

BOARD OF DIRECTORS

Shri. H. D. Katwa	Chairman Emeritus
Shri. Venkatesh Katwa	Chairman
Shri. Vilas Katwa	Managing Director
Shri. Deepak Katwa	Director
Shri. Dinesh Kotecha	NED - I
Shri. Govindraj Chitta	NED - I
Smt. Bharati Kamatgi	NED - I
NED - I [Non Executive Director - Independent]	

COMPANY SECRETARY

Shri. Rajesh Lakkar

BANKERS

Syndicate Bank, Camp, Belgaum.

AUDITORS

C. A. Prabhakar K. Latkan
Chartered Accountant
1083, Ananat Shayan Galli,
Belgaum - 590 002.

REGISTERED OFFICE

215/2, Jyoti Towers, 6th Cross,
Nazar Camp, Karbhar Galli,
M. Vadgaon, Belgaum - 590 005.
E-mail : keshavcement@katwa.com
Website : www.keshavcement.com

PLANTS

Plants I : R.S.No.346, Kaladgi Village,
Bagalkot - 587 313 [Karnataka]

Plant II : R.S. No.15/4, At, Mudhol,
Nagnapur Industrial Area,
Bagalkot - 587 122 [Karnataka]

REGISTRAR & SHARE TRANSFER AGENT

Can Bank Computer Service Limited
Unit : Shri Keshav Cements & Infra Limited
218, J. P. Royale, 1st Floor, 14th Cross,
Sampige Road, Malleshwaram,
Bangalore - 560 003
Phone No.: +91-080-25320542 / 543
Fax No. +91-080-25320544
E-mail : canbank_computer@dataphone.in
Website : canbankrta.com

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17th ANNUAL GENERAL MEETING

DAY : Tuesday

DATE : July 27, 2010

TIME : 11.30 A.M.

VENUE : Registered Office Situated at
215/2, "Jyoti Towers",
6th Cross, Nazar Camp,
Karbhar Galli, M. Vadgaon,
Belgaum - 590 005.

**17th ANNUAL GENERAL MEETING
NOTICE**

NOTICE is hereby given that the seventeenth Annual General Meeting of the Members of **SHRI KESHAV CEMENT & INFRA LIMITED** will be held on Tuesday the 27th JULY 2010, at 11.30 A.M. at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31 2010 and Profit and Loss Account for the period ended on that date and the Reports of the Directors' and the Auditors' thereon.
3. To appoint a Director in place of Mr. Deepak Katwa who retires by rotation and, being eligible, offers herself for reappointment.
4. To appoint a Director in place of Mr. Dinesh Kotecha who retires by rotation and, being eligible, offers himself for reappointment.
6. To appoint the Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, and to fix their remuneration.

Registered Office:

'Jyoti Towers',
215 Karbhar Galli, Nazar Camp,
M. Vadagon, BELGAUM 590002
Date: 11th May 2010

By Order of the Board of Directors
For **SHRI KESHAV CEMENT & INFRA LIMITED**

Rajesh Lakkar
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.**
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st July to 27th July 2010 [for six days] for the purpose of Annual General Meeting.
4. Members/Proxies should bring the Attendance Slips sent herewith duly filled in, for attending the Meeting.
5. Corporate Members intending to send their authorized representative/s to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative/s to attend and vote at the meeting.
6. Members desiring any information on accounts or operations of the Company are requested to forward his/her queries to the Company at least Eight days prior to the date of the Meeting, so that the required information is made available at the Meeting.
7. As members are aware, equity shares of the Company are traded in electronic form for all shareholders. Members who hold shares in physical form may dematerialize the same. ISIN allotted to the Company for this purpose is INE 260E01014.

8. Shareholders are requested to immediately notify any change in their address or bank mandate to their depository participants with whom they are maintaining their demat account or to the company's Registrar and Transfer Agents, namely, M/s. Can bank Computer Services Limited Unit: Katwa Udyog Limited Naveen Complex, 4th Floor, 14, M. G. Road, Bangalore -590 002 if shares are held in physical form.

Registered Office:

'Jyoti Towers',
215 Karbhar Galli, Nazar Camp,
M. Vadagon, BELGAUM 590002
Date: 11th May 2010

By Order of the Board of Directors
For **SHRI KESHAV CEMENT & INFRA LIMITED**

Rajesh Lakkar
Company Secretary

[ANNEXURE TO THE NOTICE DATED 11th May 2010]**DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT**

Sl. No.	Name of the Director	Date of Birth	Date of Appointment	Qualification	Directorship held in other public Cos if any	Chairmanship/ Memberships of committees across other public Cos if any	No. of equity shares held
1	MR. DEEPAK KATWA	19.9.1978	27.5.2007	B.Com. M.B.A.	Katwa Finlease Limited Katwa Infotech Limited Katwa Construction Company Limited	Nil	804296
2	MR. DINESH KOTECHA	18.4.1958	26.7.2007	Chartered Accountant	NIL	Chairman of the Audit Committee and Remuneration Committee in this Company	600

SHRI KESHEV CEMENT & INFRA LIMITED**SHRI KESHAV CEMENT & INFRA LIMITED**
Formerly KATWA UDYOG LIMITED**DIRECTORS REPORT**

To,
The Members,
The Directors hereby present their seventeenth Annual Report along with audited profit and loss account for the year ended March 31st 2010.

[Amount in Rupees]

Particulars	For the year ending March 31st 2010	For the year ending March 31st 2009
Earnings before interest Depreciation and Tax	70685331	4,99,45,139
Less : Interest	39,753,791	2,97,28,884
Depreciation	19,572,657	14,626,284
Profits before Tax	11,358,883	55,89,971
Add : Excess / [short] Provision of Taxes	NIL	2,02,007
Add : Deferred Tax Asset	6,50,000	20,01,400
Total	12,008,883	7,389,364
Less: Provision for Income tax	2,000,000	6,12,100
Profit after Tax	10,008,883	6,777,264
Add : Balance brought forward	1,36,73,673	6,896,409
Amount available for appropriation Total	2,36,82,556	1,36,73,673
Appropriations	Nil	Nil
Amount carried to balance sheet	2,36,82,556	1,36,73,673
Total	2,36,82,556	1,36,73,673

1. OPERATIONS:

During the years under review the turn over has increased to Rs. 28.30 crores as compared to turn over of Rs.24.22crores in the previous year showing an increase of almost 16 %. The pre profit is Rs. 1.13 crores as compared to 55.89 lakhs of the last year an increase of almost 100%. The Directors are aware of the fact that though the turn over and the profitability position has increased during the year but then the increase ought to have been more pronounced to make real impact, after the recent acquisition of a cement plant which has increased the installed capacity.

2. DIVIDEND:

As mentioned in preceding paragraph, though the sales and profitability position has improved during the financial year, but then the Board regrets its inability to recommend divided for the year keeping in view the necessity to plough back the profits which are needed for day to day operations towards working capital.

LISTING OF SHARES [Disclosure Requirement as per SEBI Circular
No.14/98 dated 24.4.1998]

During the year under report, the equity shares of the Company were traded on the Bombay Stock Exchange. The Company has paid annual listing fee to the Bombay Stock Exchange up to the financial year 2010-11. The trading in the equity shares of the Company was not suspended during any part of the financial year 2009-10 or till the date of this report.

1. BOARD OF DIRECTORS

The composition of the Board of Directors during the financial year 2009-10 and till the date of this report consisted of the following personnel

COMPOSITION OF BOARD OF DIRECTORS

Name of the Director Mr. Venkatesh Katwa	Designation Chairman	Date of appointment Appointed as a director on 25.09.1995 and elected as a Chairman on 28.07.2008
Mr. Vilas Katwa	Managing Director	1.4.2002 re-appointed on 1-4-2007
Mr. Deepak Katwa	Non Executive Director	25.5.2007
Mr. Dinesh Kotecha	Independent Director	26.7.2007
Mr. Govindraj Chitta	Independent Director	24.10.1994
Mrs. Bharati Kamatgi	Independent Director	1.4. 2003

1. AUDITORS

Mr. Prabhakar Latkan, Chartered Accountant retires at the ensuing annual general meeting. The retiring auditor has confirmed his willingness and eligibility to accept audit assignment, if re-appointed. The audit report is qualified on the following points:

1. Impairment of assets in terms of AS 22
2. Inventory valuation being made and certified by the management

In this regard, the Directors would like to stress the fact that under the programme of modernization and expansion undertaken in the year 2007, the management has seen to it that the assets of the Company are fully geared to the task given. In event of break down or other troubles which is common occurrence in the cement industry, the management has taken due care to replace the damaged or impaired machine and the cost of such replacement and investment in new plant and machinery is reflected in the books. Therefore, the management is of the firm view that the value of the assets depicted in the balance sheet is the recoverable amount and therefore there is no impairment of asset.

