Shrikrishna
DEVCON LIMITED

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Registrars and Transfer Agents, Sharex Dynamic (India) Private Limited by sending e-mail to **sharexindia@vsnl.com**

Shrikrishna
DEVCON LIMITED

Board of Directors	Mr. Sunil Kumar Jain	Managing Director
	Mr. Mukesh Kumar Jain	Non-Executive Director
	Mr. Naveen Kumar Jain	Non-Executive Director
	Mr. Ashok Kumar Sethi	Independent Director
	Mr. Dinesh Joshi	Independent Director
	Mr. Purshottam Das Bairagi	Independent Director
Audit Committee	Mr. Purshottam Das Bairagi	Chairman
	Mr. Dinesh Joshi	
	Mr. Mukesh Kumar Jain	
Remuneration Committee	Mr. Purshottam Das Bairagi	Chairman
	Mr. Dinesh Joshi	
	Mr. Ashok Kumar Sethi	
Shareholders / Investors Grievance Committee	Mr. Purshottam Das Bairagi	Chairman
	Mr. Dinesh Joshi	
	Mr. Sunil Kumar Jain	
Finance Committee	Mr. Sunil Kumar Jain	Chairman
	Mr. Mukesh Kumar Jain	
	Mr. Naveen Kumar Jain	
Bankers	Vijaya Bank	Canara Bank
	State Bank of India	Axis Bank
	Oriental Bank of Commerce	City Bank
	Dena Bank	ING Vyasya
Auditors	M/s. Khandelwal & Khandelwal Associates Chartered Accountants A-302, Clifton, Raviraj Oberoi Complex, New Link Road, Andheri (West), Mumbai-400 058	
Company Secretary	Ms. Surbhi Goyal	
Secretarial Consultant	M/s. B. K. Pradhan & Associates, Company Secretaries	
Registrar & Transfer Agents	Sharex Dynamic (India) Private Limited Unit No. 1, Luthra Ind. Premises, M. Vasanji Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072 Tel.: 022-2851 5606 / 2851 5644 E-mail : sharexindia@vsnl.com	
Registered Office	Umerji House, 202, 2nd Floor, Teli Gally, Andheri (East), Mumbai - 400 069. (Maharashtra) Tel. : 022-2682 2999 E-mail : shrikrishnaelectra@hotmail.com	
Corporate Office	M-1-2, Starlit Tower, 29, Y. N. Road, Indore - 452 001 (M.P.) Tel. : 0731-4041485	

Shrikrishna
DEVCON LIMITED

"Our Vision"

Many ask us what business are we in. Most think we are in the business of real estate. The business of 'building'. They are right and wrong too. They are right because we do build some of the most sought after residences and commercial, but that's not all what we do.

We think we are in a business to bring smiles. Smiles on the face of thousands of families that find peace and solace in the way we build homes for them, not houses. Smiles from every single corporate for whom we build intelligent office spaces so that they can concentrate on just one thing, business.

Smiles on the face of our employees who work with us, not for us. Smiles for all the contractors, architects, interior designers and masons who sweat with us, always. Smiles on the face of the thousands of shareholders who have entrusted us to grow their wealth.

We do not measure our success through the number of stakeholders we satisfy or delight. We measure success through the happiness index. The smiles that we build through opportunity, trust, strength and growth.

Notice

Dear Shareholders

Your Directors have pleasure in presenting the 19th Annual Report along with Audited Accounts of the Company for the year ended 31st March, 2013.

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of **SHRI KRISHNA DEVCON LIMITED** will be held as scheduled below:

Day/Date : Friday, the 13th day of September, 2013

Time : 11.30 A.M.

Venue : The Mirador,
131 B New Link Road,
Opp. Solitaire Corporate Park,
Chakala, Andheri (E),
Mumbai - 400 099.

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Purshottam Das Bairagi, who retires by rotation and being eligible, offers himself for re-appointment.

   "RESOLVED THAT pursuant to section 255 and 256 of the Companies Act, 1956 and as per the provisions of the Articles of Association of the Company applicable, if any, the Company be and is hereby authorized to re-appoint Mr. Purshottam Das Bairagi as the Independent Director of the Company liable to retire by rotation."

3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Board of Directors to fix their remuneration.

   "RESOLVED THAT M/s. Khandelwal & Khandelwal Associates, Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act (including any statutory modifications or re-enactment thereof, for the time being in force), and subject to such other approvals as may be necessary and in furtherance to and in partial modification to the Special Resolution No. 5, passed by the Members of the Company at the 18th Annual General Meeting of the Company held on 20th September, 2012, in respect of re-appointment of Mr. Sunil Kumar Jain, as a Managing Director of the Company, for a further period of 5 years w.e.f. 1st Nov, 2012 upto 31st October, 2017 with payment of remuneration and as recommended by Remuneration Committee, consent of the members of the company be and are hereby accorded that Mr. Sunil Kumar Jain shall be entitled to be paid remuneration, perquisites, allowances and commission as mentioned in the Explanatory Statement attached hereto, for period of 3 years w.e.f. 1st October, 2013 upto 30th September, 2016 subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, in such form and manner or with such modifications as the Board of Directors may deem fit and agreed to by Mr. Sunil Kumar Jain.

RESOLVED FURTHER THAT the consent of the members of the company be and are hereby also accorded that where in any financial year, during the said period of 3 years i.e. 1st October, 2013 and upto 30th September 2016, the company has no profits or its profits are inadequate, Mr. Sunil Kumar Jain shall continue to get the same remuneration as aforesaid as minimum remuneration subject to the provisions of Schedule XIII of the Companies Act, 1956 and subject to the approval of the Central Government, wherever required.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, things and matters as may be necessary and to execute necessary documents/ agreements/applications/letters on behalf of the Company as may be required to give effect to the aforesaid resolutions."

By order of the Board of Directors

Sunil Kumar Jain
Managing Director

Place: Indore
Date: 02.08.2013

REGISTERED OFFICE
Umerji House, 202, 2nd Floor,
Teli Gally, Andheri (East),
Mumbai - 400 069.
(Maharashtra)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. Members are requested to bring their Attendance Slip duly filled in along with their copy of Annual Report to the Meeting.

4. The Company is registered with National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Limited ('CDSL'), for dematerialization of its Equity Shares and Company's ISIN is INE997I01012. Sharex Dynamic (India) Private Limited is the Registrar and Transfer Agents of the Company.

5. The Register of Members and the Share Transfer Books of the Company shall remain closed from 6th September, 2013 to 13th September, 2013 (both days inclusive) for the purpose of the Annual General Meeting.

6. In case of joint holders attending the Meeting, only such joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.

7. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrars & Transfer Agents, Sharex Dynamic (India) Private Limited.

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 the Company's Registrars & Transfer Agents, Sharex Dynamic (India) Private Limited, for consolidation into a single folio.

9. Members are requested to:

   - Intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts and holding shares in physical form are requested to advise any change of address immediately to the Company's Registrars & Transfer Agents, Sharex Dynamic (India) Private Limited;
   - Communicate on all matters pertaining to their shareholdings with the Company's Registered Office, quoting their respective Ledger Folio Numbers, Client ID and DP ID;
   - Note that as per provisions of the Companies Act, 1956, facility for making nominations is available to INDIVIDUALS holding shares in the Company. Members desirous of making nominations are requested to send Form No. 2B duly filled in and signed by them to the Company's Registrars & Transfer Agents in case the shares are held in physical form and to the Depository Participants in case the shares are held in electronic form.
   - Bring their respective Ledger Folio Numbers, Client ID and DP ID for easy identification of attendance at the Annual General Meeting.

10. All documents referred to in the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting or any adjournment thereof.

11. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so as to enable the management to keep the information ready at the Meeting.

12. Information about the director seeking reappointment required under Clause 49 of the Listing Agreement is annexed hereto separately and forms part of the Notice.

13. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer

Agents, Sharex Dynamic (India) Private Limited, immediately of :

a) Change in their Residential status on return to India for permanent settlement.

b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.

By order of the Board of Directors

Sunil Kumar Jain
Managing Director

Place: Indore
Date: 02.08.2013

REGISTERED OFFICE
Umerji House, 202, 2nd Floor,
Teli Gally, Andheri (East),
Mumbai - 400 069.
(Maharashtra)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM NO. 4

At the 18th Annual General Meeting of the Company held on 20th September, 2012 and vide Special Resolution passed by the Shareholders, Mr. Sunil Kumar Jain has been re-appointed as Managing Director of the Company for a further period of 5 years w.e.f. 1st November, 2012 upto 31st October, 2017, at a basic salary of ₹ 1,50,000/- p.m.

In view of the contribution of Mr. Sunil Kumar Jain in the Company's performance, the Board of Directors of the Company at its Meeting held on 2nd August, 2013, has pursuant to the approval of the Remuneration/Compensation Committee and subject to the approval of Members, approved the revision in remuneration payable to Mr. Sunil Kumar Jain, Managing Director with effect from 1st October, 2013, in line with the current market trends to achieve greater heights.

The Remuneration Committee was also of the unanimous view that this would be the remuneration, which would be necessary, considering his vast experience and strong ability to lead and expand the business initiatives of the Company.

Pursuant to the provisions of Section 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act (including any statutory modifications or re-enactment thereof, for the time being in force), it is necessary to modify the said Special Resolution No. 5, passed by the Members of the Company at the 18th Annual General Meeting of the Company held on 20th September, 2012, in respect of payment of remuneration to Mr. Sunil Kumar Jain, as under, for period of 3 years w.e.f. 1st October, 2013 upto 30th September, 2016 :

1) Remuneration

I. Basic Salary: Rs. 3,00,000/- per month with effect from 01st Oct. 2013

In addition to the salary Mr. Sunil Kumar Jain shall be entitled to the following perquisites which are classified into 2 categories "A" and "B" restricted to an amount equal to annual salary:

CATEGORY "A"

1. **Housing:** House Rent Allowance shall be allowed as per the rules of the Company within the limit specified above.
2. **Medical Reimbursement:** As per actual expense incurred.
3. **Hospitalization:** As per actual expense incurred.
4. **Leave Travel Concession:** For him and his family in accordance with any rules specified by the Company.
5. **Club Fees:** Subject to two clubs. This will not include admission and life membership fee.
6. **Personal Accident Insurance:** As per actual premium paid.
7. **Reimbursement of Expenses:** Actual incurred on credit card, cell phone.

CATEGORY "B"

Encashment of leave at the end of tenure will not be included in the computation of the ceiling of perquisites.

2) All other terms and conditions relating to the re-appointment, powers, duties, etc. of Managing Director as approved earlier by the Shareholders shall remain unchanged.

3) A Statement as per requirement of Schedule XIII is given to the Shareholders containing following information of the Company and Mr. Sunil Kumar Jain:

I. GENERAL INFORMATION

(1) Nature of industry

Shri Krishna Devcon Limited ('the Company or "SKDL") is a real estate developer engaged in the business of real estate development i.e. development of townships, housing projects, commercial premises and other related activities.

(2) Date or expected date of commencement of commercial production

Company is an existing company and it was incorporated on 24th November, 1993.

(3) In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus

Not applicable

(4) Financial performance based on given indicators - as per audited financial results for the year ended 31st March, 2013

Particulars	(₹)
Total Revenue	274,452,217
Net profit before tax	26,699,650
Net profit after tax	16,248,972

(5) Export performance and net foreign exchange earnings

Nil

(6) Foreign investments or collaborators, if any

The Company did not have any foreign investments or collaborations.

