

Our Company was incorporated as Karda Constructions Private Limited on September 17, 2007 as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration No. 174194. Subsequently, our Company was converted to a public limited company and a fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies on March 17, 2016 in the name of Karda Constructions Limited. For details of change in registered address of the Company, please refer the chapter 'History and Certain Corporate Matters' on page no. 117 of the Red Herring Prospectus.

Registered Office: 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik - 422 005 | **Tel No.:** +91 - 253 - 235 1090 | **Corporate Office:** 2nd Floor, Saikrupa Complex, Tilak Road, Muktidham, Nashik Road, Nashik - 422 101 | **Tel No.:** +91 - 253 - 246 5436
Email: admin@kardaconstruction.com | **Website:** www.kardaconstruction.com | **Company Secretary and Compliance Officer:** Mrs. Mayura Marathe

OUR PROMOTER: MR. NARESH KARDA

PUBLIC ISSUE OF UP TO 43,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF KARDA CONSTRUCTIONS LIMITED (OUR "COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UP TO ₹ [•] LAKHS (THE "ISSUE") COMPRISING OF A FRESH ISSUE OF 23,00,000 EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ [•] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 20,00,000 EQUITY SHARES BY MR. NARESH KARDA (THE PROMOTER SELLING SHAREHOLDER) AGGREGATING TO ₹ [•] LAKHS ("OFFER FOR SALE"). THE ISSUE WOULD CONSTITUTE UP TO 34.96% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

Price Band: ₹ 175 to ₹ 180 per Equity Share of Face Value ₹ 10 each.

The Floor Price is 17.50 times of the Face Value and the Cap Price is 18.00 times of the Face Value.

Bids can be made for a minimum of 80 Equity Shares and in multiples of 80 Equity Shares thereafter.

Risks to Investors:

- The Book Running Lead Manager associated with the Issue has handled 25 public issues (including 24 SME Issue and 1 Main Board Issue) in the past three years, out of which 4 issue closed below the issue price on listing date.
- Average cost of acquisition per Equity Share by our Promoter as well as Selling Shareholder is ₹ 5.00 and the Issue Price at the upper end of the Price Band is ₹ 180.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is [•] per Equity Shares and is 17.50 times of the face value at the lower end of the Price Band and 18.00 times the face value at the higher end of the Price Band. Investors should read the following basis with the sections titled "Risk Factors" and "Financial Information" and the chapter titled "Business Overview" beginning on page nos. 15, 146 and 89 respectively, of the Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- Strong presence in Nashik
- Established brand and reputation
- Our proven execution capabilities
- Strong project pipeline providing cash flow visibility
- Vast land reserves and an ability to identify new projects

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see "Business Overview - Competitive Strengths" on page no. 90 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented in this section for the six month period ended September 30, 2017, Fiscal Year ended March 31, 2017, March 31, 2016, and March 31, 2015 is derived from our Restated Financial Statements prepared in accordance with Indian GAAP. Investors should evaluate our Company taking into consideration its earnings. Some of the quantitative factors which may form the basis for computing the price are as follows:

1) Earnings Per Share (EPS)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)	Weights
2017	8.03	3
2016	6.37	2
2015	3.08	1
Weighted Average	6.65	
The Basic & Diluted EPS for the six month period ended September 30, 2017 (not annualised) is ₹ 5.52.		

Notes: a) Basic EPS has been calculated as per the following formula: Basic EPS (₹) = (Net profit / (loss) as restated, attributable to Equity Shareholders) / (Weighted average number of Equity Shares outstanding during the year / period).
 b) Diluted EPS (₹) = (Net profit / (loss) as restated, attributable to Equity Shareholders) / (Diluted Weighted average number of Equity Shares outstanding during the year/period).
 c) Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" prescribed by the Companies (Accounting Standard) Rules, 2006.