SHRI KESHEV CEMENT & INFRA LIMITED

So far as the reference to note V in the main body of audit report the management wishes to state that the value of inventory is ascertained and certified by the management as clarified in the note No. V. Hence, the management treats reference to note V as part of disclosure and not qualification and or reservation.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report as required under the listing agreement with The Bombay Stock Exchange Limited, Mumbai, is annexed as Annexure I forming part of this report.

3. CORPORATE GOVERNANCE

Pursuant to clause No 49 of Listing Agreement with the stock exchanges, a management discussion and analysis, Corporate Governance Report and Auditors' certificate regarding compliance of conditions of corporate governance are made part of the annual report.

4. EMPLOYEE STATEMENT

No statement of employees pursuant to section 217[2A] of the Companies Act, 1956 is annexed hereto as none of the employee of the Company was in receipt of remuneration @ Rs. 24 lakhs per annum or at the said rate for any part of the year.

5. DIRECTORS RESPONSIBILITY STATEMENT:

The directors confirm

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures,
2. That the board 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 for the period,
3. That the Board has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularity,
4. That the Board had prepared the annual accounts on going concern basis.

BOARD COMMITTEES

Audit Committee

After reconstitution of the Board on 28th July 2008 the audit committee consisted of following Directors

1. Mr. Dinesh Kotecha, Chairman
2. Mrs. Bharati Kamatgi
3. Mr. Govindraj Chitta

Remuneration Committee

After reconstitution on 28th July 2008, the audit committee consisted of the following:

1. Mr. Dinesh Kotecha, Chairman
2. Mrs. Bharati Kamatgi
3. Mr. Govindraj Chitta

CONSERVATION OF ENERGY**A. Energy Consumption**

a. Energy conservation measures taken:	Efforts to conserve and optimize use of energy through improved operational methods are made on continuous basis.
b. Additional investments and proposals, if any, being implemented for the reduction of consumption of energy	No fresh investment is proposed but conscious effort is made to save energy wherever possible
c. Impact of the measures at (a) and (b) above for the reduction of energy consumption and consequent impact on the cost of production of goods	The cost saving is not substantial.
d. Total energy consumption and energy consumption as per Form A	Annexed to this report separately

B. Technology Absorption

- e. Efforts made in technology absorption as per the Form 'B' of the annexure

C. Foreign exchange earnings and outgo: Nil

f. Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:	The Company is engaged in manufacture and sale of cement within the states of Karnataka, Goa and Maharashtra. Taking in to account the installed capacity and the demand for cement in these three states itself, the management is of the opinion that the development of export market will take its own time.
g. Total foreign exchange used and earned	Nil
Earned	Nil
Used	Nil

FORM B

**Form for Disclosure of particulars with respect to absorption
Research and development [R & D]**

Specific areas in which R and D carried out by the Company	Nil
Benefits derived as a result of the above R and D	Nil

SHRI KESHEV CEMENT & INFRA LIMITED

R and D	Nil
Future plan of action	Nil
Expenditure on R and D	Nil
Capital	Nil
Recurring:	Nil
Total:	Nil
Total R and D expenditure as a percentage of total turn over	Nil

Technology absorption, adoption and innovation

Efforts made in brief towards technology absorption, adoption and innovation:	Not Applicable
Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitute etc	Not Applicable
In case of imported technology [imported during the last five years reckoned from the beginning of the financial year] following information may be furnished	Not Applicable
Technology imported:	Not Applicable
Year of import:	Not Applicable
Has technology been fully absorbed: not applicable	Not Applicable
If not fully absorbed, areas where this has not taken place, reason there for and future plans.	Not Applicable

1. ACKNOWLEDGEMENTS

The Directors record their grateful appreciation of the co-operation extended by Syndicate bank as well as the continued trust and confidence reposed by business associates, regulatory authorities, customers, shareholders and employees at all levels.

For and on behalf of the Board of directors

Venkatesh Katwa
Chairman

Vilas Katwa
Managing Director

Place: Belgaum-590005

Dated: 11th May 2010

MANAGEMENT DISCUSSION AND ANALYSIS

1. MANAGEMENT DISCUSSION AND ANALYSIS

SHRI KESHAV CEMENTS AND INFRA LIMITED formerly Katwa Udyog Limited is a Company promoted by first-generation entrepreneurs from upcountry place. The management of the Company has focused its attention on rehabilitation of sick cement industries as shall be borne out by the fact that in the initial stage, the Company took over the ailing sick Sangam Cements, Kaladgi from KSFC and in the second stage the Company has taken over the SHRI QUALITY CEMENTS LIMITED Lokapur from IDBI. After implementing programmes of substantial expansion and modernization to these sick units, both units are now running successfully *albeit* some initial teething problems do exist. Management hopes to cover all these in the current year and the operations would be conducted to the optimum level so as to create value for the stake holders.

2. CEMENT INDUSTRY- OUTLOOK AND OPPORTUNITIES

The cement industry has demonstrated healthy growth of 8.6% in the last five years. With the Indian economy continuing its growth path, cement consumption is expected to grow at 9-10%. The increase in industrial investment and expectation of higher spending on infrastructure portend well for the cement sector. The robust demand from residential and commercial construction will continue to be major growth drivers.

Indian cement Industry is cyclical in nature. In the recent years, cement prices and profitability of cement manufacturers have fluctuated significantly depending upon the over all supply and demand.

During the year under review the market of cement remained buoyant. Your company is pursuing cost control measures; increase productivity, increasing efficiencies in manufacturing areas and thrust in sales and better price realization.

All around the buzzword is infrastructure and housing and the cement is at the core for them. The supply is fast growing up due to capacity expansion by nearly all the small and major cement manufacturers, but the demand for cement is still growing at better pace resulting in better realization to the cement producers.

3. RISKS AND CONCERNS

The outlook seems to be positive for the current as well as the next year; however the performance in the coming months would be largely dependent on the overall industry scenario.

The company perceives threat from imports and consequent pressure on the domestic prices apart from the increase in prices of raw materials and other inputs due to any spurt in crude oil prices.

4. CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the company's objectives, projections, estimates exception are "forwarding looking statement" within the meaning of applicable law and regulations. Actual results might differ materially from those either expressed or implied.

Annexure- II FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED MARCH 31ST 2010

CORPORATE GOVERNANCE REPORT

(As required under clause 49 of the listing agreement entered in to with the stock exchanges)

The compliance with the requirements of clause 49 are being reported in the form of questionnaire

BOARD OF DIRECTORS

The Board should have an optimum combination of Executive and Non-executive Directors and at least 50% of the Board should comprise Non-executive Directors. Further, at least one third of the Board should comprise of Independent Directors where Chairman is non-executive and at least half of the Board should be independent in case of an executive Chairman.

On and from 11th May 2010, the Board consisted of the following six Directors

Name of the Director	Designation	Date of appointment
Mr. Venkatesh Katwa	Non executive Chairman	Appointed as a director on 25.09.1995 and elected as a Chairman on 28.07.2008
Mr. Vilas Katwa	Managing Director	1.4.2002 re-appointed on 1-4-2007
Mr. Deepak Katwa	Non Executive Director	25.05.2007
Mr. Dinesh Kotecha	Independent Non Executive Director	26.07.2007
Mr. Govindraj Chitta	Independent Non Executive Director	24.10.1994
Mrs. Bharati Kamatgi	Independent Non Executive Director	1.4. 2003

The names and categories of Directors on the Board, their attendance at the meetings during the year and at the annual general meeting, as also the number of directorships and committee membership held by them is given below:

Name	Category	No of Board meetings attended during 2009-10	Whether attended AGM on 26 th August 2009	No. of Directorships in other public companies	No of committee position held
Venkatesh Katwa	Promoter	5	Yes	3	NIL
Vilas Katwa	Promoter	5	Yes	3	
Depak Katwa	Promoter	5	Yes	2	NIL
Dinesh Kotecha	Independent	3	Yes	NIL	NIL
Govindraj Chitta	Independent	3	No	NIL	NIL
Bharati Kamatagi	Independent	5	Yes	2	2

The Board should set up a committee under the chairmanship of a Non-executive director to specifically look into shareholder issues including share transfers and other complaints.

The company had established share transfer Committee way back in the year 1995 itself and during the year 2003-04, the terms of reference of the said committee were enlarged to include all issues concerning shareholders. Thus, besides, transfer and transmission of shares, issue of duplicate shares, non receipt of annual report, dividend, the committee looks in to specific complaints from shareholders on all aspects and issues affecting the interests of the investors.

To expedite the process of share transfers, the Board should delegate the power of share transfer to an Officer or a Committee or to the Registrar and Share transfer Agents. The delegated authority should attend to share transfer formalities at least once in a fortnight.

Yes, the power to approve transfer of shares is delegated to a committee consisting of compliance officer and chairman of the Board. 85.48% percent of the shares are in the demat form.