II. INFORMATION ABOUT THE APPOINTEE

(1) Background details

Name : Mr. Sunil Kumar Jain
Designation : Managing Director
Age : 44 Years

Mr. Sunil Kumar Jain is a graduate. He is responsible for the overall administration of the Company, subject to the superintendence and guidance from the Board. Mr. Sunil Kumar Jain is a key promoter of the Company and under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for the continuing growth of the Company.

(2) Past remuneration during the financial year ended 31st March, 2013

The managerial remuneration paid to Mr. Sunil Kumar Jain, Managing Director of the Company during the financial year ended on 31st March, 2013, are as under:

Name of Director	Amount (₹ in lacs)
Mr. Sunil Kumar Jain (Basic Salary)	18.00

(3) Recognition or Awards

The information is already covered in the section "Background details".

(4) Job Profile and his suitability

Mr. Sunil Kumar Jain is the Managing Director of the Company since 2007. He is responsible for the operations and the affairs of the Company. Taking into consideration his vision and expertise in relevant fields, the Managing Director is best suited for the responsibilities currently assigned to him by the Board of Directors.

(5) Remuneration proposed

It is proposed to modify the terms of remuneration to be paid for period of 3 years w.e.f. 1st October, 2013 upto 30th September, 2016 to Mr. Sunil Kumar Jain.

Basic Salary of Rs. 3,00,000 per month and other perquisites and allowances as fully set out in Item No.4 of the Notice.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of Mr. Sunil Kumar Jain, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar

senior level counterpart(s) in other companies.

(7) Pecuniary relationship(s) directly or indirectly with the Company, or relationship with the managerial personnel, if any

Apart from Mr. Sunil Kumar Jain is a Managing Director of the Company and receiving managerial remuneration, he holds 1,920,600 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

Mr. Sunil Kumar Jain is a brother of Mr. Mukesh Kumar Jain and Mr. Naveen Kumar Jain, Non-Executive Directors of the Company.

III. OTHER INFORMATION

(1) Reasons of loss or inadequate profits

The Company is continuously earning profits in its operations. However, looking to the global meltdown and lull in the real estate business, there is likely to be impact on the operations of the Company bringing down margins to some extent in future till the economy recovers. As such, out of abundant precautions, the remuneration to the Managing Director is sought to be fixed under Schedule XIII to the Companies Act, 1956.

(2) Steps taken or proposed to be taken for improvement

The Company has already taken appropriate steps to streamline its businesses in order to attain more profitability. The Company is taking positive view of this recession as an opportunity to reinforce its fundamentals such as training of its human resources, renegotiations of old and new land deals, etc. so that the company can achieve the scale of economy and maintain higher margin of profit.

(3) Expected increase in productivity and profits in measurable terms

In the competitive environment, it is difficult to estimate revenues / profits in measurable terms. However, the management has framed strategies and developed execution plans to improve the overall bottom-line and profitability. Curtailing costs and other operational expenses, maximizing use of existing facilities, expansion of client base, etc. will continue to receive aggressive attention and the management is confident of increase in revenues and profits during the coming years.

IV. DISCLOSURES

(1) The details of managerial remuneration paid to Mr. Sunil Kumar Jain, Managing Director of the Company during the financial year ended on 31st March, 2013, are as under:

Name of Director	Amount (₹ in lacs)
Mr. Sunil Kumar Jain (Basic Salary)	18.00

(2) Apart from remuneration payable to Mr. Sunil Kumar Jain, Managing Directors of the company, the Company does not pay any remuneration including bonus, stock options, pension, etc. to the other directors of the Company.

(3) The Company has already executed Agreement with Mr. Sunil Kumar Jain for the period of five years w.e.f. 1st November, 2012 for his re-appointment and the draft Supplemental Agreement to be entered into between the Company and Mr. Sunil Kumar Jain for payment of remuneration for the period of 3 years from 1st October, 2013 upto 30th September 2016 has been placed before the members for their approval.

(4) The Company has not issued any stock options to any Directors of the Company.

The Board therefore recommends the Special Resolution for approval of the Members of the Company for modification in the terms of remuneration to be paid to Mr. Sunil Kumar Jain as a Managing Director of the Company, for the period of 3 years w.e.f. 1st October, 2013 to 30th September, 2016.

Mr. Sunil Kumar Jain is interested in the resolution. Mr. Mukesh Kumar Jain and Mr. Naveen Kumar Jain , Directors of the Company, being related to Mr. Sunil Kumar Jain may be deemed to be concerned or interested in the resolution.

Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Brief details in respect of the Director seeking re – appointment at the Annual General Meeting:

Names of Director	Mr. Purshottam Das Bairagi
Date of Birth	03.01.1933
Date of Appointment	01.09.2007
Educational Qualifications	B.A., LLB.
Category of Director	Non-Executive Independent
Expertise in functional area	Legal
Other Directorship	Nil
Other Committee Membership	Nil
No. of Shares held	Nil

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Nineteenth Annual Report along with the Audited Accounts and Financial Statements for the year ended 31st March 2013.

Financial Results

The summarized financial results of the company for the year ended 31st March 2013 are as follows:

(₹ In Lacs)

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Total Revenue	2,744.52	1,109.75
Total Expenses	2,421.02	978.97
Profit before exceptional items & tax	323.50	130.78
Exceptional items	56.50	-
Profit before tax	266.99	130.78
Profit after tax	162.49	94.59

Operational Performance

During the year under review, the Company recorded total revenue of ₹ 274,452,217 as compared to ₹ 110,974,954 recorded during the previous year. The Company recorded a net profit of ₹ 16,248,972 as compared to net profit of ₹ 9,458,959 during the previous year. The Basic Earnings per Share for the year ended 31.03.2013 is ₹ 0.58 as against ₹ 0.48 for the corresponding previous year ended 31.03.2012.

Dividend

To strengthen the net worth of the company and to ensure sustainable growth in assets and revenue, it is important for your Company to conserve the financial resources and evaluate various opportunities in the different business verticals in which your Company operates. Your Company currently has various projects under accomplishment and continues to explore newer opportunities. In order to fund these projects in its development, expansion and implementation stages, conservation of funds is of vital importance. Therefore, your Directors have not recommended any dividend for the financial year 2012-2013.

Segment Performance

At present Company is engaged in the business of real estate development and there is no separate reportable segment.

Listing

As on date all the 2,80,00,000 Equity Shares of the company are listed on the Bombay Stock Exchange Limited (BSE). The Listing fees have been paid to the Bombay Stock Exchange Limited (BSE) for the year 2013-14.

Depository

Equity shares of the company are traded in D'mate form as well as in physical form. For dematerialization of shares, the Company has connectivity with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Fixed Deposits

Your company has not accepted any deposits from public during the year under review and as such, no amount of principle or interest was outstanding as on the balance sheet date.

Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under Clause-49 of the Listing Agreement with the stock exchange, is presented in a separate section forming part of this annual report.

Report on Corporate Governance

The company has put in place the compliances pertaining to Corporate Governance. A report on Corporate Governance as stipulated under Clause-49 of the Listing Agreement with the stock exchange form part of the Annual Report.

Your Company has complied with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report.

Certificate from the Auditors of the Company, M/s. Khandelwal & Khandelwal Associates confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

Cash Flow Statement

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the cash flow statement for the year ended 31st March, 2013 is annexed hereto.

Directors

In accordance with Articles of Association of the Company and in view of the provisions of Section 256 of the Companies Act, 1956, Mr. Purshottam Das Bairagi, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Necessary resolution relating to Director who is seeking re-appointment is included in the Notice of Annual General Meeting. The Board of Directors recommends the re-appointment of Mr. Purshottam Das Bairagi.

In compliance with Clause 49 IV (G) of the Listing Agreement, brief resume, expertise and other details of Director proposed to be re-appointed are attached along with the Notice to the ensuing Annual General Meeting.

Auditors

The retiring Auditors, M/s. Khandelwal & Khandelwal Associates, Chartered Accountants, Statutory Auditor of the Company, will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment and your Directors recommend their re-appointment.

The Company has received letter from them to the effect that their re-appointment, if made would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

Auditor's Report

Observations made in the Auditor's Report are self-explanatory and therefore do not call for further comments under Section 217(3) of the Companies Act, 1956.

Cost Compliance Certification

In order to comply with the notifications and circulars issued by Ministry of Corporate Affairs (MCA), your Company has appointed M/s Rajendra Singh Bhati & Co. in whole-time practice for the purpose of issuance of the Cost Records Compliance Certificate to the Company for the year 2012 -13.

Directors' Responsibility Statement

The Board of Directors of your company state:

i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any.

ii. That the directors had 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 at the end of the financial year and of the profit/loss of the Company for that period;

iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. That the directors had prepared the annual accounts on going concern basis.

Particulars of Employees

There is no employee whose particulars are required to be given under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

As the Company is not a manufacturing company, the Board of Directors has nothing to report pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

During the year under review, the company did not have earning and outgo of any foreign currency.

Acknowledgement

The Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and co-operation extended by the Bankers, Shareholders, customers, suppliers, contractors and other associates for their continued support to the Company. The Directors also place on record their sincere appreciation to the employees at all levels for their continuing support and efforts in ensuring the heights of success. We look forward to their continued support in the future.

For and on Behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Place : Indore
Date : 02.08.2013

Management Discussion & Analysis

Management Discussion and Analysis is an explanation, through the eyes of management, of how an entity has performed in the past, its financial condition, and its future prospects. We have pleasure in submitting hereunder the Management Discussion & Analysis Report on business of the Company. We have attempted to include discussions on the matters to the extent relevant.

ECONOMY SCENARIO

FY2013 was a challenging year for the economies across the world. The Indian economy had its own sets of challenges during the year. At present, the economic space is constrained because of a high fiscal deficit; reliance on foreign inflows to finance the current account deficit; lower savings and lower investment; a tight monetary policy to control inflation; and strong external headwinds. This led to a slowdown in the overall growth of the economy. In the year 2013, the Central Statistical Organisation (CSO) has estimated growth at 5 percent while the Reserve Bank of India (RBI) has estimated growth at 5.5 percent.

Real Estate sector is not only the biggest contributor to Gross Domestic Product (GDP) of the country but is also one of the largest sectors in terms of Foreign Direct Investment (FDI) inflows in the country. The two main reasons responsible for boom in the real estate industry in India include liberalization of Government policies, which has decreased the need for permissions and licenses before taking up mega construction projects and the expanding industrial sector. Urbanization and increasing household income are some of the major factors that influence demand for residential /commercial property which results in India's economic growth.

However, India is expected to gain back its growth momentum in the medium term owing to higher savings and easing inflationary pressures which would lead to capital formation and fresh investments.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian economy has witnessed robust growth in the last few years and is expected to be one of the fastest growing economies in the coming years. Infrastructure and real estate form the backbone of the country's progress and are critical drivers of its economic development. The Real Estate Industry is perhaps one that impacts the lives of people aspiring to live the life they have cherished in their own dream house. This industry not only shaped the life and lifestyle of people, but also opened the doors to wealth and prosperity for countries people.

With such importance, it is no surprise that real estate industry grosses one of the largest share of spends for a person. It is probably the most expensive thing a person ever buys. So, for an industry of this stature, it is the second largest employer after agriculture. This sector has been contributing about 5-6% to India's GDP. Not only does it generate a high level of direct employment, but it also stimulates the demand in over 250 ancillary industries such as cement, steel, paint, brick, building materials, consumer durables and so on.