2) Price Earnings Ratio (P/E) in relation to the price band of ₹ 175 to ₹ 180 per share of ₹ 10 each

Particulars	P/E ratio at the Lower end of the price band	P/E ratio at the Upper end of the price band
P/E ratio based on basic and diluted EPS for the year ended March 31, 2017	21.79	22.42
P/E ratio based on weighted average basic and diluted EPS for the year ended March 31, 2017	26.32	27.07

Industry P/E*

Highest - Shristi Infra Limited	205.60
Lowest - IL&FS Engg.	6.80
Industry Average	40.20

* Source: Capital Market, Vol. XXXIII/25, Jan 29 - Feb 11, 2018; Segment: Construction

3) Return on Networth (RoNW)

Year ended March 31,	RoNW (%)	Weight
2017	26.46%	3
2016	28.27%	2
2015	18.92%	1
Weighted Average	25.81%	
The Return on Networth for the six month period ended September 30, 2017 (not annualised) is 15.39%.		

Note: Return on Net worth has been calculated as per the following formula: RoNW = (Net profit / (loss) after tax, as restated) / (Net worth excluding preference share capital and revaluation reserve)

4) Minimum Return on Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017

Particulars	Minimum RoNW (%) at the Lower end of the price band	Minimum RoNW (%) at the Upper end of the price band
To maintain Pre-Issue basis & diluted EPS for the year ended March 31, 2017	12.98	12.78

5) Net Asset Value (NAV)

Particulars	NAV (in ₹)
NAV as at September 30, 2017	35.87
NAV after Issue	
At Lower end of the price band	61.89
At Upper end of the price band	62.82

Note: Net Asset Value has been calculated as per the following formula: NAV = (Net worth excluding preference share capital and revaluation reserve) / (Outstanding number of Equity shares at the end of the year)

6) Comparison with Industry Peers

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates i.e. Real Estate Construction, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Particulars	FY 2016-17				
	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)
Kolte-Patil Developers Limited	10	4.47	43.13	4.25%	105.26
Prerna Infrabuild Limited	10	1.48	26.69	5.51%	25.73
Arihant Superstructures Limited	10	6.47	28.18	29.01%	222.95
Source: www.bseindia.com - Financial Results of the Companies					
Karda Constructions Limited	10	8.03	[•]	26.46%	33.72
Source: Restated Financial Statements					

Notes: 1. The figures for the peer group are based on the standalone audited results for the year ended March 31, 2017.

2. Current Market Price (CMP) is the closing prices of respective scripts as on September 15, 2017.

3. NAV is computed as the closing networth divided by the closing outstanding number of equity shares.

4. P/E Ratio has been computed based on the closing market price of equity shares on September 15, 2017, divided by the EPS.

5. RONW is computed as net profit after tax divided by the closing networth. Networth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves).

7) The Issue Price of ₹ [•] times of the face value of the Equity Shares

The Company and the Selling Shareholder, in consultation with the Book Running Lead Manager believes that the Issue price of ₹ [•] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Red Herring Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [•] times of the face value i.e. ₹ [•] per share.

For further details, please see the section entitled "Basis for Issue Price" beginning on page no. 72 of the Red Herring Prospectus.

BID / ISSUE PROGRAMME

OPENS ON: FRIDAY, MARCH 16, 2018 CLOSES ON: WEDNESDAY, MARCH 21, 2018

ASBA *

Simple, Safe, Smart way of Application-
Make use of it !!!

* Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

Mandatory in Public Issues from January 01, 2016
No cheques will be accepted.

In case of revision in the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Manager ("BRLM"), and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), this is an Issue for at least 25% of the post-Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 26 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), where in 10% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 40% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 50% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law. All potential investors, are required to mandatorily use the Application Supported by Blocked Amount ("ASBA") process providing details of the irrelative bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). Specific attention of investors is invited to the chapter titled "Issue Procedure" on page no. 229 of the Red Herring Prospectus.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be the Bidders' sole risk. Bidders should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Certain Corporate Matters" on page no. 117 of the Red Herring Prospectus and Clause II of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page no. 316 of the Red Herring Prospectus.