In respect of shares in the physical segment, the Board has authorised Mr. Ravi/Naidu officials of CANBANK COMPUTER SERVICES LTD, J. P. Royalle, 1st floor, 218, 2nd Main, Sampige Road, (Near 14th Cross) Malleshwaram, Bangalore-560 003, the RTAs with powers of share transfer and upon preliminary scrutiny by those officials of the RTA, the transfers are placed before the Share transfer committee from time to time for ratification.

As on 31st March 2010, there were no pending share transfers with the company.

The Corporate Governance Section of the Annual Report should make disclosures on remuneration paid to directors in all forms including salary, benefits, bonuses, stock options, pension and other fixed as well as performance linked incentives paid to the Directors.

SHRI KESHEV CEMENT & INFRA LIMITED**Details of remuneration for the year 2009-10**

Name of director	Salary / Commission	Sitting fees	Bonus, stock options, pension other incentives
Mr. Venkatesh Katwa	Nil	Nil	Nil
Mr. Vilas Katwa	Rs. 25,000 p.m.	Nil	Nil
Mr. Deepak Katwa	Nil	Nil	Nil
Mr. Dinesh Kotecha	Nil	Rs.1000 per meeting	Nil
Mr. Govindraj Chitta	Nil	Rs. 1,000 per meeting	Nil
Mrs. Bharati Kamatgi	Nil	Rs.1000/ per meeting	Nil

The Board meetings should be held at least four times in a year, with a maximum time gap of four months between any two meetings and all information as mentioned in Annexure I to clause 49 of the Listing Agreement should be made available to the Board.

Date of Board meeting	City	No. of Directors present
27 th APRIL 2009	BELGAUM	4
23 rd JUNE 2009	BELGAUM	6
26 th AUGUST 2009	BELGAUM	5
30 th OCTOBER 2009	BELGAUM	6
30 th JANUARY 2010	BELGAUM	6

- As a part of disclosures related to the management, in addition to the Director's Report, Management Discussion and Analysis Report should form part of the Annual Report.*

This Management discussion and Analysis Report forms part of Annual Report and the same is in accordance with the requirements of clause 49V(A) of the listing agreement. A certificate from the Statutory Auditors confirming compliance with the conditions of corporate Governance as stipulated in clause 49 of the Listing Agreement of the Stock Exchanges in India forms part of this Annual Report.

- All company related information like quarterly results, presentation made by companies to analysts may be put on the Company's web site or may be sent in such a form so as to enable the stock exchange on which the company is listed to put it on its own web-site.*

Although the copies of the press releases and financial results are not put on the company web site, but then all efforts are made to send the quarterly financial results, distribution schedule, secretarial audit reports and other information to the stock exchanges immediately.

- There should be separate section on Corporate Governance in the Annual Report, with details on the level of compliance by the Company. Non-compliance of any mandatory recommendation with reasons thereof and the extent to which the non-mandatory recommendations have been adopted should be specifically highlighted.*

The management is committed to total transparency in running the company. The level of compliance with the provisions of the applicable laws of the country as well as compliance with the requirements of the Corporate Governance as per the listing agreement, forms part of the Annual report. Members may recall that our statutory auditors had qualified their audit reports as well as the certificate on compliance with the provisions of Corporate Governance in respect of the financial year ended 31st March 2004 and in 2006 and the management had displayed these qualified reports prominently in the last annual reports. The management would like to state that during the financial year 2009-10, the Hon'ble Company Law Board, Southern Region Bench, Chennai has passed orders compounding the offences u/s 209(1)(d) (non maintenance of proper cost records) 211 (non provision of gratuity in respect of retiring employees) as well as section 383A (non appointment of whole time employee Company Secretary) as a result there are no pending litigations against the Company as of this date.

4. ***The Non-Executive Chairman of the Company should be entitled to maintain an office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. This will enable him to discharge the responsibilities effectively (This is a non mandatory recommendation)***
This being a non-mandatory requirement, the same is not implemented.
5. ***A qualified and an independent "Audit Committee" should be set up at the Board level, as it would go a long way in enhancing credibility of the financial disclosures and promoting transparency.***

As stated earlier, our company has constituted an audit committee at the Board level from January 2001, soon after enactment of section 292A of the Companies Act, 1956 effective from 13.12.2000. Prior to that the company was not required to constitute the committee as the schedule of implementation of clause 49 of the listing agreement. During the financial year 2009-10, audit committee consisted of:

1. Mr. Dinesh Kotecha, Chairman
2. Mr. Govindraj Chitta, Member
3. Mrs. Bharati Kamatgi, Member

The audit committee met five times during the year, on 27th April 2009, 23rd June 2009, 26th August 2009, 30th October 2009 and 30th January 2010. The annual audited accounts were reviewed by the audit committee and recommended to the Board.

The Chairman of the audit committee was present at the Annual General Meeting of the company held on 26th August 2009.

The Board should set up a "Remuneration Committee" to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

As stated earlier, our company has constituted remuneration committee. Presently the Remuneration Committee consists of the following three Directors:

1. Mr. Dinesh Kotecha, Chairman
2. Mr. Govindraj Chitta, Member
3. Mrs. Bharati Kamatgi, Member

The committee recommends remuneration of executive directors based on the parameters laid down in schedule xiii to the Companies Act, 1956. Looking at the size and volume of the company's business, the committee has not taken in to account the industry trend and remuneration practices of other companies because the fact that the facts and figures of our company are not comparable.

4. *No Director should be a member in more than 10 committees or act as chairman of more than five committees across all companies in which he/she is a Director. Furthermore, it should be a mandatory requirement for every Director to inform the company about the committee positions he occupies in other companies and notify changes as and when they take place.*

None of the Directors of your company is a member of more than ten committees or Chairman of more than 5 committees across all companies in which he is a Director.

5. *The Company should provide a brief resume, expertise in specific functional areas and names of companies in which he/she holds Directorship and the membership of Committees of the Board, while appointing a new Director or re-appointing an existing Director.*

No new appointment proposed during the year and at the forthcoming annual general meeting.

6. *Disclosures to be made to the Board by the management relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the company at large. These include dealing in company shares, commercial dealings with bodies, which have shareholding of management and their relatives, etc.*

No transaction of material nature has been entered in to by the company with promoters, Directors or the management or associate companies or relatives etc. that may have potential conflict of interests of the company.

7. *The half-yearly declaration of financial performance including summary of the significant events in last six-months, should be sent to each household of shareholders.*

This been a non-mandatory recommendation, the same is not implemented.

8. *The financial institutions should, under normal circumstances, have no direct role in the decision making of the Board of the Company. There is however a ground for the term lending financial institutions to have nominees on the Boards of the borrower companies, to protect their interests as creditors. In such cases, the nominee directors should take an active interest in the activities of the Board and assume equal responsibility, as any other director on the Board.*

Presently the company has no nominee of any Bank or financial institution on its board. Therefore, this is not a relevant issue for the year.

9. *A certificate from the auditors on compliance of conditions of Corporate Governance should be annexed with the Director's Report forming part of Annual Report and must be sent to all shareholders of the Company. The same certificate has to be sent to the Stock Exchanges along with the Annual Returns filed by the Company.*

Your company has obtained a certificate of compliance from Shri. P.K. Latkan, Chartered Accountant on the compliance with the conditions of corporate governance and the same forms part of this report.

Other disclosures

1. Details of Annual General Meetings

Year	Location	Date	Time
2008-09	Belgaum	26 th August 2009	11.30 A.M.
2007-08	Belgaum	15 th September 2008	11.30A.M..
2006-07	Belgaum	24 th September 2007	10.30 A.M.

Whether special resolutions were put through postal ballot last year?

No.

Are votes proposed to be conducted through postal ballot this year?

No as presently no such agenda, which mandates postal ballot.

1. ***Disclosures on materially significant related party transactions of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. That may have potential conflict with the interests of company at large.***

During the year there were no transactions with any of the related parties having conflict of interest.

2. ***Details of non-compliance by the Company, penalties, 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 management would like to state that during the financial year 2009-10, the Hon'ble Company Law Board, Southern Region Bench, Chennai has passed orders compounding the offences u/s 209(1)(d) (non maintenance of proper cost records) 211 (non provision of gratuity in respect of retiring employees) as well as section 383A (Non appointment of whole time employee Company Secretary) as a result there are no pending litigations against the Company as of this date. There are no actions by SEBI or any other statutory authority.

3. ***Means of communication***

Half yearly report sent to each household of shareholders: not sent to members individually but reported to the stock exchanges and reported to the press through announcement.

Quarterly results: not sent to members individually but reported to the stock exchanges and reported to the press through announcement.

SHRI KESHEV CEMENT & INFRA LIMITED

Which newspapers normally published in:

Free Press Journal, Bombay and "Pudhari" Local Marathi Daily, Belgaum.