Demand for residential/commercial property is being driven by India's economic growth. One of the core sub-sectors of residential, commercial, retail and housing, the first category offers maximum promise, while the balance three sectors are also growing well and have a bright future. Residential segments are nowadays hero of the moment due to continuous demand.

FINANCIAL PERFORMANCE OVERVIEW

While the overall micro and macro economic factors were not in the best of health last year, your company's Board worked with the confident belief that the above generalizations may not necessarily apply to your Company, who ahead with its strong planning, execution and delivery. This confidence and intelligent working style reflects well in the results as well.

During the year, the turnover has increased from ₹ 1,109.75 Lacs to ₹ 2,744.52 Lacs. The Basic Earnings per Share for the year ended 31.03.2013 is ₹ 0.58 as against ₹ 0.48 for the corresponding previous year ended 31.03.2012.

(₹ In Lacs)

Particulars	For the Year ended 31.03.2013	For the Year ended 31.03.2012
Total Revenue	2,744.52	1,109.75
Total Expenses	2,421.02	978.97
Profit before tax	266.99	130.78
Profit after tax	162.49	94.59

OPERATIONAL OVERVIEW

During the year, Company made tremendous progress across its various projects, making the widespread developments amply visible. This further enhanced the industry stature of your Company and induced higher levels of confidence amongst investors, consumers, vendors and all other stakeholders.

Shri Krishna Devcon Ltd. is a real estate developer. Company develops integrated townships, housing projects and commercial projects. The Company's operations span all aspects of real estate development from the identification and acquisition of land to the planning, execution and marketing of its projects. The Company is developing projects mainly in Indore (Madhya Pradesh) and Mumbai (Maharashtra).

The year gone by was quite eventful for us in terms of business operations and the Company made significant progress in its development activities. During the year, the Company has successfully completed the following residential projects namely;

1. Shrikrishna Eco-Town situated at Limbodi Village, Khandwa Road, Indore (M.P.),
2. Shrikrishna Mahaveer Kripa situated at Near Ramchandra Nagar, Aerodrome Road, Indore (M.P.),
3. Shrikrishna Avenue (Phase II) situated at Limbodi Village, Khandwa Road, Indore (M.P.), and
4. Shrikrishna Solitaire Park situated at Scheme No. 71, Phooti Kothi Square, Indore (M.P.)

Key Projects which are in the stage of progress:

Name of Project	Project Type	Location
Shrikrishna Enclave	Colony	Sanwer Road, Distt Indore (M.P.)
Shrikrishna Corridor	Colony	Village Limbodagari, Indore (M.P.)
Shrikrishna Avenue (PhaseIII)	Colony	Limbodi Village, Khandwa Road, Indore (M.P.)
Shrikrishna Park	Colony	S.K. Park, Bheslay, Pithampur (M.P.)

The Company is also under the planning stage of few new projects at Indore (M.P.) and Mumbai (Mah.) and soon the necessary work action will take place.

OPPORTUNITIES & STRENGTHS

Real Estate plays an important role in the economy. The real estate sector witnessed significant growth over the last 10-15 years. The increased business and consequent employment opportunities led to heavy migration to metros which in turn increased the demand for all real estate segments. Real Estate is the second largest employer in the economy. It comprises of four sub-sectors – housing, retail, hospitality, and commercial. While housing contributes to five-six percent of the country's GDP, the remaining three sub-sectors are also growing at a rapid pace, meeting the increase in infrastructural needs. There are various opportunities available in the Infrastructure sectors such as:

- High Domestic Demand for housing.
- Increase in Income levels of the public.
- Strong economic growth and promising future.
- Availability of both technically skilled and unskilled labor
- Diversified product mix ranging across residential, commercial and retail and strategically located projects.
- Assured quality and attention to detail.

The foundation of our business, developed by being honest in all our dealings and actions. With clarity of vision and focus on meeting commitments, the Company developed a reputation for timely delivery of quality projects. This is made possible by the factors which mainly include:

- **Teamwork**

  To maximize efforts, satisfaction and results by having everybody working together toward a common goal.

- **Trust**

  The customers trust for timely delivery of affordable properties just as they were promised at the time of sale.

- **Adaptability**

  To withstand the competitive and cyclical nature of our industry by being dynamic, flexible, innovative and operationally excellent.

The factors includes other than above are the locations of the project of Company situated in Indore (Madhya Pradesh) and Mumbai (Maharashtra), dependable set of consultants and agencies, professional team and so on.

THREATS, RISKS AND CONCERNS

In our view, the Indian economy in general and the real estate sector in particular, are well set to thrive over the ensuing decades. Real Estate projects involve agreements that are long-term in nature. All long term projects have inherent risks associated with them and involve variables that may not necessarily be within our control. Accordingly, we are exposed to a variety of implementation and other risks, including inflation, interest rates movements, liquidity, commodity and oil prices, governance, construction delays, material shortages, unanticipated cost increases, demand-supply imbalances, government policies and global economic environment which are beyond the control of an individual Company, will dampen the performance of the real estate sector.

Following are the risks faced by the real estate sector:

- Liquidity Risk

  The time required for liquidity of real estate property can vary depending on the quality and location of the property.

- Regulatory Risks

  The rules, regulations and legalities, demonstration of frequent changes make real estate sector a cumbersome option in India.

- Transparency Risks

  Being a market with less than 100% transparency, a strong professional valuation and regulatory institutions are needed.

- Macroeconomics Risks

  Interest rates, inflation and exchange rate risks are amongst the important macroeconomic indicators.

As a part of the overall risk management strategy, the Company consistently insures its assets and generally follows a conservative financial profile by following prudent business practices.

SEGMENT WISE PERFORMANCE

At present Company is engaged in the business of real estate development and there is no separate reportable segment.

FUTURE OUTLOOK

The real estate sector is being recognized as an infrastructure service that is driving the economic growth engine of the country. In fact, Foreign Direct Investment (FDI) in the sector expected to increase to US $25 billion in the next 10 years, from present US $ 4 billion.

The country's urban population will soar to 590 million by 2030, from 340 million in 2008. India's cities could generate 70 percent of the net new jobs by 2030, produce more than 70 percent of the country's Gross Domestic Product (GDP), and simulate a near four fold increase in per capita income. The growth in opportunities will increase employment leading to a rise in disposable incomes and consumption expenditure. Increase in consumption will further drive the growth of the manufacturing, retail, residential and commercial sectors.

The Indian households are relatively deleveraged having household saving rates of 21-24%. Nowadays, more credit is available to Indian households through availability of easy loans and this has increased the purchasing power of consumers. The ability to afford housing is important to the aspirations of the rapidly increasing middle and upper middle segment of the urban population, which is desirous of a higher standard of living. Residential units are one of the most favored investment options of the Indian household and as incomes rise, many households will invest in second homes as investment vehicles.

Residential demand is the main stay of the Indian Real Estate sector. The major demand drivers for the residential market include increasing disposable income levels, increase in the number of nuclear families/households, tax savings on home mortgage products as well as real estate being considered a "necessary" investment. Demand for houses increased considerably whilst supply of houses could not keep pace with demand thereby leading to a steep rise in residential capital values especially in urban areas.

The commercial office space in India has evolved significantly in the past 10 years due to change in business environment. The growth of commercial real estate has been driven largely by service sectors, especially IT-ITeS. However with the emergence of IT-ITeS, which had huge office space requirement, commercial development started moving towards city

suburbs. It resulted in multifold development of city outskirts and suburbs in Indore (M.P.) and Mumbai etc.

Your Company's recent policies of creating affordable housing have been very successful. The Company is developing residential as well as commercial projects mainly in Indore (Madhya Pradesh) and Mumbai (Maharashtra).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company lays great importance on internal control systems across the organization. The Company has adequate system of internal control which helps the management to review the effectiveness of financial and operating control as well as to ensure that all the assets are safeguarded and more productive.

We have a qualified and independent Audit Committee which comprises of our Board of Directors. The Audit Committee reviews the adequacy and efficiency of internal controls and recommends any improvements or corrections. These internal controls ensure efficiency in operations, compliance with internal policies of the Company, applicable laws and regulations, protection of resources and the accurate reporting of financial transactions.

HUMAN RESOURCE DEVELOPMENT

Our vision drives our ambitions and our people define our business excellence. Your Company firmly believes that motivated employees are the key for a competitive advantage. It believes that people's contribution is the main engine for growth. They include encouraging participative management style, improvement of job skills of the employees, inculcating the spirit of innovativeness so as to improve their growth and quality of their work, empowering and motivating them and thereby raising their productivity by delegating authorities and responsibilities, establishing system of evaluation of employees, their performance, need for training and consequent rewards by way of increased salaries and perquisites, and their advancement through promotion.

The Company is in real estate sector and for the development of projects we are in, we engage the services of consultants, contractors and sub-contractors who work on our projects, employ a significant labour force which includes skilled, unskilled and semi-skilled workers. In addition to our employees, the Company engages third party consultant engineers, architects, interior designers and landscape designers.

CAUTIONARY STATEMENT

Certain statements contained in this Management's Discussion and Analysis ("MD&A") constitutes "forward-looking statements". These include statements about Management's expectations, beliefs, intentions or strategies for the future, which are indicated by words such as "anticipate, intend, believe, estimate, forecast and expect" and similar words. All forward-looking statements reflect Management's current views with respect to future events, and are subject to numerous risks, uncertainties and assumptions that have been made. Actual results could differ materially from those expressed or implied, depending upon global and Indian demand-supply conditions, changes in Government regulations, tax regimes and economic developments within India and overseas.

For and on Behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Place : Indore
Date : 02.08.2013

Report on Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement)

Corporate Governance essentially is a set of standards, which aims to improve the Company's efficiency, effectiveness and social responsibility. The concept emphasizes on transparency, accountability, independence and integrity of the management, with focus on public interest in particular. It further inspires and strengthens investors' confidence by ongoing commitment to overall growth of the Company.

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreement with stock exchanges, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of shareholders' value.

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting shareholders trust while maximizing long-term corporate value.

Our philosophy on Corporate Governance begins with our Board of Directors.

- Half of the Board of Directors comprises of Independent Directors.
- A Non- Executive Director chairs the Audit Committee.
- The Board has established terms of reference for its operation and the operation of Audit Committee in line with clause 49 of the listing agreement and section 292A of the Companies Act, 1956.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement, the details are set out as under:

1. BOARD OF DIRECTORS

A. Composition

The Company's policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and to separate the Board functions of governance and management.

As on 31st March 2013, the Board of Directors of the Company consists of six directors, three of whom are non-executive independent directors thus making the 50% of the Board members as independent.

The Company has one Executive Director in the Board as Managing Director and two other non-executive directors who are not independent. According to clause 49, if the Chairman is executive, at least 50% of the Board should consist of non-executive, independent directors. This provision is adequately met at Shri Krishna Devcon Limited. There are three non-executive directors and all of them are independent as defined by Clause 49 which ensures a good blend of executive and independent directors and achieves the desired level of independence of the Board.

B. Meetings and Attendance

During the financial year 2012-13, the Board of Directors met Four (4) times on the following dates: May 30, 2012, August 14, 2012, November 10, 2012 and February 13, 2013. The last Annual General Meeting of the Company was held on 20th September 2012.

The gap between any two meetings never exceeded four months as stipulated in the revised clause 49.