LIABILITY OF MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorised share capital of the Company is ₹ 14,00,00,000 divided into 1,40,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company after the Issue is ₹ 12,30,00,000 divided into 1,23,00,000 Equity Shares of ₹ 10 each. For details of the Capital Structure, see "Capital Structure" on page no. 57 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company: Naresh Karda - 800, Disha Karda - 100 and Hirajal Kalani - 100, aggregating to 1000 Equity Shares of ₹ 10 each. For details of the main objects of the Company as contained in the Memorandum of Association, see "History and Certain Corporate Matters" on page no. 117 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page no. 57 of the Red Herring Prospectus.

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 18, 2017 and October 25, 2017, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the specified securities or the offer document. The investors are advised to refer to page no. 210 of the Red Herring Prospectus for the full text of the Disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by BSE Limited ("BSE") should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page no. 214 of the Red Herring Prospectus for the full text of the Disclaimer clause of the BSE.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the offer document. The investors are advised to refer to page no. 215 of the Red Herring Prospectus for the full text of the Disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page no. 15 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <p>ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001, Maharashtra, India. Tel No.: +91 - 22 - 6216 6999 Fax No.: +91 - 22 - 2263 0434 Email: info@afsl.co.in Investor Grievance Email: feedback@afsl.co.in Website: www.afsl.co.in SEBI Registration No.: INM000011344 Contact Person: Deepak Biyani</p>	 <p>BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India. Tel No.: +91 - 22 - 62638200 Fax No.: +91 - 22 - 62638299 Email: ashok@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No.: INR000001385 Contact Person: Ashok Shetty</p>	<p>MRS. MAYURA MARATHE 2nd Floor, Gulmohar Status, Above Business Bank, Samarth Nagar, Nashik - 422 005. Tel No.: +91 - 253 - 235 1090 Fax No.: +91 40 2715 0820 E-mail: admin@kardaconstruction.com Website: www.kardaconstruction.com</p> <p>Bidders can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice or credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.</p>

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and in the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the SEBI at www.sebi.gov.in, website of the Company at www.kardaconstruction.com, the website of the BRLM to the Issue at www.afsl.co.in and websites of BSE and NSE i.e. www.bseindia.com and www.nseindia.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Karda Constructions Limited, BRLM: Aryaman Financial Services Limited and the Syndicate Members: Aryaman Financial Services Limited and Aryaman Capital Markets Limited and at the select locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of BSE, NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

APPLICATION SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to compulsorily apply through the ASBA process. ASBA has to be availed of by all investors. The investor is required to fill the Bid cum Application form and submit the same to the relevant SCSB or the Syndicate Member at the Specified Location or the Registered Brokers at Broker Center or the RTA or the CDP. The SCSB will block the amount in the account as per the authority contained in Bid cum Application form and undertake other tasks as per the specified procedure. On Allotment, amount will be unblocked and account will be debited only to the extent required to be paid for Allotment of Equity Shares. Hence, there will be no need for refunds. For more details on the ASBA process, please refer to the section, "Issue Procedure" beginning on page no. 229 of the Red Herring Prospectus.

BANKERS TO THE ISSUE / ESCROW COLLECTION BANK: Axis Bank Limited

REFUND BANK: Axis Bank Limited

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

For **KARDA CONSTRUCTIONS LIMITED**

On Behalf of the Board of Directors

Sd/-

Company Secretary and Compliance Officer

Place: Nashik
Date: March 07, 2018

KARDA CONSTRUCTIONS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make a Public Issue of its Equity Shares and has filed the Red Herring Prospectus with Registrar of Companies Maharashtra at Mumbai. The Red Herring Prospectus shall be available on the website of the SEBI at www.sebi.gov.in, website of the Company at www.kardaconstruction.com, the website of the BRLM to the Issue at www.afsl.co.in and websites of BSE and NSE i.e. www.bseindia.com and www.nseindia.com, respectively. Bidders should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the Red Herring Prospectus, including, the section titled "Risk Factors" beginning on page no. 15 of the Red Herring Prospectus.

This document is not an Issue of securities for sale in the United States or elsewhere. This document has been prepared for publication in India and is not for publication or distribution, directly, or indirectly, in or into the United States. The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended ("U.S. Securities Act"), or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States. Accordingly, such Equity Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no public offering of the Equity Shares in the United States.