Any website, where displayed:

4.3.1. All official news releases: Not applicable

4.3.2. Presentation made to Institutional Investors/Analysts: Not Applicable

SHAREHOLDER INFORMATION

1. Annual General Meeting: 27th July 2010
2. Financial Calendar: 1st April 2009 to 31st March 2010
3. Dates of Book Closure: 21st July to 27th July 2010

5. Registered Office:

Jyoti Towers, Karbhar Galli, Nazar Camp,

M. Vadagoan, BELGAUM – 590 005.

Ph: 0831 – 2483510

Fax: 0831 – 2484421

E-mail: keshavinfra@gmail.com

6. Listing Details:

The shares of the company are listed on The Bombay Stock Exchange. The data as to monthly high and low price quoted on The Bombay stock exchanges is as under

Year/Month	High(Rs.)	Low(Rs.)	No. of Share traded during the month
APRIL 2009	11.86	9.00	11070
MAY 2009	16.65	10.32	28864
JUNE 2009	17.85	13.80	20946
JULY 2009	16.35	12.00	16412
AUGUST 2009	15.95	12.76	16758
SEPTEMBER 2009	15.90	13.02	37196
OCTOBER 2009	18.45	12.45	28022
NOVEMBER 2009	19.56	12.80	101588
DECEMBER 2009	21.25	18.40	108642
JANUARY 2010	21.75	18.10	89044
FEBUARY 2010	23.75	19.10	86583
MARCH 2010	21.90	16.50	20920

At the BSE: Closing share price as on March 31st 2010 was Rs. 21.90

(Share transfer and communication regarding share certificates, dividends and change of address)

1. Share transfer system: Share Transfer requests received in physical form are registered within an average period of 30 days.

Request for dematerialization received from the shareholders are affected within an average period of 30 days.

2. Distribution of share holding as on March 31st 2010

Share Holding Range	Number of Shareholders	% of shareholders	Number of shares held	% of shareholding
1 - 5000	5891	92.25	8179960	15.96
5001 - 10000	257	4.02	2128190	4.15
10001- 20000	132	2.07	2017910	3.94
20001- 30000	32	.50	802090	1.57
30001- 40000	15	.23	533590	1.04
40001- 50000	16	.25	747230	1.46
50001- 100000	21	.33	1544710	3.01
100001 and above	22	.35	35288320	68.87
Total	6386	100.00	51242000	100.00

9. Shareholding Pattern as on March 31st 2010

Particulars	Number of shareholders	Number of shares held	% of holding
Indian Promoters	12	3269937	63.81
Persons acting in consult	44	25953	.51
Bodies corporate	65	59563	1.16
Indian public	6265	1768747	34.52
Total	6386	5124200	100.00

85.48% of the equity shares were held in dematerialized form as on March 31st 2010

SHRI KESHEV CEMENT & INFRA LIMITED

10. Details on use of public funds obtained in the last three years

The company has not raised any funds through public issue during the last three years.

11. Outstanding GDR/Warrants and convertible

Bonds, Conversion date and likely impact on equity

No GDR/ADR has been issued during the year

12. Plant Locations:

The company's cement manufacturing plant I is located at R.S. No. 346, Kaladgi, Taluka and District BAGALKOT, Karnataka.

Plant II is located at R.S.NO.15/4, 88/1, 88/2, 88/3, & 88/4,5,6 of Village Nanganapur, Mudhol Road, Lokapur Taluka Mudhol, Dist: Bagalkot.

13. Investor Correspondence

All shareholders are requested to address their communication/suggestions/grievances/ queries at the Registered Office.

14. INVESTOR SERVICES

Name Designation and address of the compliance Officer:

Mr. Rajesh Lakkar, Company Secretary,
Jyoti Towers, 215/2, 6th cross,
Nazar Camp. M. Vadgaon Belgaum-590 005
E-mail: lakkarrajesh@yahoo.co.in

Number of complaints received from the investors from 1.4.2009 to 31.3.2010 comprising Non receipt of securities sent for transfer, demat , demat queries , non receipt of dividend revalidations etc.:

No. of pending share transfers as on 31.3. 2008:

Nil

Means of communications with shareholders:

Annually through the annual report

Shareholder information about AGM:

Date-27/7/2010 Time-11.30 A.M.

Venue- Jyoti Towers, 215/2, 6th cross, Nazar Camp. M. Vadgaon Belgaum-590 005

Dates of book closure: 21st July to 27th July 2010

Listing on stock exchanges:

BOMBAY STOCK EXCHANGE

Stock code Mumbai : 530977

Registrar and Transfer agents:

Consequent to the SEBI directive on common agency for the shares in physical and demat modes the Company has appointed M/s CAN BANK FINANCIAL SERVICES PVT.LTD. Bangalore as its Registrar and Transfer agents.

Tel: 080 – 25320541/542/543

Fax: 080-25320544

E-mail: canbank_computer@dataphone.in

Web site: canbankrta.com

Dematerialization of shares and liquidity:

The company has arrangement with National Securities Depository Ltd. (NSDL) a well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. 85.48% of the shares capital is dematerialized as on 31.3.2010.

The Company's shares are regularly traded on the Bombay stock exchange.

Related Party Disclosures (Where transactions have taken place)

It is reported by the management and as per the information and explanations given to us.

As per Accounting Standard (AS-18) "Related Party Disclosure" notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related as defined in AS-18 are given below:

I Key Management Personnel

1. Mr. Venkatesh Katwa, Chairman
2. Mr. Vilas Katwa, Managing director
3. Mr. Deepak Katwa, Director

II Relatives of Key Management Personnel

1. Mrs. N.H. Katwa, Director

III Enterprises where Key management personnel have significant influence

1. Katwa Finlease Limited
2. Katwa Infotech Limited
3. Katwa Construction Co. Ltd.
4. Katwa Oil Ltd.
5. Katwa Finance and Investment Company Ltd.
6. Katwa Inc. (100% subsidiary of Katwa Infotech Ltd).

SHRI KESHEV CEMENT & INFRA LIMITED

IV. The following related transaction were carried out during the year :

Nature of transactions	parties referred in	Parties referred in	Parties referred in	Total
	(I) above Rs.	(II) above Rs.	(III) above Rs.	
Unsecured Loans				
Taken during the year	6726000	1308000	-----	8034000
Repaid during the year	8996757	742868	-----	9739625
Bal. as on 31.03.2010	54158415	3430295	-----	57588710
Interest paid	3138260	178629	-----	3316889
Rent	60000	-----	-----	60000
Managerial	-----	-----	-----	-----
Remuneration	300000	-----	-----	300000
Trade Advance	-----	-----	1500000	1500000

AUDITORS CERTIFICATE REGARDING COMPLIANCE
WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE NO. 49
OF THE LISTING AGREEMENT WITH STOCK EXCHANGE

To
The Members,
Shri Keshav Cements & Infra Ltd.,
(Formerly Katwa Udyog Ltd.,)
Belgaum

We have examined the compliance of the conditions of corporate governance by Shri Keshav Cements & Infra Ltd., for the financial year ended 31st March 2010, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to the compliance of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance; It is neither an audit or an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and explanation given to us, we certify that the company has complied with conditions of corporate governance as stipulated in the above mentioned agreement.

We further, state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

P. K. Latkan
Chartered Accountant

AUDITORS' REPORT

The Members of
Shri Keshav Cements and Infra Limited
[formerly known as Katwa Udyog Limited]
Belgaum.

1. We have audited the attached Balance Sheet of **SHRI. KESHAV CEMENTS AND INFRA LIMITED, BELGAUM**, [formerly known as Katwa Udyog Limited] as at 31st March 2010, Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. The Company has changed the name from Katwa Udyog Limited to Shri Keshav Cements and Infra Limited vide Registrar of Companies Bangalore Certificate dated: 07-11-2007. The change in name is intimated to all the State & Central Government Departments and the change of name is confirmed. The change of name is also intimated to BSE – Mumbai the approval is still under their consideration.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies [Auditor's Report] Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) Order, 2004(the 'Order'), issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further, to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - i) 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;
 - ii) 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 the books.
 - iii) The Balance sheet, Profit and Loss Account and cash flow statements dealt with by this report are in agreement with the books of account;

- iv) In our opinion, the Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; *save the compliance with accounting standards 28 on impairment of assets.*
- v) On the basis of the written representation received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon *subject to notes No v on accounts* give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of Balance Sheet of the state of affairs of the Company as at 31st March 2010,
- b) in the case of the Profit and Loss Account, of the **Profit** for the year ended on that date; and
- c) In the case of cash flow statement, of cash flows for the year ended on that date.

Place: Belgaum
Dated: 30-04-2010

C.A. Prabhakar K. Latkan
Chartered Accountant
M No. 200/21730
1083, Ananthashayan galli,
BELGAUM-590 002.