The details of the Board of Directors, their designation, category, other directorship and committee membership, their attendance at the board meetings/last annual general meeting, are given below: (as per separate Chart)

Name of the Director	Designation	Category of Directorship	No. of Shares held in Company	Directorship in other companies (Nos.)	Committees of other companies		Attendance at the Board Meeting		Attendance in last AGM
					Member	Chairman	No. of Meeting held	No. of Meeting attended	
Mr. Sunil Kumar Jain	Managing Director	Executive	1,920,600	1	Nil	Nil	4	4	Yes
Mr. Mukesh Kumar Jain	Director	Non-Executive	1,920,600	1	Nil	Nil	4	4	Yes
Mr. Naveen Kumar Jain	Director	Non-Executive	1,920,600	Nil	Nil	Nil	4	4	Yes
Mr. Purshottam Das Bairagi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	4	4	Yes
Mr. Dinesh Joshi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	4	3	No
Mr. Ashok Kumar Sethi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	4	3	No

Notes:

1. The Directorships held by Directors, do not include directorship in Shri Krishna Devcon Limited. Also excludes directorships in Indian Private Limited Companies, Foreign Companies, Section 25 Companies and alternate directorships.
2. For the purpose of considering the limit of the Committee Membership and Chairmanship of a Director, the Audit Committee and the Shareholders' Grievances Committee of public listed committees alone has been considered. As per disclosure(s) received from the Directors, the Director does not hold membership in more than 10 Committees and Chairmanship in more than 5 Committees.
3. All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the tests of independence as laid down under Clause 49. All such declarations are placed before the Board for information.
4. No Director is related to any other Director on the Board, except Mr. Sunil Kumar Jain, Mr. Mukesh Kumar Jain and Mr. Naveen Kumar Jain, who are brothers.
5. Compliance reports of laws applicable to the Company are periodically placed before the Board of Directors of the Company. There has been no instance of non-compliance.

6. Code of Conduct

All the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. The said Code is posted on the website of the Company. A declaration to this effect signed by the CEO of the Company is given in the Annual Report.

2. COMMITTEES OF THE BOARD

A. Standing Committees

Details of the Standing Committees of the Board and other related information are provided hereunder:

(i) Audit Committee

Objectives:

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

Composition:

The Board has constituted Audit Committee, comprising two Independent Non-Executive Directors, namely Mr. Purshottam Das Bairagi, Chairman, Mr. Dinesh Joshi and one Promoter Director Mr. Mukesh Kumar Jain. All the members of the Audit Committee possess financial/ accounting expertise. The composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement.

The composition of the Audit Committee is as follows:

Sl. No.	Name of Director	Designation	Category of Director
1	Mr. Purshottam Das Bairagi	Chairman	Non-Executive/ Independent Director
2	Mr. Dinesh Joshi	Member	Non-Executive/ Independent Director
3	Mr. Mukesh Kumar Jain	Member	Non-Executive Director

The Managing Director/Chief Executive Officer and Statutory Auditor are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

Terms of Reference:

The terms of reference and power of the Audit Committee is as mentioned in Clause 49 of the Listing Agreement entered with the Stock Exchanges and Section 292A of the Companies Act, 1956 which briefly, inter-alia, the following:

- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up there on.
- To review the Company's financial and risk management policies.
- Any other terms of reference as may be included from time to time.

Meetings:

Four Committee meetings were held during the year, as against the minimum requirement of four meetings. The details of the meetings are as under:

Sl. No.	Date	Committee Strength	No. of Members Present
1	30th May, 2012	3	3
2	14th August, 2012	3	3
3	10th Nov., 2012	3	3
4	13th Feb., 2013	3	3

Attendance of each Member at the Audit Committee Meetings held during the Year.

Sl. No.	Name of Director	No. of Meeting held	No. of Meeting attended
1	Mr. Purshottam Das Bairagi	4	4
2	Mr. Dinesh Joshi	4	4
3	Mr. Mukesh Kumar Jain	4	4

(ii) Remuneration Committee Composition:

The Board has constituted Remuneration Committee comprising Mr. Purshottam Das Bairagi as a Chairman and Mr. Ashok Kumar Sethi and Mr. Dinesh Joshi as members.

Sl. No.	Name of Director	Designation	Category of Director
1	Mr. Purshottam Das Bairagi	Chairman	Non-Executive/ Independent Director
2	Mr. Ashok Kumar Sethi	Member	Non-Executive/ Independent Director
3	Mr. Dinesh Joshi	Member	Non-Executive/ Independent Director

Terms of Reference:

The remuneration Committee has been constituted on 28th October, 2009 to recommend / review

remuneration of the Managing Director and Whole-time Directors, based, inter-alia, on following aspects:

- Employment scenario.
- Remuneration package of the industry.
- Responsibility on individual personnel.
- Performance of the Company and individual performance.

Meetings:

The remuneration committee has held one meeting on 14th August 2012 during the financial year ended March 31, 2013.

The function of the Remuneration Committee includes recommendation of appointment of Managing Director /Whole-time Director(s), evaluation of the performance of the Whole-time Directors(s)/Managing Director and recommendation to the Board of the remuneration to the Whole-time Directors(s) / Managing Director and such other function as delegated by the Board from time to time. The Remuneration Committee is also authorized to recommend commission to be paid to the Director(s) of the Company who is/are not in the whole time employment of the Company in accordance with and up to the limits laid down under the Companies Act, 1956.

Details of Remuneration to Directors for 2012-13

Remuneration of Non-Executive Directors: Non-Executive Directors were not paid any remuneration by way of commission, sitting fees or otherwise. Independent Non-Executive Directors does not have any material pecuniary relationship or transaction with the Company.

Remuneration of Executive Directors: Payment of remuneration to the Managing Director of the Company is governed by the agreement between him and the Company and is approved by the Board and the shareholders in terms of Schedule XIII to the Companies Act, 1956. The agreement with Managing Director is for a period of Five years and renewed thereafter, on mutually accepted terms and conditions.

The details of remuneration paid to the Directors during the year under review from 01.04.2012 to 31.03.2013 are given as follows:

Sl. No.	Name of Director	Designation	Gross Remuneration (₹)
1	Mr. Sunil Kumar Jain	Managing Director	1, 800,000
2	Mr. Mukesh Kumar Jain	Director	NIL
3	Mr. Naveen Kumar Jain	Director	NIL
4	Mr. Purshottam Das Bairagi	Director	NIL
5	Mr. Dinesh Joshi	Director	NIL
6	Mr. Ashok Kumar Sethi	Director	NIL

(iii) Shareholders/Investor Grievances Committee

Composition:

The Board has constituted Shareholders' / Investors' Grievance Committee (the Committee), comprising Mr. Purshottam Das Bairagi, as a Chairman and Mr. Dinesh Joshi and Mr. Sunil Kumar Jain as members.

The composition of the Committee is as follows:

Sl. No.	Name of Director	Designation	Category of Director
1	Mr. Purshottam Das Bairagi	Chairman	Non-Executive/ Independent Director
2	Mr. Dinesh Joshi	Member	Non-Executive/ Independent Director
3	Mr. Sunil Kumar Jain	Member	Executive Director (Managing Director)

Terms of reference:

The Committee normally meets as and when required. The Committee, *inter alia*, approves issue of duplicate certificate and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholder's / investors' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc. The Committee oversees performance of the Registrar and Transfer

Agents of the Company and monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading Regulation, 1992. The Board has delegated the power of approving transfer of securities to the Managing Director.

Meetings:

Four Committee meetings were held during the year, the details of the meetings are as under:

Sl. No.	Date	Committee Strength	No. of Members Present
1	05th May, 2012	3	3
2	02nd August, 2012	3	3
3	27th Oct., 2012	3	3
4	28th Jan., 2013	3	3

Attendance of each Member at the Shareholders/ Investor Grievance Committee Meetings held during the year.

Sl. No.	Name of Director	No. of Meeting held	No. of Meeting attended
1	Mr. Purshottam Das Bairagi	4	4
2	Mr. Dinesh Joshi	4	4
3	Mr. Sunil Kumar Jain	4	4

Investor Grievance Redressal:

The total number of complaints received and resolved to the satisfaction of investors during the year under review as follows:

No. of complaints pending as on 1st April 2012	:	NIL
No. of complaints received & resolved during 01.04.2012 to 31.03.2013	:	NIL
No. of complaints pending as on 31.03.2013	:	NIL

(iv) Finance Committee

Composition:

The Finance Committee of the Board comprises Mr. Sunil Kumar Jain, Mr. Mukesh Kumar Jain and Mr. Naveen Kumar Jain.

Terms of Reference:

The Committee was formed for approving and availing working capital facilities, loan facilities, etc. and any other specific matter delegated by the Board from time to time.

B. FUNCTIONAL COMMITTEES

The Board may, from time to time, constitute one or more Functional Committees delegating thereto powers and duties with respect to specific purposes. Meetings of such Committees are held as and when the need arises. Time schedule for holding the meetings of such functional committees are finalized in consultation with the Committee Members.

3. BOARD PROCEDURE

The Board and its Committees meet at regular intervals for discussion on agenda items, detailed notes along with relevant documents which are generally circulated in advance to the directors for deliberations at each meeting of the Board/Committee thereof. The senior management of the company is invited to attend the Board meeting, make presentations and provide clarifications as and when necessary. They have complete and unfettered access to any information required. The information as required under Annexure 1 of Clause 49 is made available to the Board such as strategy and business plans, annual operation plans and capital expenditure, investments and exposure limits, any updates, quarterly results, minutes of various committees such as audit committee, shareholders' / investors' grievance committee etc., updation and review of major legal issues. HR related issues & industrial relations, compliance with statutory/regulatory compliances etc.

4. GENERAL BODY MEETINGS

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed are as follows:

Year	Location	Date and Time	No. of Special Resolutions set out at the AGMs
2011-12	Hotel The Mirador, New Link Road, Chakala, Andheri (E), Mumbai - 400 099.	September 20, 2012 11.30 A.M.	One
2010-11	414, 4th Floor, Crystal Paradise The Mall, Off Veera Desai Road, New Link Road, Andheri (W), Mumbai - 400 053.	September 21, 2011 11.30 A.M.	One
2009-10	414, 4th Floor, Crystal Paradise The Mall, Off Veera Desai Road, New Link Road, Andheri (W), Mumbai - 400 053.	September 20, 2010 1.00 P.M.	Nil

5. DISCLOSURES

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the company at large:

The transaction with related parties has been disclosed in the note no. 31 of the notes forming part of the financial statement.

b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years:

The Company has complied with all requirements of Listing Agreement with the Stock Exchange & SEBI Regulations and Guidelines. Further, no penalty was imposed by SEBI, Stock Exchange or any Statutory Authority on any matter related to capital markets during the last three years.

c. Whistle Blower Policy :

The Company has not yet formulated Whistle Blower Policy, the same being a non - mandatory requirement.

d. Details of compliance with mandatory requirements and adoption of non mandatory requirements:

The Company has complied with all the mandatory requirement of Listing Agreement. The Company has also adopted the non mandatory requirement of Remuneration Committee and has not adopted other non mandatory requirements. Adoptions of other non mandatory requirements of Clause 49 of the Listing agreement are being reviewed by the Board.

e. Disclosure of accounting treatment:

In the preparation of financial statements the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to accounts forming part of this Annual report.

f. Disclosure for Risk Management:

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management controls risk through means of properly defined framework.

6. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record quarterly, half yearly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement with in prescribed period from the end of the respective period. And the approved financial results are forthwith sent to the stock exchange and are published in the English Newspapers namely, Free Press Journal. In addition, the same are published in local language (Marathi)

newspapers namely Navshakti. All important information pertaining to the company is also mentioned in the Annual Report of the Company containing *inter-alia* Audited Accounts, Directors' Report, Auditors' Report, Management Discussion and Analysis (MDA) and Corporate Governance Section which is circulated to the members and others entitled thereto for each financial year.

In accordance with Clause 54 of the Listing Agreement, the Company has maintained functional website www.shrikrishnadevconlimited.com containing basic information regarding Company viz. details of financial information, shareholding pattern, contact information of the designated official of the Company who are responsible for assisting and handling investor grievances etc. The contents are updated from time to time. The financial results of the Company and other relevant information have been made available on Company's website.

7. CEO/CFO CERTIFICATION

A certificate in accordance with the requirements of Clause 49(V) of the Listing Agreement, duly signed by the Chairman & Managing Director (CEO)/ (CFO) in respect of the year under review was placed before the Board and taken on record by it. The CEO/CFO Certification is annexed to this report.

8. GENERAL SHAREHOLDER INFORMATION

a. Company Registration Details:

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67190MH1993PLC075295.

b. Annual General Meeting:

Day, Date & Time:

Friday, 13th September, 2013
at 11.30 A.M.

Venue:

The Mirador, 131 B New Link Road,
Opp. Solitaire Corporate Park, Chakala,
Andheri (E), Mumbai - 400 099.

c. Financial Year: April 01, to March 31.

d. Financial Calendar 2013-14 (Tentative):

Financial Reporting for the quarter ending June 30, 2013	Second Week of August, 2013
Financial Reporting for the quarter ending September 30, 2013	Second Week of November, 2013
Financial Reporting for the quarter ending December 31, 2013	Second Week of February, 2014
Financial Reporting for the quarter ending March 31, 2014	Last Week of May, 2014

e. Dates of Book Closure:

Friday, 6th September, 2013 to Friday, 13th September, 2013 (both days inclusive).

f. Dividend Payment Date :

No Dividend is recommended by the Board on equity shares of the Company.

g. Listing on Stock Exchange:

The equity shares of the Company are listed on:

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Limited (BSE)	531080

The Company has paid annual Listing fees for the year 2013-14 to BSE.

Market Price Data:

Period	Bombay Stock Exchange (BSE) (In ₹ Per share)	
	Month's High Price	Month's Low Price
April, 2012	17.00	14.20
May, 2012	16.40	14.85
June, 2012	20.25	15.25
July, 2012	21.00	14.00
August, 2012	16.70	13.00
September, 2012	14.05	11.41
October, 2012	17.60	10.86
November, 2012	21.70	18.00
December, 2012	20.65	12.60
January, 2013	13.20	8.60
February, 2013	8.61	7.81
March, 2013	8.82	7.76

Source: BSE website

h. Registrar and Transfer Agents & Share Transfer System:

Sharex Dynamic (India) Private Limited is your Company's Registrars and Transfer Agents. Share transfers in physical form and other communication regarding shares, dividend, change of address, etc. may be addressed to:

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Ind. Premises,
M. Vasanji Marg, Andheri Kurla Road,
Safed Pool, Andheri (E), Mumbai-400 072
Tel.: 022-2851 5606 / 2851 5644
E-mail: sharexindia@vsnl.com

Transfer of shares in physical form is processed and completed by Sharex Dynamic (India) Private Limited within the stipulated time period, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the officers of the Company. A summary of transfer / transmission of securities of the Company so approved by officers are placed at every Shareholders/Investor Grievance Committee meeting. In case of Shares in Demat Form, the transfers are processed by NSDL or CDSL through respective Depositories Participants. The Company obtains, from a Company Secretary in practice, half - yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Bombay Stock Exchange Limited.

i. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

NIL

j. Dematerialization of Shares and Liquidity:

Details of Dematerialised shares are as follows:

Date	No. of Shares held in Demate-rialised form	Total Paid up Capital	% of Paid up capital in Demate-rialised form
31.03.13	27,385,150	28,000,000	97.80 %

Shareholders, who still continue to hold shares in physical form, are requested to dematerialize their shares at the earliest and avail of the various benefits of dealing in securities in electronic/dematerialized form. For any clarification, assistance or information, please contact Sharex Dynamic (India) Private Limited, the Registrar and Transfer Agents of the Company. The shareholders have the option to hold Company's shares in demat form through the NSDL and CDSL.

k. The Company has not issued any ADRs/ GDRs/Warrants or any convertible instruments during the financial year 2012-13.

l. Since the Company is engaged in Real Estate sector, there are no plants or manufacturing units.

m. Distribution of shareholding as on March 31, 2013:

Share of Nominal Value (₹)	No. of Shareholders	(%) of Shareholders	Total Amount (₹)	(%) of Amount
Upto - 5000	1714	81.89	2,884,620.00	1.03
5001 - 10000	182	8.70	1,547,120.00	0.55
10001 - 20000	83	3.96	1,211,460.00	0.43
20001 - 30000	26	1.24	661,230.00	0.25
30001 - 40000	10	0.48	349,350.00	0.12
40001 - 50000	14	0.67	642,960.00	0.23
50001 - 100000	23	1.10	1,707,610.00	0.61
100001 & Above	41	1.96	270,995,650.00	96.78
Total	**2093**	**100%**	**280,000,000.00**	**100%**

n. Distribution of Shareholding according to the categories of shareholders as on March 31,2013:

Categories	No. of Shares	Amount in ₹	% to Total
Promoters	15,365,070	153,650,700.00	54.875
Financial Institutions, Banks	Nil	Nil	Nil
Mutual Funds, UTI	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil
NRIs/ OCBs	500	5,000.00	00.002
Other Bodies Corporate	11,477,922	114,779,220.00	40.993
Public	1,156,508	11,565,080.00	04.130
Total	28,000,000	280,000,000.00	100%

o. Nomination:

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per bye laws and business rules applicable to NSDL and CDSL.

p. Secretarial Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed Stock Exchange. The audit confirm that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

q. Address for Correspondence:

The Investors can personally contact or send their correspondence either to Registrar and Transfer Agents or at the Company's Investor Service Centre, at the following address:

Sharex Dynamic (India) Private Limited
Registrar and Transfer Agents
Unit No. 1, Luthra Ind. Premises,
M. Vasanji Marg,
Andheri Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072
Tel. : 022-2851 5606 / 2851 5644
E-mail : sharexindia@vsnl.com

Shri Krishna Devcon Limited
Investor Service Centre
Umerji House, 202, 2nd Floor,
Teli Gally, Andheri (East)
Mumbai (Mah) - 400 069
Tel. : 022- 26822999
Email : shrikrishnaelectra@hotmail.com

CEO / CFO Certification

To
The Board of Directors
Shri Krishna Devcon Limited
Mumbai

I, Sunil Kumar Jain, Managing Director of Shri Krishna Devcon Limited to the best of my knowledge and belief, certify that:

1. I have reviewed financial statements and the cash flow statement of the company for the year ended March 31, 2013 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.

2. 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 violative of the Company's Code of Conduct.

3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

4. I have indicated to the auditors and the Audit Committee

   i. the significant changes in internal control over financial reporting during the year, if any;

   ii. significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and

   iii. that there were no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Indore
Date: 02.08.2013

Sunil Kumar Jain
Managing Director

Declaration – Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and the Senior Management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2013.

Sunil Kumar Jain
Managing Director

Place: Indore
Date: 02.08.2013

Auditors' Certificate on Corporate Governance

To
The Members of
SHRI KRISHNA DEVCON LIMITED
Mumbai

We have examined the compliance of conditions of Corporate Governance by **SHRI KRISHNA DEVCON LIMITED** (the Company) for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such Compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with the Management has conducted the affairs of the Company.

For **Khandelwal & Khandelwal Associates**
Chartered Accountants
Firm Registration No. 008389C

CA Durgesh Khandelwal
Partner
Membership No. 077390

Place: Indore
Date: 02.08.2013

Auditors' Report

To,
The Members,
Shri Krishna Devcon Limited,
Mumbai

Report on the Financial Statements

We have audited the accompanying financial statements of **Shri Krishna Devcon Limited** ("the Company") which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and Cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 (''the Act''). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;

(ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report), Order 2003 ("the order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we give in the *annexure* a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
   a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
   e) on the basis of written representations received from the directors as on 31 March, 2013, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For Khandelwal & Khandelwal Associates
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

Annexure Referred to in Paragraph 1 under the heading "Report on other Legal and Regulatory Requirements of our report of even date to the members of Shri Krishna Devcon Limited

1. Fixed Assets

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) The Major portions of fixed assets have been physically verified by the management on a sample basis during the year and in our opinion the frequency of verification is reasonable. No material discrepancies were noticed on such verification.

c) There was no substantial disposal of fixed assets during the year.

2. Inventories

a) The inventory includes land, plot of land, completed buildings, land under development, building under development etc. The management has conducted physical verification of inventory at reasonable intervals during the year.

b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. Loans and advances either granted or taken

a) The Company has not granted any loans during the year to the parties covered in the register maintained under section 301 of the Companies Act, 1956.

In view of clause 4 (iii) (a) of the companies (Auditor's Report) Order, 2003, clause 4 (iii) (b, c & d) are not applicable to the company.

b) The Company had taken loan from eight parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 136,078,922/- and the year end balance of loans taken from such parties was ₹ 136,078,922/-.

c) In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.

d) The loans taken are repayable on demand and there is no repayment schedule. Therefore, the question of repayment being regular does not arise and there is no overdue amount of such loans.

4. Internal Controls

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and provisions of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

5. Transactions with parties under section 301 of the Companies Act 1956

a) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register maintained under that section.

b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the period have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. Public Deposits

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.

7. Internal Audit System

In our opinion, and according to information and explanation given to us, the company has an Internal Audit system commensurate with its size and the nature of its business.

8. Cost Records

We have broadly reviewed the cost records maintained by the company pursuant to Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima-facie, the prescribed records have been maintained.

9. Statutory Dues

a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to Income Tax, Cess and any other statutory dues with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, wealth tax, cess and other undisputed statutory dues were outstanding at the end of the year for a period of more than six months from the date they become payable.

c) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess outstanding on account of any dispute.

10. Accumulated Losses

The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

11. Dues to Financial Institutions/Banks

The company has not defaulted in repayment of dues to any Financial Institution or Bank. The company has no debenture holders.

12. Loans against pledge of securities

According to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way pledge of shares, debentures and other securities.

13. Applicability of provisions of special statutes

In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / Societies.

14. Investments

In our opinion, the company is not dealing or trading in shares, securities, debentures or other investments. Accordingly, provisions of clause 4(xiv) of the order are not applicable.

15. Guarantees

According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.

16. Application of Funds raised from bank

The Company has applied the term loans obtained during the period for the purpose for which the said term loans were obtained.

17. Utilisation of Funds

According to the information and explanations given to us, and on an overall examination of Balance Sheet of the company, fund raised on short term basis have prima facie not been used for long term investment.

18. Preferential Allotment of shares

The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19. Securities created in respect of Debentures issued

The company has not issued debentures during the year.

20. End use of money in case of public issue

The Company has not raised any money by public issue during the year.

