reported in statement of Profit &amp; loss</b>	<b>1.00</b>	<b>0.96</b>

**Deferred tax liabilities (net)**

Deferred tax relates to the following:

	Balance sheet	Balance sheet
	As at 31	As at 31

(Liability) on Accelerated depreciation for tax purpose	0.04	0.04
Assets on carry forward losses and unabsorbed depreciation	0.00	0.00
Allowance for expected credit loss	0.00	0.00
(Liability) on equity investment at Fair Value through OCI	0.00	0.00
Deferred tax expense/(income)	0.00	0.00
Net deferred tax assets/(liabilities)	<b>0.04</b>	<b>0.04</b>

**Reconciliation of deferred tax liabilities (net):**

	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Opening Balance	0.04	0.04
Tax income/(expense) during the period recognised in P&L	0.00	0.00
Tax income/(expense) during the period recognised in OCI	0.00	0.00
Closing balance	<b>0.04</b>	<b>0.04</b>

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 22 Related Party Disclosures**

Related party disclosures, in accordance with the Indian Accounting Standard 24 "Related Party Disclosures" are given below:

(i) Related parties with whom transactions have taken place during the year:

<b>Name of Related party</b>	<b>Nature of relationship</b>
GARVI SANJAY SHAH	KMP (CS and Compliance Officer)
DIPENKUMAR JAYANTILAL LIMBANI	MD (For 2021-22)

(ii) Aggregate of transactions for the year with these parties have been given below:

<b>(INR in Lakhs)</b>					
<b>Name of Party</b>	<b>Nature of transaction</b>	<b>Volume of Transaction for the year ended March 31, 2023</b>	<b>Amount outstanding As on March 31, 2023</b>	<b>Volume of Transaction for the year ended March 31, 2022</b>	<b>Amount outstanding As on March 31, 2022</b>
DIPENKUMAR JAYANTILAL LIMBANI	Remuneration	-	-	1.80	-

**Terms and conditions of transactions with related parties:**

(1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables.

(2) For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Commitments with related parties**

The Company has not provided any commitment to the related party as at March 31, 2022 (March 31, 2021: Nil)

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 23 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company determines the capital management requirements on the basis of Annual Operating Plan (AOP) and other strategic investment plans as approved by the Board of Directors. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company owes debt to their directors as at balance sheet date.

**Note 23(A) Impact of COVID-19 on financial statements**

The company has considered internal and certain external source of information including credit reports, economic forecasts and industry reports up to the date of approval of financial statements.

The company has used the principal of prudence in applying the judgements, estimates and assumptions.

Company expects to fully recover the carrying amount of trade receivables, inventories and investments. The eventual outcome of impact of global health pandemic may be different from those estimated as on the date of approval of financial statements.

Based on the detailed assessment of the impact of COVID-19 on the operations of the company and ongoing discussion with vendors and service providers, the management is confident to obtained regular supply of material and other services.

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and shutdown of economic activities. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements.

**Note 24 Financial instruments – Fair values and risk management**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the Financial Statements.

**A. Category-wise classification of financial instruments**

The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(INR in Lakhs)

Particulars	Carrying amount			Fair value				Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
<b>Financial assets</b>								
Cash and cash equivalents	-	-	75.89	75.89	-	-	-	-
Non-current investments	0.70	-	159.59	160.29	0.70	-	159.59	160.29
Non-current loans	-	-	64.83	64.83	-	-	-	-
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	22.85	22.85	-	-	-	-
Current loans	-	-	-	-	-	-	-	-
Inventory	-	-	0.84	0.84	-	-	-	-
	<b>0.70</b>	<b>-</b>	<b>324.00</b>	<b>324.70</b>	<b>0.70</b>	<b>-</b>	<b>159.59</b>	<b>160.29</b>
<b>Financial liabilities</b>								
Trade payables*	-	-	0.23	0.23	-	-	-	-
Other current financial liabilities*	-	-	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>0.23</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 24 Financial instruments – Fair values and risk management (contd.)**

The carrying value of financial instruments by categories as of March 31, 2022 is as follows.