STATEMENT ON THE COMPANIES [AUDITOR'S REPORT] ORDER, 2003

ANNEXURE TO THE AUDITORS' REPORT

Shri. Keshav Cements and Infra Limited
[formerly known as Katwa Udyog Limited]
Belgaum.

Referred to in paragraph 3 of our report of even date:

In respect of Fixed Assets:

- i. a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The Company has physically verified all the assets during the year in accordance with programme of verification, which in our opinion provides for physical verification of the Fixed Assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposal of assets during the year and therefore the going concern concept is not affected.
- d. In our opinion and according to the information and explanation given to us, the Company has undertaken expansion of Plant-I. The expansion work took in the earlier years. The amount spent towards expansion has been shown as capital work in progress. During the year the expansion of Plant-I is completed and Company has purchased additional machinery and spares for an amount of Rs. 1,06,49,888/- including capitalization of electricity and others and after deducting modvat credit. The capital work in progress of Rs. 7,66,85,418/- and net amount of Rs. 1,06,49,888/- totally amounting to Rs. 8,73,35,306/- has been transferred to Plant and Machinery Plant-I. Similarly, the Company has additional machinery & spares, capitalized electricity and other and after deducting modvat credit net amount of Rs. 2,68,25,980/- has been transferred to Plant and Machinery Plant-II.

In respect of Inventories:

- ii. a. As explained to us the management during the year physically verified the inventories. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and in the nature of its business.
- c. In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

- iii. a. As informed, the company has not granted loans, secured and unsecured to Companies, Firms or Other parties, covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b)(c) and (d) are not applicable.
- b. The Company has taken unsecured loans from directors covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 6,17,46,241/- the number of parties are 5 and year end balance of such loan taken was Rs. 5,75,88,710/-
- c. In our opinion, the rate of interest and other terms and conditions under section 301 of the Companies Act, 1956 are prima facie, not prejudicial to the interest of the Company.
- d. The Company is regular in repaying the principal amount as stipulated and has been regular in the payment of interest.
- e. The Company has not given loans and advances in the nature of loans to employees.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regards to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangement have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our opinion and according to information and explanations given to us, the company has accepted public deposits, and it has complied with the provisions of section 58A, 58AA of the Companies Act, 1956 and the Companies (Acceptance of the Deposit) Rules, 1975 with regard to the deposit accepted from public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business, but it needs to be strengthened.
- viii. It is reported by the management that the Company has appointed Mr. Manish Astamker, Mumbai, Cost Auditor and has maintained cost records as required u.s. 209(1)(d) of the Companies Act 1956. The Cost Auditor has issued a certificate stating that the Company has complied with the requirements as required u.s. 209(1) (d) of the Companies Act 1956.
- ix. According to the records of the company, Provident Fund, Investors Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess, Fringe Benefit Tax and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2010 for a period of more than six months from the date on which they became payable.

- x. According to the information and explanations given to us, there are no dues of Income Tax, Service Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Tax, and Cess Fringe Benefit Tax, which have not been deposited on account of any dispute.
- xi. The company does not have accumulated losses at the end of the financial year and had not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xiii. Based on our examination of the records and the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiv. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the order are not applicable to the Company.
- xv. In our opinion, as per the information and explanations given to us the company has not given any guarantee for the loans taken by others.
- xvi. In our opinion, the term loans have been applied for the purpose which they were raised.
- xvii. According to the cash flow statement and other records examined by us and the information and explanations given to us, on an over all basis, funds raised on short term basis have prima facie, not been used during the year for a long term investment (fixed assets etc) other than temporary deployment pending application.
- xviii. According to the information and explanations given to us, the company has not made any preferential allotments of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. According to the information and explanations given to us, during the period covered by our audit report the company has not issued any debentures.
- xx. The Company has not raised any money by public issue during the year.
- xxi. According to the information and explanation given to us, no fraud on or by the company has been noticed during the course of our audit

Place : Belgaum
Date: 30-04-2010

C.A. Prabhakar K. Latkan
Chartered Accountant
M.No. 200/21730
1083, Anantshayan Galli
Belgaum 590 002

SHRI KESHEV CEMENT & INFRA LIMITED

SHRI KESHAV CEMENTS & INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

BALANCE SHEET AS ON 31-03-2010

[Figures in Rupees]

Particulars	SCH	As at March 31 2010		As at March 31 2009	
SOURCE OF FUNDS					
SHARE HOLDERS' FUND					
Equity Share Capital	1	51,242,000		51,242,000	
Reserve and Surplus	2	27,459,556	78,701,556	17,450,673	68,692,673
LOAN FUNDS					
Secured Loans	3	239,397,834		234,701,826	
Unsecured Loans	4	115,430,235		117,773,405	
Deferred Tax Liabilities		14,910,587	369,738,656	15,560,587	368,035,819
TOTAL			448,440,212		436,728,492
APPLICATION OF FUNDS					
FIXED ASSETS	5				
Gross Block		438,616,188		324,454,902	
Less: Depreciation		81,459,053	357,157,135	61,886,396	262,568,506
Capital Work in Progress					76,685,418
INVESTMENTS					
Deposits	6		10,865,282		10,647,373
CURRENT ASSETS	7				
Inventories		89,002,812		91,779,679	
Sundry Debtors		11,498,299		7,510,017	
Cash and Bank Balances		2,748,966		3,828,559	
Loans and Advances		9,324,862		9,002,387	
		112,574,939		112,120,642	
LESS: CURRENT LIABILITIES & PROVISIONS	8				
Sundry Creditors		20,065,626		12,484,269	
Provisions		12,091,518		12,809,178	
		32,157,144		25,293,447	
NET CURRENT ASSETS			80,417,795		86,827,195
Notes Forming part of the A/c	16				
TOTAL			448,440,212		436,728,492

As per our separate report of even date.

for and on behalf of Board of Directors

C.A. PRABHAKAR K LATKAN

Chartered Accountant

Membership No 200/21730

1083, Anantshayan Galli,

Belgaum 590 002

Date: 30-04-2010

Rajesh Lakkar

Company Secretary

VENKATESH H. KATWA Chairman

VILAS H. KATWA Managing Director

Dinesh Kotecha Director

SHRI KESHAV CEMENTS AND INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Tower, 6th Cross, Nazar Camp, M.Vadgaon, BELGAUM - 590 005

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Figures in Rupees

Particulars	SCH	for the year March 31 2010	for the year March 31 2009
INCOME			
Sales	9	283,080,725	242,256,670
Less: Excise duty		11,167,813	20,243,206
		271,912,912	222,013,464
Other Income	10	1,027,056	961,794
Increrase/ Decrease in Finished Goods	11	1,490,375	297,047
TOTAL		274,430,343	223,272,305
EXPENDITURE			
Raw Material Consumed	12	112,870,987	111,448,415
Employees Remuneration & Benefits	13	4,750,383	4,433,261
Manufacturing Expenses	14	86,123,642	57,445,490
Interest	15	39,753,791	29,728,884
Deprecation	5	19,572,657	14,626,284
		263,071,460	217,682,334
PROFIT BEFORE TAX		11,358,883	5,589,971
LESS: Excess/ [short] Provsion of Taxes		-	202,007
ADD: Deffered Tax Asset		650,000	2,001,400
		12,008,883	7,389,364
LESS: Provision for Taxation			
Current Tax [Income Tax] MAT & FBT		2,000,000	612,100
PROFIT AFTER TAX		10,008,883	6,777,264
ADD: Balance Brought Forward		13,673,673	6,896,409
Amount Available for Appropriations		23,682,556	13,673,673
Balance Carried Forward		23,682,556	13,673,673
		23,682,556	13,673,673
Earning Per Share [Basic/ Diluted]		1.95	1.32

Notes forming part of the accounts
As per our separate report of even date.

for and on behalf of Board of Directors

C.A. PRABHAKAR K LATKAN

Chartered Accountant
Membership No 200/21730
1083, Anantshayan Galli,
Belgaum 590 002
Date: 30-04-2010

Rajesh Lakkar

Company Secretary

VENKATESH H. KATWA Chairman

VILAS H. KATWA Managing Director

Dinesh Kotecha Director

SHRI KESHEV CEMENT & INFRA LIMITED**SHRI KESHAV CEMENTS & INFRA LIMITED****[formerly Katwa Udyog Limited]**

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

BALANCE SHEET AS ON 31-03-2010

[Figures in Rupees]