21. Frauds

Based upon the audit procedures performed and the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Khandelwal & Khandelwal Associates**
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

Balance Sheet as at March 31, 2013

PARTICULARS	NOTE NO.	AS AT 31 MARCH, 2013 ₹	AS AT 31 MARCH, 2012 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	280,000,000	280,000,000
(b) Reserves and surplus	4	265,167,116	248,918,144
Total of Shareholders' funds		**545,167,116**	**528,918,144**
2 Non-current liabilities			
(a) Long-term borrowings	5	1,797,435	3,777,941
(b) Deferred tax liabilities (net)	27	545,393	369,771
(c) Other long-term liabilities	6	-	4,014,808
Total of Non-current liabilities		**2,342,828**	**8,162,519**
3 Current liabilities			
(a) Short-term borrowings	7	231,259,395	143,782,562
(b) Trade payables	8	47,749,888	50,514,737
(c) Other current liabilities	9	167,769,781	149,877,904
(d) Short-term provisions	10	8,958,809	868,047
Total of Current liabilities		**455,737,872**	**345,043,250**
TOTAL OF EQUITY AND LIABILITIES		**1,003,247,816**	**882,123,913**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	11	12,410,121	11,276,697
(b) Non-current investments	12	78,114,902	67,955,823
(c) Long-term loans and advances	13	715,500	715,500
(d) Other non-current assets	14	2,381,694	2,085,514
Total of Non-current assets		**93,622,217**	**82,033,534**
2 Current assets			
(a) Inventories	15	774,239,536	730,253,428
(b) Trade receivables	16	14,872,265	2,275,380
(c) Cash and cash equivalents	17	101,863,347	31,444,181
(d) Short-term loans and advances	18	18,650,451	36,117,390
Total of Current assets		**909,625,599**	**800,090,379**
TOTAL OF ASSETS		**1,003,247,816**	**882,123,913**

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached

For **Khandelwal & Khandelwal Associates**
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

For and on behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Surbhi Goyal
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2013

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31 MARCH, 2013 ₹	FOR THE YEAR ENDED 31 MARCH, 2012 ₹
1 Revenue from operations	19	268,297,012	104,295,225
2 Other income	20	6,155,205	6,679,729
3 Total revenue (1+2)		274,452,217	110,974,954
4 Expenses			
(a) Land, Materials & Services cost	21.a	272,484,261	529,850,434
(b) Purchases of Trading Goods	21.b	-	18,610,551
(c) Changes in inventories of finished goods, work-in-progress and trading stock	21.c	(43,986,108)	(461,272,222)
(d) Employee benefits expenses	22	3,062,500	2,459,444
(e) Finance costs	23	1,466,450	2,850,956
(f) Depreciation	11	1,394,662	787,514
(g) Other expenses	24	7,681,001	4,610,375
Total expenses		**242,102,766**	**97,897,052**
5 Profit before exceptional items and tax (3-4)		32,349,452	13,077,902
6 Exceptional items	25	5,649,802	-
7 Profit before tax (5-6)		26,699,650	13,077,902
8 Tax expense:			
(a) Current tax		10,275,056	3,375,320
(b) Deferred tax		175,622	243,623
Net current tax expense		10,450,678	3,618,943
9 Profit for the year (7-8)		**16,248,972**	9,458,959
10 Earnings per share (of ₹ 10/- each):			
(a) Basic	26	0.58	0.48
(b) Diluted	26	0.58	0.48

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached

For **Khandelwal & Khandelwal Associates**
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

For and on behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Surbhi Goyal
Company Secretary

Cash Flow Statement for the year ended March 31, 2013

PARTICULARS	FOR THE YEAR ENDED 31 MARCH, 2013 ₹	FOR THE YEAR ENDED 31 MARCH, 2012 ₹
A. Cash flow from operating activities		
Net Profit before tax	26,699,650	13,077,902
Adjustments for:		
Depreciation	1,394,662	787,514
Loss on sale of fixed assets	17,421	8,030
Loss on sale of investments	5,649,802	-
Interest costs	1,399,012	2,702,869
Interest income	(4,942,875)	(4,368,974)
Dividend income	(77,100)	-
Loss from partnership firms	5,923	-
Miscellaneous expenses	801,768	210,371
Profit from partnership firms	(1,135,230)	(2,310,754)
Operating profit before working capital changes	**29,813,032**	**10,106,957**
Changes in working capital:		
Adjustments for operating assets:		
(Increase)/Decrease in inventories	(43,986,108)	(461,272,222)
(Increase)/Decrease in trade receivables	(12,596,885)	(961,527)
(Increase)/Decrease in short-term loans and advances	17,466,939	(1,059,717)
(increase)/Decrease in long-term loans and advances	-	11,800,000
Adjustments for operating liabilities:		
Increase/(Decrease) in trade payables	(2,764,849)	39,069,266
Increase/(Decrease) in other current liabilities	17,098,550	117,387,162
Increase/(Decrease) in other long-term liabilities	(4,014,808)	224,646
Increase/(Decrease) in short-term provisions	(5,565)	5,565
Cash generated from operations	**1,010,306**	**(284,699,870)**
Income tax	(2,162,482)	(3,924,710)
Net cash flow from / (used in) operating activities (A)	**(1,152,176)**	**(288,624,580)**
B. Cash flow from investing activities		
Capital expenditure on fixed assets	(2,993,682)	(9,545,680)
Investments in partnership firms	(18,065,678)	(8,547,910)
Proceeds from sale of fixed assets	448,175	125,000
Proceeds from sale of investments	1,449,108	-
Bank deposits not considered as Cash and cash equivalents	(296,180)	(365,528)
Dividend Received	77,100	-
Interest received (net of TDS)	4,926,628	4,368,974
Profit from partnership firms	1,135,230	2,310,754
Net cash flow from / (used in) investing activities (B)	**(13,319,299)**	**(11,654,390)**
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	238,916,672
Proceeds/(repayment) of long-term borrowings	(1,187,180)	3,754,179
Proceeds from other short-term borrowings	87,476,833	86,805,099
Interest cost	(1,399,012)	(2,702,869)
Net cash flow from / (used in) financing activities (C)	**84,890,641**	**326,773,081**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**70,419,166**	**26,494,110**
Cash and cash equivalents at the beginning of the year	31,444,181	4,950,070
Cash and cash equivalents at the end of the year	**101,863,347**	**31,444,181**
Cash and cash equivalents Comprises of:		
(a) Cash on hand	77,582,144	3,843,342
(b) Balances with banks in current accounts	24,281,203	27,600,839
Total	**101,863,347**	**31,444,181**

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached

For **Khandelwal & Khandelwal Associates**
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

For and on behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Surbhi Goyal
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note	Particulars

1 Corporate information

Shri Krishna Devcon Limited ('the Company or 'SKDL') is a real estate developer engaged in the business of construction, development of townships, housing projects, commercial premises and other related activities.

2 Significant accounting policies

2.01 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies has been consistently applied by the company.

2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Significant estimates used by the management in the preparation of these financial statements include computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates, classification of assets and liabilities into current and non-current, estimates of the economic useful lives of fixed assets, provisions for bad and doubtful debts. Any revision to accounting estimates is recognised prospectively.

2.03 Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

2.04 Depreciation and amortisation

Depreciation on fixed asset are provided for in accordance with schedule XIV of the Companies Act, 1956 on the straight line method. Depreciation on addition/deduction during the year has been provided on pro-rata basis.

2.05 Impairment of tangible assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.06 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. Current investments are carried at lower of cost and fair market value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note	Particulars

Note 2 Significant accounting policies (contd.)

2.07 Inventories

(i) Trading Stock

Trading Stock represents Plots of land and Flats for resale. Trading stock are valued at lower of cost and net realisable value. Cost includes cost of acquisition and and other related cost on acquisition.

(ii) Work in progress

Work in Progress represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Work in Progress are valued at lower of cost and net realisable value. Cost includes cost of land/development rights, materials, construction, services, borrowing costs and other overheads relating to projects.

(iii) Finished Goods

Finished Goods represents unsold units of completed projects. Finished Goods are valued at lower of cost and net realisable value. Cost is determined by including cost of land/development rights, materials, services and other related overheads.

2.08 Revenue recognition

i) Revenue from real estate projects

Revenue from real estate projects is recognised when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exist regarding the amount of consideration. The Company follows the percentage of completion method for its projects. The revenue recognition policy is as under:

(a) Project for which revenue recognition has commenced prior to April 1, 2012

Revenue from these real estate projects is recognised on the 'percentage of completion' method of accounting. Revenue is recognised, in relation to sold areas only, when the stage of completion of each project reach a significant level which is estimated to be at least 30% of the total estimated construction cost of the project. Revenue is recognised in the proportion that the construction cost incurred for work performed upto the reporting date bears to the estimated total construction cost. Land costs are not included for the purpose of computing the percentage of completion.

(b) Project for which revenue is recognised for the first time on or after April 1, 2012

With effect from April 1, 2012 in accordance with the Revised Guidance Note issued by Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate Transactions (Revised 2012)", the Company revised its Accounting Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognized for the first time on or after the above date. As per this Guidance Note, the revenue has been recognized on percentage of completion method provided that all of the following conditions are met at the reporting date.

- atleast 25% of estimated construction and development costs (excluding land cost) has been incurred;
- atleast 25% of the saleable project area is secured by contract or agreements with buyers; and
- atleast 10% of the total revenue as per agreement to sell are realized in respect of these agreements.

The estimates relating to percentage of completion, costs to completion, area available for sale etc. being of a technical nature are reviewed and revised periodically by the management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note	Particulars

Note 2 Significant accounting policies (contd.)

(ii) Share in profits of partnership firm investments

The Company's share in profits from a firm where the Company is a partner, is recognised on the basis of such firm's financial statements.

(iii) Dividend income

Dividend is recognised when the shareholders right to receive payment is established at the Balance sheet date.

(iv) Interest Income

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

(v) Other income

Other Income is accounted on accrual basis except where the receipt of income is uncertain.

2.09 Employee benefits

Employee benefits include short term benefits like salaries and wages which are recognized as an expense in the statement of Profit and Loss of the year in which the related service is rendered.

2.10 Borrowing costs

Borrowing cost relating to the acquisition/construction of a qualifying asset (including real estate projects) are considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which it is incurred.

2.11 Segment reporting

The Company has only one reportable segment i.e. Real Estate Development Business on the basis of nature of risks and returns and the internal organisation and management structure of the Company.

2.12 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.13 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

2.14 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not fully within the control of the company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 3 Share Capital

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹10 each with voting rights	28,000,000	280,000,000	28,000,000	280,000,000
(b) Issued Equity shares of ₹10 each with voting rights	28,000,000	280,000,000	28,000,000	280,000,000
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	28,000,000	280,000,000	28,000,000	280,000,000
Total	**28,000,000**	**280,000,000**	**28,000,000**	**280,000,000**

Note 3.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Conversion of share warrants in equity shares	Other changes	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2013				
- Number of shares	28,000,000	-	-	28,000,000
- Amount (₹)	280,000,000	-	-	280,000,000
Year ended 31 March, 2012				
- Number of shares	16,000,000	12,000,000	-	28,000,000
- Amount (₹)	160,000,000	120,000,000	-	280,000,000

Note 3.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 3 Share capital (contd.)