**(INR in Lakhs)**

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	2.63	2.63	-	-	-	-
Non-current investments	0.86	-	268.20	269.06	0.86	-	268.20	269.06
Non-current loans	-	-	39.94	39.94	-	-	-	-
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	43.07	43.07	-	-	-	-
Current loans	-	-	0.92	0.92	-	-	-	-
Inventory	-	-	0.20	0.20	-	-	-	-
	<b>0.86</b>	<b>-</b>	<b>354.96</b>	<b>355.82</b>	<b>0.86</b>	<b>-</b>	<b>268.20</b>	<b>269.06</b>
<b>Financial liabilities</b>								
Trade payables*			0.39	0.39				
Other current financial liabilities*								
	<b>-</b>	<b>-</b>	<b>0.39</b>	<b>0.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* carrying value approximates to the fair value.

**B. Measurement of fair values & Sensitivity Analysis****i) Valuation techniques and significant unobservable inputs****Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 24 Financial instruments – Fair values and risk management (contd.)**

**Financial instruments measured at fair value**

(INR in Lakhs)

Financial assets / financial liabilities	Fair Value as at		Fair Value hierarchy	Significant Observable / Unobservable input(s)
	March 31, 2023	March 31, 2022		
Investments in equity shares and mutual fund at FVTPL	0.70	0.86	Level 1	Quoted market price in active stock exchange and NAV statement provided by fund manager.
Investments in partnership firms (Unquoted) - Refer Note below	-	-	Level 3	Discount factor, sales volume, trading margins. Valuation technique: Cost approach.

**Note:** The Company has invested in the equity of various Partnership firms. However, the percentage of shareholding of the Company in such investee firms is very low and hence, it has not been provided with financial statements, future projections including projected profit and loss account by those investee firms. Hence, the Company has estimated fair value based on available historical transaction details of such firms and other information as available with the Company. Since the future projections are not available, discounted cashflow approach for fair value determination has not been followed. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

**Financial Instrument measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Note 25 Financial risk management objectives and policies**

**Risk management framework**

The Company's principal financial liabilities comprises of trade and other payables and financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments.

The Company has an effective risk management framework which helps the Board to monitor the risks controls in key business processes. In order to minimise any adverse effects on the bottom line, the Company takes various mitigation measures such as credit control, The Company's risk management activities are subject to the management, direction and control of the management of the Company under the guideline of the Board of Directors of the Company. The management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and

**Konark Builders & Developers Limited**  
**Notes forming part of Financial Statement**

**Note 26 Financial risk management (contd.)**

**i. Credit risk**

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables and from financing activities primarily relating to investment in equity shares. The Company considers probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. This assessment is based on available information and the business environment.

**a) Trade and other receivables**

The Company has a Credit Policy and extends credit to its customers based on customer's credit worthiness, ability to repay, and past track record. The extension of credit is constantly monitored through a review mechanism.

**Impairment of trade receivables:**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period i.e. a practical expedient. The Company calculates expected credit loss allowance based on the ageing of the days the receivables are due.

Based on the assessment as at each reporting date, the expected credit loss allowance is Nil.

**b) Financial Instruments and Cash Deposits**

The credit risk from balances with Banks, current investments and other financial assets are managed in accordance with company's policy. Investment of funds are primarily made in equity shares quoted in a recognised stock exchange.

**ii. Liquidity risk**

Liquidity risk is the risk that the company may encounter difficulty in meeting its obligations. The company prepares a detailed Annual Operating Plan (AOP) to assess both short term as well as long term fund requirements. Detailed month-wise cash flow forecast is also carried out to determine the working capital and other long term fund requirements. The company funds both these requirements through internal accruals and short-term loans from the directors.