Particulars	2009-10	2008-09
SCHEDULE "1" SHARE CAPITAL		
AUTHORISED CAPITAL		
60,00,000 Equity Shares OF Rs.10 Each	60,000,000	60,000,000
ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
5124200 Equity Shares of Rs. 10 Each	51,242,000	51,242,000
SCHEDULE "2" RESERVE & SURPLUS		
General Reserve	2,325,000	2,325,000
Profit & Loss Account	23,682,556	13,673,673
State Subsidy	1,452,000	1,452,000
	27,459,556	17,450,673
SCHEDULE "3" SECURED LOANS		
Syndicate Bank - Cash Credit	80,099,351	68,354,111
Syndicate Bank - Term Loan	155,481,406	160,055,088
[Secured by Hypothecation by way of Charge on inventories present & future and book debts with personal guarantee of Mr. H. D. Katwa Mr. Venkatesh.Katwa, Chairman Mr. Deepak Katwa, Director and Vilas Katwa Managing Director & Smt. N. H. Katwa		
Centurion Bank of Punjab (Mortagage of Loader)	3,760,919	6,046,816
ICICI Bank Vehicle Loan (Mortagage of Vehicles)	-	103,212
Sundaram Finance (Mortagage of Vehicles)	56,158	142,600
	239,397,834	234,701,826
SCHEDULE "4" UNSECURED LOANS		
Deposit from Dealers	2,702,832	3,065,932
Deposit from Public	5,016,277	4,447,955
Deposit from Directors	57,588,710	55,959,445
Syndicate Bank LD A/c	50,122,416	54,300,073
	115,430,235	117,773,405

ANNEXURE OF FIXED ASSETS

	ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1st April 09 Rs.	Additions Rs.	Deletion Rs.	As on 31-Mar-10 Rs.	As on 1st April 09 Rs.	Additions Rs.	Deletion Rs.	As on 31-Mar-10 Rs.	As on March 31 2010 Rs.	As on March 31 2009 Rs.
1	Land Plant I Plant II	400,391 3,500,000	- -	- -	400,391 3,500,000	- -	- -	- -	- -	400,391 3,500,000	400,391 3,500,000
2	Building Plant I Plant II	16,687,163 5,722,500	- -	- -	16,687,163 5,722,500	6,889,415 191,132	557,351 191,132	- -	7,446,766 382,264	9,240,397 5,340,236	9,797,748 5,531,368
3	Plant & Machinery Plant I Plant II	91,364,175 201,283,157	87,335,306 26,825,980	- -	178,699,481 228,109,137	43,542,322 9,227,352	8,390,334 10,123,189	- -	51,932,656 19,350,541	126,766,825 208,758,596	47,821,853 192,055,805
4	Office Equipments	1,931,202	-	-	1,931,202	317,357	62,068	-	379,425	1,551,777	1,613,845
5	Adl. 33 Kv Line	1,607,068	-	-	1,607,068	883,671	76,336	-	960,007	647,061	723,397
6	Testing Lab	292,245	-	-	292,245	139,198	13,882	-	153,080	139,165	153,047
7	Vehicles Plant I Plant II	1,380,231 286,770	- -	- -	1,380,231 286,770	657,875 38,074	131,122 27,243	- -	788,997 65,317	591,234 221,453	722,356 248,696
	Total Rs.	324,454,902	114,161,286	-	438,616,188	61,886,396	19,572,657	-	81,459,053	357,157,135	262,568,506
	Previous Year	226,602,525	97,852,377	-	324,454,902	47,260,112	14,626,284	-	61,886,396	262,568,506	179,342,413

SHRI KESHEV CEMENT & INFRA LIMITED

SHRI KESHAV CEMENTS & INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

Particulars	2009-10	2008-09
SCHEDULE "6" DEPOSIT		
KEB Deposit	10,067,200	10,105,000
Telephone Depoist	16,000	16,000
Fixed Deposit with Syndicate Bank	772,082	516,373
CAN Bank deposit	5,000	5,000
Sybdicate Bank FD Goa	5,000	5,000
	10,865,282	10,647,373

SCHEDULE "7" CURRENT ASSETS LOANS AND ADVANCES INVENTORIES

SL. NO.	PARTICULARS	QTY M.T.	As at March 31 2010		As at March 31 2009	
			QTY	AMOUNT	QTY	AMOUNT
	Lime Stone	M.T.	18854.790	3,946,377	10916.210	1,784,246
	Coke Breeze	M.T.	3103.329	16,550,514	4443.289	15,096,475
	Coal	M.T.	8692.958	34,967,980	8524.350	43,717,424
	Clinker out	M.T.	489.651	1,507,146	4.240	10,532
	Clinker Own	M.T.	902.406	2,777,606	1150.386	3,451,158
	Gypsum	M.T.	531.690	477,457	330.360	131,570
	Stores & Spares			23,791,112		23,791,113
	W.S.Bags	BAG	244444	144,220	53901	347,136
	Finished Goods					
	Factory	M.T.	347.000	1,388,000	575.000	2,184,999
	Head Office	M.T.	882.400	3,529,600	312.500	1,255,400
	Mahishai	M.T.	3.250	20,400		
	Goa	M.T.	0.600	2,400	1.050	9,626
				89,002,812		91,779,679
Note: Stores and spares quantity not ascertained. SUNDRY DEBTORS (UNSECURED) Outstanding for a period less than six months HO Outstanding for a period Less than six months Goa Br. Outstanding for a period Less than six months Mahishai Debt considered good for which the company holds no security other than the debtors personal security CASH AND BANK BALANCES :- Cash in Hand Cash at Bank					2009-10	2008-09
TOTAL :-					11,498,299	7,510,017
TOTAL :-					2,748,966	3,828,559

Particulars	2009-10	2008-09
LOANS & ADVANCES		
Central Excise PLAA/C	11,453	54,185
Service Tax	112,872	789,683
R.G.23 C Part II Capital Goods	65,950	1,162,649
R.G.23 A Part II Raw Material	34,211	1,272,962
Income Tax & FBT	656,608	15,000
Central Excise Under Protest	45,212	39,052
T.D.S. Receivable	235,021	89,195
Sales Tax	-	2,323,388
Advance Tax F.Y 2009-10	100,000	-
Advance to Suppliers	4,549,962	669,580
BEMCIEL / Belgaum	1,600,000	1,600,000
Group Gruuity	792,356	615,476
Indian Oil Corporation	150,000	-
Mallikarjun Mines	600,000	-
Advance for New Iron Ore Project	371,217	371,217
	9,324,862	9,002,387
SCHEDULE " 8 " CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	9,461,773	11,336,918
Advance from debtors	6,120,865	1,107,465
Creditors for Expenses	4,482,988	39,886
(SMME units are identified on the basis of available information)	20,065,626	12,484,269
PROVISIONS		
Provision for expenses	7,583,131	9,112,765
Unclaimed Dividend 2007-08	10,280	137,230
Provision for Taxation[VAT & IT]	4,498,107	3,559,183
TOTAL :-	12,091,518	12,809,178

SHRI KESHEV CEMENT & INFRA LIMITED

SHRI KESHAV CEMENTS & INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

PARTICULARS	2009-10	2008-09
SCHEDULE "9" SALES		
Sale of Cement	178,767,142	205,211,671
Sales of Coke Breeze	104,313,583	37,044,999
	283,080,725	242,256,670
Less: Excise Duty	11,167,813	20,264,130
	271,912,912	221,992,540
SCHEDULE "10" OTHER INCOME		
Group Gravity	176,880	-
Interest on FD	55,709	53,754
Interest received	604,032	377,151
Discount	145,075	530,889
Income from Central excise	45,360	-
	1,027,056	961,794
SCHEDULE "11" INCREASE /DECREASE IN		
Finished Goods		
Opening Stock	3,450,025	3,152,978
Less : Closing Stock	4,940,400	3,450,025
	1,490,375	297,047
SCHEDULE "12" RAW MATERIAL CONSUMED		
Raw Materials		
Opening Stock	64,538,540	48,899,752
Add: Purchases	106,705,897	126,868,427
	171,244,437	175,768,179
Less: Closing Stock	60,271,300	64,538,540
	110,973,137	111,229,639
	[A]	
Stores & Spares		
Opening Stock	23,791,113	1,814,179
Add: Purchases	1,897,849	22,195,710
	25,688,962	24,009,889
Less : Closing Stock	23,791,112	23,791,113
	1,897,850	218,776
	[B]	
[A+B] TOTAL	112,870,987	111,448,415