Note 3.3 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mac Life Sciences Pvt. Ltd.	2,200,000	7.86	2,200,000	7.86
Sayoni Infracon Pvt. Ltd.	3,500,000	12.50	3,500,000	12.50
Craftwell Electronics Pvt. Ltd.	3,300,000	11.79	3,300,000	11.79
Vishwanath Hospital And Research Centre Pvt. Ltd.	2,200,000	7.86	2,200,000	7.86
Manorama Jain	1,920,600	6.86	1,920,600	6.86
Keshrimal Jain	1,920,870	6.86	1,920,870	6.86
Anjana Jain	1,920,600	6.86	1,920,600	6.86
Sunil Jain	1,920,600	6.86	1,920,600	6.86
Sangeeta Jain	1,920,600	6.86	1,920,600	6.86
Mukesh Jain	1,920,600	6.86	1,920,600	6.86
Surabhi Jain	1,920,600	6.86	1,920,600	6.86
Navin Jain	1,920,600	6.86	1,920,600	6.86

Note 4 Reserves and surplus

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Securities premium account		
Opening balance	238,329,657	119,412,985
Add : Premium on shares issued during the year	-	120,000,000
Less: Utilised during the year for writing off shares issue expenses	-	1,083,328
Closing balance	**238,329,657**	**238,329,657**
(b) Surplus in Statement of Profit and Loss		
Opening balance	10,588,487	1,129,528
Add: Profit for the year	16,248,972	9,458,959
Closing balance	**26,837,459**	**10,588,487**
Total of reserve & surplus	**265,167,116**	**248,918,144**

Note 5 Long-term Borrowings

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Secured term loans		
From banks (Refer Note 5.1)	1,797,435	3,777,941
Total of long term borrowing	**1,797,435**	**3,777,941**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 5 Long-term Borrowings (contd.)

Note 5.1 Terms of repayment and security

Particulars	Terms of repayment and security	As at 31 March, 2013 Secured ₹	As at 31 March, 2012 Secured ₹
Term loans from banks:			
Vehicle Loans	Secured against the hypothecation of respective vehicles		
(a) HDFC Bank Ltd.	one instalment of ₹ 297,600 was due on 05.07.2011 and 34 equal monthly instalments of ₹ 148,800 starting from 05.08.2011 and last instalment due on 05.05. 2014.	293,575	1,947,232
(b) HDFC Bank Ltd.	one instalment of ₹ 192,850 was due on 05.02.2012 and 34 equal monthly instalments of ₹ 96,425 starting from 05.03.2012 and last instalment due on 05.12. 2014.	828,591	1,830,709
(c) BMW Financial Services	35 Monthly instalments of ₹ 50,150 as mentioned in the repayment schedule commenced from June 2012 and last instalments due in April 2015	675,269	-
	Total of term loans from banks	**1,797,435**	**3,777,941**

Note 6 Other Long-term Liabilities

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
Trade payables:		
Payable for land purchase	-	4,014,808
Total of other long-term liabilities	**-**	**4,014,808**

Note 7 Short-term Borrowings

Particulars	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
(a) Loans and advances from related parties Unsecured	136,078,922	53,051,281
(b) From corporate bodies Unsecured	95,180,473	90,731,281
Total of short-term borrowings	**231,259,395**	**143,782,562**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 8 Trade Payables

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Payable for land purchase	30,425,000	33,272,300
Payable for Supplies & Services (Refer Note 29)	17,324,888	17,242,437
Total of trade payables	**47,749,888**	**50,514,737**

Note 9 Other Current Liabilities

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Current maturities of long-term debt (refer Note 5.1)	3,196,051	2,402,725
Advances from customers	144,818,265	144,837,237
Statutory dues	2,908,070	2,586,426
Others	16,847,395	51,516
Total of other current liabilities	**167,769,781**	**149,877,904**

Note 10 Short-term Provisions

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Provision for tax net of advance tax & TDS ₹ 1,316,247 (As at 31 March, 2012 ₹ 2,512,838)	8,958,809	862,482
Expenses payable	-	5,565
Total of short-term provisions	**8,958,809**	**868,047**

Note 11 Fixed Assets

Tangible Assets	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April, 2012	Additions	Disposals	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned:										
(a) Furniture and Fixtures	17,930	-	-	17,930	17,887	43	-	17,930	-	43
(b) Vehicles	12,093,148	2,603,932	768,379	13,928,701	1,263,872	1,320,916	302,783	2,282,005	11,646,696	10,829,276
(c) Computer and Peripherals	244,659	50,550	-	295,209	65,421	46,194	-	111,615	183,594	179,238
(d) Air Conditioner	61,897	-	-	61,897	12,006	2,940	-	14,946	46,951	49,891
(e) DVD Player	4,499	-	-	4,499	909	214	-	1,122	3,377	3,590
(f) LCD TV	29,000	-	-	29,000	5,918	1,378	-	7,295	21,705	23,083
(g) EPABX	7,995	-	-	7,995	1,617	380	-	1,997	5,998	6,378
(h) Mobile Instruments	167,000	-	-	167,000	12,699	7,933	-	20,632	146,368	154,301
(i) Money counting Machine	31,640	-	-	31,640	743	1,503	-	2,246	29,394	30,897
(j) D.G Set	-	339,200	-	339,200	-	13,163	-	13,163	326,037	-
Total	12,657,768	2,993,682	768,379	14,883,071	1,381,071	1,394,662	302,783	2,472,950	12,410,121	11,276,697
Previous year	**3,277,213**	**9,545,680**	**165,125**	**12,657,768**	**625,652**	**787,514**	**32,095**	**1,381,071**	**11,276,697**	**2,651,561**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 12 Non-current Investments

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
A. Trade Investments (At cost):		
Unquoted		
Investment in partnership firms (Refer Note 12.1)	74,019,999	56,762,011
Total of trade investments	**74,019,999**	**56,762,011**
B. Other Investments (At cost)		
Quoted equity shares (Refer Note 12.2)		
(a) Nil (As at 31 March, 2012 : 288,643) shares of ₹ 1 each fully paid up in Media Metrix Worldwide Ltd.	-	6,009,686
(b) 17,891 (As at 31 March, 2012 : 28,391) shares of ₹ 10 each, fully paid up in Vishal Malleables Ltd.	1,354,862	2,444,085
(c) 1,285,000 (As at 31 March, 2012 : 1,285,000) shares of ₹ 1 each, fully paid up in Mobile Telecommunications Ltd.	2,740,041	2,740,041
Aggregate Market value as at 31st March, 2013 ₹ 41.60 Lacs (As at 31st March 2012 ₹ 78.12 lacs)		
Total of other investments	**4,094,903**	**11,193,812**
Total of non current investments (A+B)	**78,114,902**	**67,955,823**

Note 12.1 Other details relating to investment in partnership firms

Name of the firms	As at 31 March, 2013		As at 31 March, 2012	
	Names of partners in the firm	Share of each partner in the profits of the firm	Names of partners in the firm	Share of each partner in the profits of the firm
1 M/S Maa Shipra Enterprises	Shri Krishna Devcon Ltd	25	Shri Krishna Devcon Ltd	25
Total Capital as on	Mr. Yogesh Mishra	25	Mr. Yogesh Mishra	25
31.03.2013 - ₹ 3,600,000	Mr. Abhishek Rathi	25	Mr. Abhishek Rathi	25
Previous year ₹ 3,600,000	Mr. Lokesh Awasthi	25	Mr. Lokesh Awasthi	25
Total		**100**		**100**
2 M/S Avani Buildcon	Shri Krishna Devcon Ltd	50	Shri Krishna Devcon Ltd	50
Total Capital as on	Mr. Jetendra Mehta	30	Mr. Jetendra Mehta	30
31.03.2013 - ₹ 60,095,326	Mr. Sunil Sangoi	20	Mr. Sunil Sangoi	20
Previous year ₹ 63,805,089				
Total		**100**		**100**
3 M/S Shree Krishna Buildcon	Shri Krishna Devcon Ltd	60	M/S Shri Krishna Devcon Ltd	60
Total Capital as on	Mr. Vijay Godwani	8	Mr.Vijay Godwani	8
31.03.2013 - ₹ 29,968,000	Mr. Ramesh Godwani	8	Mr. Ramesh Godwani	8
Previous year ₹ 29,483,000	Mr. Gagandeep Singh Juneja	8	Mr. Gagandeep Singh Juneja	8
	Mrs. Armeet Kaur	6	Mrs. Armeet Kaur	6
	Mrs. Simmi Kaur	5	Mrs. Simmi Kaur	5
	Mrs. Kamna Bajaj	5	Mrs. Kamna Bajaj	5
Total		**100**		**100**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 12 Non-current Investments (contd.)

Note 12.1 Other details relating to investment in partnership firms (contd.)

Name of the firms	As at 31 March, 2013		As at 31 March, 2012	
	Names of partners in the firm	Share of each partner in the profits of the firm	Names of partners in the firm	Share of each partner in the profits of the firm
4 M/S Krishna Developers Total Capital as on 31.03.2013 - ₹ 11,783,832 Previous year ₹ 24,059,271	Shri Krishna Devcon Ltd. Mr. Sandeep Jain Mr. Vikas Choudhary	35 2.5 62.5	Shri Krishna Devcon Ltd. Mr. Sandeep Jain Mr. Sunil Haryani (HUL) Mr. Sharad Doshi Mr. Ashish Jain	35 2.5 25 25 12.5
Total		100		100
5 M/S A & A Shelters Total Capital as on 31.03.2013 - ₹ 193,154	Shri Krishna Devcon Ltd A & A Shelters Pvt. Ltd.	50 50		
Total		100		

Note 12.2 Valuation of investment in quoted equity shares

The management of the Company is of the opinion that the decline in the market value of its investments is temporary in nature and hence, has valued the investment on "cost" basis. No provision has been made for the difference between cost and market value of the Investments.

Note 13 Long-term loans and advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Security deposits		
Unsecured, considered good	715,500	715,500
Total of long-term loans and advances	**715,500**	**715,500**

Note 14 Other non-current assets

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Fixed deposit with Bank for bank guaranties	2,381,694	2,085,514
Total of other non-current assets	**2,381,694**	**2,085,514**

Note 15 Inventories

(As certified by management)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Trading stock (Flats)	824,462	824,462
(b) Work-in-progress (Projects Under Development)	730,627,915	709,036,167
(c) Finished goods (other than those acquired for trading) (Complete Units of the Projects)	42,787,159	20,392,799
Total of inventories	**774,239,536**	**730,253,428**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 16 Trade Receivables

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	1,560,489	-
Other	13,311,776	2,275,380
Total of trade receivables	**14,872,265**	**2,275,380**

Note 17 Cash and cash equivalents

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Cash on hand	77,582,144	3,843,342
(b) Balances with banks		
Current accounts	24,281,203	27,600,839
Fixed deposits	2,381,694	2,085,514
Total	**104,245,041**	**33,529,695**
Less: Amount disclosed under non-current assets	2,381,694	2,085,514
Total of cash and cash equivalents	**101,863,347**	**31,444,181**

Note 18 Short-term loans and advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Unsecured, considered good		
(a) Loans and advances to related parties (Refer Note 18.1 below)	-	1,020,000
(b) Security deposits	2,375,000	4,691,489
(c) Advance for land	9,813,519	24,179,966
(d) Other loans and advances	6,461,932	6,225,935
Total of short-term loans and advances	**18,650,451**	**36,117,390**

Note 18.1 Short-term loans and advances include amounts due from:

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Private companies in which any director is a director or member	—	1,020,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 19 Revenue from Operations

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
(a) Sale of products		
Income from sale of land & property developments	268,297,012	104,187,225
(b) Other operating revenues		
Rental income	-	108,000
Total of revenue from operations	**268,297,012**	**104,295,225**

Note 20 Other Income

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
(a) Interest income	4,942,875	4,368,974
(b) Share of Profit From Partnership firms	1,135,230	2,310,754
(c) Dividend Income	77,100	-
Total of other income	**6,155,205**	**6,679,729**

Note 20.1 Details of interest income

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Interest income comprises:		
Interest from banks on deposits	162,427	128,366
Interest income from investments in partnership firms	4,780,448	4,237,156
Other interest	-	3,452
Total of interest income	**4,942,875**	**4,368,974**

Note 21.a Land, Materials & Services Cost

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Cost of land, Materials & Services during the year	272,484,261	529,850,434
Total of land, materials & services cost	**272,484,261**	**529,850,434**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 21.b Purchase of trading goods

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Cost of Land	-	18,610,551
Total of purchase of trading goods	**-**	**18,610,551**

Note 21.c Changes in inventories of finished goods, work-in-progress and trading stock

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Inventories at the end of the year:		
Complete units/Finished goods	42,787,159	20,392,799
Work-in-progress	730,627,915	709,036,167
Trading stock	824,462	824,462
	774,239,536	730,253,428
Inventories at the beginning of the year:		
Complete units/Finished goods	20,392,799	-
Work-in-progress	709,036,167	268,156,744
Trading stock	824,462	824,462
	730,253,428	268,981,206
Net (increase) / decrease	**(43,986,108)**	**(461,272,222)**

Note 22 Employee benefits expenses

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Salaries and wages	3,062,500	2,459,444
Total of employee benefits expenses	**3,062,500**	**2,459,444**

Note 23 Finance Costs

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
(a) Interest expense on:		
(i) Borrowings	16,905,784	5,822,788
(ii) Trade payables	-	388,053
(iii) Others	407,203	373,289
(b) Other borrowing costs - bank charges	67,438	148,087
Total	17,380,425	6,732,217
Less:		
Borrowing cost Inventorised during the year	15,913,975	3,881,261
Total of finance cost	**1,466,450**	**2,850,956**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 24 Other expenses

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Office rent	512,400	621,200
Electricity expenses	210,925	105,858
Insurance	56,783	15,403
Rates and Taxes	4,457	13,624
Telephone expenses	197,157	257,269
Postage and Courier expenses	9,810	29,282
Travelling and Conveyance	346,324	80,000
Office expenses	208,128	338,786
Printing and Stationery	288,999	177,545
Brokerage & Commission	3,093,628	-
Advertisement & Publicity	374,001	1,340,898
Payments to auditors (Refer Note 24.1 below)	318,540	600,000
AGM expenses	5,000	12,137
Fees & Subscription	173,859	72,010
Legal and Professional	815,095	587,109
Loss on sale of fixed assets	17,421	8,030
Vehicle Running and Maintenance	151,364	140,853
Computer Repairs & Maintenance Exp.	23,300	-
Security expenses	52,516	-
Service Tax expenses	13,603	-
Loss from Partnership firm	5,923	-
Miscellaneous expenses	801,768	210,371
Total of other expenses	**7,681,001**	**4,610,375**

Note 24.1 Details of payment to auditor

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Payments to the auditors comprises		
For statutory audit	140,450	125,000
For tax audit	28,090	25,000
For other services	150,000	450,000
Total of payment to auditor	**318,540**	**600,000**

Note 25 Exceptional items

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Loss on Sale of Long term investments	5,649,802	-
Total	**5,649,802**	**-**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 26 Basic & Diluted Earnings per Share

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Net profit after tax for the year	16,248,972	9,458,959
Equity shares outstanding as at the year end	28,000,000	28,000,000
Weighted average number of shares	28,000,000	19,540,984
Nominal value per share ₹	10	10
Earnings per share ₹ (Basic & Diluted)	0.58	0.48

Note 27 Deferred Tax Liability / (Asset)

Particulars	Charged/(Credit) in P&L account for current year	As At 31 March, 2013	As At 31 March, 2012
	₹	₹	₹
A. Deferred tax (Assets)	Nil	Nil	Nil
B. Deferred tax Liabilities:			
On difference between book balance and tax balance of fixed assets	175,622	545,393	369,771
Net (DTA)/DTL (B-A)	**175,622**	**545,393**	**369,771**

Note 28 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Guarantees issued by Bank	5,350,000	4,500,000

Note 29 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2013.

Note 30 Additional Statutory information to the financial statements

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Value of imports on CIF basis	Nil	Nil
Expenditure in foreign currency	Nil	Nil
Earnings in foreign exchange	Nil	Nil

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 31 Disclosures under Accounting Standards 18, Related Party Disclosures

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Sunil Jain, Managing Director of the Company Mr. Mukesh Jain, Director of the Company Mr. Naveen Jain, Director of the Company
Relatives of KMP	Mrs. Manorama Jain, Mother of Mr. Sunil Jain, Mr. Mukesh Jain and Mr. Naveen Jain Mr. Keshrimal Jain, Father of Mr. Sunil Jain, Mr. Mukesh Jain and Mr. Naveen Jain Mrs. Anjana Jain, Wife of Mr. Sunil Jain Mrs. Sangeeta Jain, Wife of Mr. Mukesh Jain Mrs. Surabhi Jain, Wife of Mr. Naveen Jain
Entities in which KMP / Relatives of KMP can exercise significant influence	Shree Vrajraj Developers Pvt. Ltd. Shreedhar Developers Pvt. Ltd. SKDL Developers Pvt. Ltd. CSM Developers Pvt. Ltd. NPS Investment Pvt. Ltd. Manokesh Mines & Minerals Pvt. Ltd. Navkar Finvest Ltd. Bollywood Automobile

Note: Related parties have been identified by the Management.

Details of related party transactions for the year ended March 31, 2013 and balances outstanding as at March 31, 2013:

Nature of the Transactions	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Directors Remuneration				
- Mr. Sunil Jain	1,800,000 (1,050,000)			1,800,000 (1,050,000)
- Mr. Mukesh Jain	- (150,000)			- (150,000)
- Mr. Naveen Jain	- (150,000)			- (150,000)
Short term Borrowing				
- CSM Developers Pvt. Ltd.			47,429,500 (3,160,000)	47,429,500 (3,160,000)
- Shreedhar Developers Pvt. Ltd.			5,000,000 (13,000,000)	5,000,000 (13,000,000)
- Manokesh Mines & Minerals Pvt. Ltd.			1,000,000 -	1,000,000 -
- Navkar Finvest Ltd.			3,300,000 -	3,300,000 -

Note: Figures in bracket relates to the previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 31 Disclosures under Accounting Standards 18 (contd.)

Nature of the Transactions	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Short term borrowing				
- Mr. Sunil Jain	14,200,000 (5,860,221)			14,200,000 (5,860,221)
- Mr. Mukesh Jain	- (6,000,000)			- (6,000,000)
- Mr. Naveen Jain	17,080,219 (3,719,235)			17,080,219 (3,719,235)
Short term borrowing outstanding at the year end				
- Mr. Sunil Jain	16,037,641 (7,188,646)			16,037,641 (7,188,646)
- Mr. Mukesh Jain	7,147,200 (7,147,200)			7,147,200 (7,147,200)
- Mr. Naveen Jain	24,185,654 (9,105,435)			24,185,654 (9,105,435)
- CSM Developers Pvt. Ltd.			59,762,855 (9,310,000)	59,762,855 (9,310,000)
- Shreedhar Developers Pvt. Ltd.			17,345,572 (13,000,000)	17,345,572 (13,000,000)
- SKDL Developers Pvt. Ltd.			7,300,000 (7,300,000)	7,300,000 (7,300,000)
- Manokesh Mines & Minerals Pvt. Ltd.			1,000,000 -	1,000,000 -
- Navkar Finvest Ltd.			3,300,000	3,300,000
Interest Paid				
- SKDL Developers Pvt. Ltd.			967,000 (657,000)	967,000 (657,000)
- CSM Developers Pvt. Ltd.			3,359,283 -	3,359,283 -
- Shreedhar Developers Pvt. Ltd.			1,606,192 -	1,606,192 -
- Manokesh Mines & Minerals Pvt. Ltd.			38,034 -	38,034 -
- Navkar Finvest Ltd.			141,787 -	141,787 -
Land Purchase				
- Shree Vrajraj Developers Pvt. Ltd.			- (630,000)	- (630,000)
Advance for Land Purchase				
- Shree Vrajraj Developers Pvt. Ltd.			- (1,020,000)	- (1,020,000)

Note: Figures in bracket relates to the previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 32

The Company has not made any provisions towards gratuity and other retirement benefits as in view of the management, no provision are required to be made.

Note 33

In the opinion of Board, Current Assets, Loans & Advances are approximately of value which are stated in the Balance Sheet if realised in the ordinary course of business.

Note 34

The figures of trade receivable, Trade Payables and Loans & Advances are subject to confirmation and reconciliation, wherever required.

Note 35 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to the notes to financial statements

As per our Report of even date attached

For Khandelwal & Khandelwal Associates
Chartered Accountants
Firm Registration No. 008389C

(CA Durgesh Khandelwal)
Partner
M.No. 077390

Place : Indore
Date : 30.05.2013

For and on behalf of the Board of Directors

Sunil Kumar Jain
Managing Director

Mukesh Kumar Jain
Director

Surbhi Goyal
Company Secretary

NOTES :

NOTES :

SHRI KRISHNA DEVCON LIMITED

Regd. Off.: Umerji House, 202, 2nd Floor, Teli Gally, Andheri (East),
Mumbai - 400 069. (Maharashtra)

ATTENDANCE SLIP

PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE. Members are requested to bring their copy of the Annual Report to the Meeting.

Name of the Attending Member _____
(In Block Letters) (Surname) (First Name) (Middle Name)

Name of the Proxy _____
(To be filled in if the Proxy attends instead of the Member) (Surname) (First Name) (Middle Name)

Folio Number _____ No. of Shares held _____

I / We hereby record my / our presence at the 19th Annual General Meeting of the Company held on Friday, 13th September, 2013 at 11.30 A.M. at The Mirador, 131 B New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (E), Mumbai - 400 099.

Signature of the Member/Proxy*

*Strike out whichever is not applicable

SHRI KRISHNA DEVCON LIMITED

Regd. Off.: Umerji House, 202, 2nd Floor, Teli Gally, Andheri (East),
Mumbai - 400 069. (Maharashtra)

PROXY

I/We _____ of _____ being a member/members of SHRI KRISHNA DEVCON LIMITED hereby appoint _____ of _____ or failing him _____ of _____ or failing him _____ of _____ as my / our Proxy to attend and vote for me / us on my / our behalf at the 19th ANNUAL GENERAL MEETING of the Company to be held on Friday, 13th September, 2013 at 11.30 A.M. at The Mirador, 131 B New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (E), Mumbai - 400 099 and at any adjournment thereof.

Signed this _____ day of _____ 2013

Signature _____

Affix a ₹ 1/- Revenue Stamp

FOR OFFICE USE ONLY

PROXY NO :

FOLIO NO :

NO. OF SHARES:

Notes:

1. The form should be signed across the stamp as per specimen signature.
2. The Proxy Form duly completed, stamped and signed must be deposited at the Registered Office of the Company or at the office of the Company's Registrars & Transfer Agents, not less than 48 hours before the time of holding the Meeting.