SHRI KESHAV CEMENTS & INFRA LIMITED**[formerly Katwa Udyog Limited]**

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

PARTICULARS	2009-10	2008-09
SCHEDULE "13" EMPLOYEES REMUNERATION AND BENEFITS		
Salaries	905,996	1,190,139
Wages	3,494,518	2,857,159
Bonus	349,869	243,377
Group Gratuity		142,586
	4,750,383	4,433,261
SCHEDULE "14" MANUFACTURING AND OTHER EXPENSES		
Power	78,139,338	46,774,849
General Expenses	1,277,463	1,803,446
Professional Tax	2,500	2,500
Auditors Remuneration	42,500	30,000
Managerial Remuneration	300,000	300,000
Central Excise Fees & Fines	223,838	251,653
Bank Charges	673,115	352,818
Provident Fund & ESI	518,915	518,046
Sales Tax & Entry Tax	1,196,729	2,940,371
Building Rent	63,000	60,000
Insurance & Postage	230,116	177,635
Fringe Benefit Tax	-	24,440
Transport Charges	3,145,819	4,028,179
Stock Exchange Charges	238,329	165,169
Repairs & Maintance	71,981	16,384
	86,123,642	57,445,490
SCHEDULE "15" INTEREST		
Bank Interest	35,751,051	27,232,169
Others	4,002,740	2,496,715
	39,753,791	29,728,884

NOTES FORMING PART OF THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES:

The Financial statements have been prepared in accordance with the applicable Accounting Standards and relevant presentational requirement of the Companies Act, 1956 and are based on the historical cost convention. The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. The Significant Accounting Policies followed are stated below:

a) FIXED ASSETS:

Fixed Assets are stated at cost of acquisition/installation less accumulated depreciation and modvat.

b) DEPRECIATION:

Depreciation on fixed assets is provided on Straight Line Method (SLM) at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. The depreciation has been calculated on pro rata basis considering the month of acquisition/installations of the assets.

c) INVENTORIES:

Items of Inventories are measured at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchases, cost of conversion and other cost incurred in bringing them to their respective present location and condition (net of applicable CENVAT). The coke is valued at average price. The cost of semi finished and finished goods are valued at production cost.

d) INVESTMENTS:

There are no investments either long term or short term.

e) PROVISION FOR INCOME TAX:

In view of claim of depreciation under the Income Tax Act, the assessable income is loss. Hence the tax payable is NIL. However, a MAT provision of Rs. 20,00,000/- has been made.

f) REVENUE RECOGNITION:

Sale of goods is recognized at the point of dispatch of finished goods to the customers. Sale of cement is exclusive of sales tax and excise duty, sale of coke is exclusive sale tax.

g) EXCISE DUTY:

Excise duty is paid on finished goods, on clearance of goods from factory premises.

h) SALES TAX DISPUTES:

Sales tax Assessments are completed up to the financial year 2006-07.

i) EMPLOYEE BENEFITS:

Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefit likes salary, wages, and production incentives, and are recognized as expenses in the period in which the employee renders the related service.

Post employment benefits:

a. Defined contribution plans

The company has defined contribution plans for post employments benefits in the form of provident fund and ESI for all employees which are administered by the Regional Provident Fund Commissioner. They are classified as defined contribution plans as the company has no further obligation beyond making the contributions. The companies contributions to defined contribution plans are charged to Profit and Loss Account as and when incurred.

b. Funded Plan:

The Company has defined benefit plan for post employment benefit in the form of gratuity, which is administered by Life Insurance Corporation. Liability to the above defined benefit plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used measuring liability is Projected Unit Credit Method. The actuarial gains and losses arising during the year are recognized in the Profit and Loss Account.

c. The Company has adopted the **Accounting Standards (AS-15)** on employee benefits, pursuant to which the amount worked out by the actuary has been charged to Profit and Loss Account.

d. The other disclosures required under AS-15 are as follows:

M.P. No. 529495			
1	Assumption	31-3-2009	31-3-2010
	Discount Rate	8.00%	8.00%
	Salary Escalation	7.00%	7.00%
2	Table showing changes in present value of obligations		31-3-2010
	Present value of obligation as at beginning of year		455878
	Interest cost		36470
	Current Service Cost		109048
	Benefit Paid		0
	Actuarial gain/loss on obligations		58729
	Present value of obligations as at end of year		660125
3	Table showing changes in the fair value of plan assets		31-3-2010
	Fair value of plan assets at beginning of year		615476
	Expected return on plan assets		61055
	Contribution		115825
	Benefits paid		0
	Actuarial Gain/(Loss) on Plan assets		Nil
	Fair value of plan assets at the end of year		792356
4	Table showing fair value of plan assets		
	Fair value of plan assets at beginning of year		615476
	Actual return on plan assets		61055
	Contributions Benefits Paid		115825
	Fair value of plan assets at the end of year		0
	Funded status		792356
	Excess of		132231
	Actual over estimated return on plan assets		Nil
	(Actual rate of return = Estimated rate of return as ARD falls on 31 st March)		
5	Actual Gain/Loss recognized		31-3-2010
	Actuarial gain/loss for the year – obligation		(58729)
	Actuarial gain/loss for the year – plan assets		Nil
	Total gain/loss for the year		58729
	Actuarial gain/loss recognized in the year		58729
6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of year		660125
	Fair value of plan assets as at the end of year		792356
	Funded status		132231
	Net Asset/liability recognized in balance sheet		(132231)

SHRI KESHEV CEMENT & INFRA LIMITED

	M.P. No. 529495		
7	Expenses recognized in statement of Profit & Loss Current Service Cost/Interest Cost Expected return on plan assets Net Actuarial gain/loss recognized in the year Expenses recognized in statement of Profit & Loss		109048 36470 (61055) 58729 143192

Note:

- The report issued by LIC of India[P&GS] Dharwad for the year 2009-10, while verifying it appears that there is difference in present value obligations at the beginning of the year i.e., on 01-04-2009 and the closing balance as per the previous year certificate differs of Rs. 455878/- and Rs. 499783/-
- The above report is not certification under AS-15 revised 2005 read with Actuaries Act, 2006. It is simply a report generated to help companies for proper accounting of employees liabilities.

j. CONTINGENT LIABILITIES:

Management reports, that there are no Contingent Liabilities.

k. REMUNERATION U/S 217(1A):

Remuneration paid more than Rs.2,00,000/- per month when employed for part of the year or Rs. 24,00,000/- per annum is NIL.

l. Consumption of imported Raw materials and components: NIL**m. C.I.F. Values of imports, Expenditures of Earning in Foreign Currency: NIL.****n. ACCOUNTING FOR TAXES OF INCOME: AS 22**

The Company has during the year, in order to comply with mandatory Accounting Standards-22 issued by the Institute of Chartered Accountants of India, Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset/ liability is recognized and carried forward only to the extent that there is a reasonable/ virtual certainty that the asset will be realized or liability will be repaid in future. Company has recognized a net deferred tax liability of Rs. 1,49,10,587/- in the Balance Sheet which comprises of Rs.1,55,60,587/- relating to net deferred tax liability as on 1-4-2009. Company has worked out net deferred tax asset of Rs. 6,50,000/- for the current year, towards timing differences i.e., of depreciation which has been credited to profit and loss appropriation Account under head deferred tax asset and debited to deferred tax asset. In order to give net effect in the Balance Sheet the Deferred tax asset has been transferred to deferred tax liability and Net deferred tax liability is shown in the Balance Sheet under head deferred tax liability.

Calculation of Deferred Tax Liability: -

Particulars of Deferred tax liability	As on 1-4-2009	For the year 2009-10	As on Closing 31-03-2010
"Deferred Tax Asset towards timing differences"	1,55,60,587	6,50,000	1,49,10,587

o. EARNING PER SHARE: AS-20

Net Profit after taxes	<u>1,00,08,883</u>	
Number of Equity shares	<u>51,24,200</u>	=1.95

(No issue during the year, number of equity shares as on 01-04-2009 and 31-03-2010 are 51,24,200).

p. RAW MATERIALS CONSUMPTION STATEMENT:

Sl. No.	Particulars of Raw Materials	Units MT	2009-10		2008-09	
			Qty	Value in Rs.	Qty	Value in Rs.
i.	Lime stone	MT	51912.900	86,21,395	51883.240	72,52,619
ii.	Clinker	MT	43738.380	77,91,162	26299.280	5,86,65,838
iii.	Gypsum	MT	892.620	4,29,257	1082.280	7,71,463
iv.	Woven sacks bags	Bags	897181	45,53,568	5,35,940	65,58,384
v.	Coke Breeze and coal	MT	2012.184	57,83,950	3318.200	1,40,95,144
vi.	Coke Breeze (R.S.)	MT	23319.021	6,65,10,330	7056.184	2,38,86,191
vii.	Cement (R.S.)	MT	4346.500	1,72,83,474	—	—
viii.	Stores and spares	MT	—	18,97,851		2,18,776
			Total Rs.	<u>11,28,70,986</u>	Total Rs.	<u>11,14,48,415</u>

Note: Stores & spares quantity not ascertainable.

SHRI KESHEV CEMENT & INFRA LIMITED

q. DETAILS OF LICENCED AND INSTALLED CAPACITY & PRODUCTION:

Sl. No.	Class of goods	Licensed Capacity		Installed Capacity		Production	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1.	Cement Plant-I Plant-II	N.A.	N.A.	150 TPD	150 TPD	MT 20575	MT 29905
		N.A.	N.A.	200 TPD	200 TPD	24506	24209
						44631	54114

r. Opening & closing stock & turnover of production manufactured:

Particulars	Opening stock		Closing stock		Turnover	
	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Cement	MT 889.950	34,50,025	MT 519.950	20,79,800	45001.000	16,43,35,122
Coke (R.S.)	Nil	Nil	Nil	Nil	23319.021	10,43,13,582
Cement (R.S.)	Nil	Nil	715.150	28,60,600	3633.250	1,44,32,021
Total		34,50,025		49,40,400		28,30,80,725

The above information being of technical in nature, the Auditors have accepted the same on the basis of certificates issued by the management.

s. MANAGERIAL REMUNERATION: 2009-10 2008-09

Managerial Remuneration 3,00,000/- 3,00,000/-

t. AUDITORS REMUNERATION:

Audit fees	Rs.	30,000/-	Rs.	25,000/-
Other service and certification	Rs.	5,000/-	Rs.	5,000/-
Total	Rs.	35,000/-	Rs.	30,000/-

u. AS-17:

The Company is engaged in manufacture of ordinary Portland cement accordingly management reports that it is single segment industry. Therefore no other separate statement is made.

v. NOTES ON ACCOUNTS:

- i) The previous year's figures have been reworked, regrouped, rearranged and re-classified wherever necessary.
- ii) The sundry debtors, sundry creditors and advances are subject to Confirmation and are stated at book balances thereof.
- iii) In the opinion of the Directors, current assets, loans and advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.
- iv) The unit is cement-manufacturing unit. During the year Company has manufactured cement. Company was also engaged in coke & Cement trading activities. The various quantity of raw material consumption and other inputs required for production of cement and consumption of electricity and other manufacturing expenses are highly technical in nature therefore; we have totally relied on the statement given by the management.
- v) Inventory valuation is as valued and certified by the management.
- vi) Company has availed modvat credit of Rs. 41,88,044/- comprises of modvat credit on capital goods Rs. 13,07,419/- and modvat credit on raw material Rs. 25,94,999/-, and Service Tax of Rs. 2,85,622/- The Company has deducted modvat credit of Rs. 24,04,118/- from the plant and machinery & Rs. 48,38,945/- from the raw materials. Balance amount of modvat of Rs. 2,69,668/- is carried forwarded.

w. IMPAIRMENT OF ASSETS AS -28:

On the aspect of compliance of AS-28 on impairment of assets, the management asserts that its assets have not undergone by impairment. Therefore no provision is called for the impairment of assets.

x. BORROWING COSTS AS-16 :

There are no items of borrowing cost hence nothing is reportable.

y. RELATED PARTY DISCLOSURES AS-18 :

It is reported by the management and as per the information and explanations given to us. In our verification of books of accounts there are related party transactions:

As per Accounting Standard (AS-18) "Related Party Disclosures" notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related as defined in AS-18 are given below:

I. Key Management Personnel

1. Mr. H.D. Katwa, Chairman
2. Mr. Venkatesh Katwa Chairman
3. Mr. Vilas H. Katwa Managing Director
4. Mr. Deepak Katwa Director

II. Relative of Key Management Personnel

1. Mrs. N.H. Katwa Director

III. Enterprises where key management personnel have significant influence

1. Katwa Finlease Limited
2. Katwa Infotech Limited
3. Katwa Construction Co. Ltd.
4. Katwa Oil Limited
5. Katwa Finance & Investment Co. Ltd.
6. Katwa Inc (100% subsidiary of Katwa Infotech Ltd)

SHRI KESHEV CEMENT & INFRA LIMITED**IV. The following related transaction were carried out during the year:**

Nature of transactions	Parties referred in (I) above Rs.	Parties referred in (II) above Rs.	Parties referred in (III) above Rs.	Total
Unsecured Loans				
Taken during the year	6726000	1308000	---	8034000
Repaid during the year	8996757	742868	---	9739625
Bal.as on 31.03.2010	54158415	3430295	---	57588710
Interest paid	3138260	178629	---	3316889
Rent	60000	---	---	60000
Managerial Remuneration	300000	---	---	300000
Trade Advance	---	---	1500000	1500000

Disclosure of loans/advances and investments in its own shares by the listed companies their subsidiaries associates etc., (as certified by the management)

Sl.No.	Particulars	Outstanding balance as on 31-3-2010	Outstanding balance as on 31-3-2009
i.	Loans and advances in the nature of loan to subsidiaries	NIL	NIL
ii.	Loans and advances in the nature of loans to associates	NIL	NIL
iii.	Loans and advances in the nature of loans where there is.	NIL	NIL
	a. No repayment schedule or repayment beyond 7 years.	NIL	NIL
	b. No interest or interest below section 372(a) of the Companies Act, 1956 staff advances	NIL	NIL
iv.	Loans and advances in the nature of loans to firms/Companies in which directors are interested	NIL	NIL
v.	Investments by loans in the nature of parent companies and subsidiaries companies when the company has made loans or advances in the nature of loan	NIL	NIL

AMOUNT DUE TO MICRO SMALL AND MEDIUM ENTERPRISES: DISCLOSURE UNDER MSMED ACT 2006

It is reported by the management that based on the information so far available with company up to 25th April, 2010 in respect of MSM (as defined in "The Micro Small and Medium Enterprises Development Act 2006") the payments have been made to MSM as per the terms and conditions of payments and on the agreed dates, hence interest provision is not made.

As per our separate report of even date.

C.A Prabhakar K Latkan

M.No.200/21730

1083, Anantshayan Galli,

Belgaum. 590 002.

Dated: 30-04-2010

Rajesh Lakkar
Company Secretary

Venkatesh Katwa, Chairman
Vilas Katwa, Managing Director
Dinesh Kotecha, Director

SHRI KESHAV CEMENTS AND INFRA LIMITED BELGAUM

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :			
Registration No.	: 08/14104	State code	: 08
Date of Balance sheet	: 31-03-2010		
II. Capital raised during the year : (amount in lacs)			
Public Issue	: Nil	Right Issue	: Nil
Bonus Issue	: Nil	Private Placement	: Nil
III. Position of Mobilisation of Deployment of Funds: (amount in lacs)			
Total Liabilities	: 4484	Total Assets	: 4484
Sources of Funds :			
Paid up Share capital	: 512	Reserves & Surplus	: 275
Secured Loans	: 2394	Unsecured Loans	: 1154
Deferred tax liability	: 149		
Application of Funds :			
Net Fixed Assets	: 3571	Investments	: 109
Net Current Assets	: 804	Misc. Expenditure	: Nil
IV. Performance of Company : (amount in lacs)			
Gross Turnover	: 2744	Total Expenditures	: 2631
Net profit before taxes	: 113	Net profit after taxes	: 93
Earning per share (in Re)	: 1.95	Dividend rate %	: Nil
V. Generic names of three principal products/services of the Company : (as per monetary terms)			
Item code (ITC code)	: 25329-01		
Product Description	: Cement		

Place: Belgaum
Date: 30-04-2010

Venkatesh Katwa
CHAIRMAN

SHRI KESHAV CEMENTS AND INFRA LIMITED, BELGAUM - 590 005

CASH FLOW STATEMENT FOR THE YEAR MARCH 31, 2010

		YEAR ENDED 31.03.2010		YEAR ENDED 31.03.2009	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	NET PROFIT BEFORE TAX		11358883		5589971
	ADD EXTRA ORDINARY ITEMS				
	DEPRECIATION		19572657		14626284
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
	Adjustments for :				
	Trade Receivables	-3988282		-8526724	
	Inventories	2776867		-36412770	
	Trade payables	7581357	6369942	4184717	-40754777
	A		37301481		-20538522
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of fixed Assets	-37475868		-47500277	
	Investments	-217909		-46086	
	Loan & Advances	-322475		11222956	
	B		-38016252		-36323407
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Increase in Borrowings	4696008		20307921	
	Decrease in Unsecured Loans	-2343170		44889153	
	Increase in provisions	-2717660		-7593258	
	C		-364822		57603816
	Net Increase/Decrease in Cash or equivalants (A+B+C)		-1079593		741887
	Cash & Cash equivalants 01.04.2009 (Opening Balance)		3828559		3086671
	Cash & Cash equivalants 01.04.2010 (Closing Balance)		2748966		3828559

AUDITORS CERTIFICATE

The Board of Directors,

SHRI KESHAV CEMENTS & INFRA LTD, BELGAUM-5.

We have examined the attached Cash flow Statement of SHRI KESHAV CEMENTS & INFRA LTD, for the year ended 31.03.2010. The Statement has been prepared by the Company in accordance with the requirements of the listing Agreement Clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by my report of 30th April 2010 to the members of the Company.

Belgaum

Date: 30.04.2010

C. A. Prabhakar K. Latkan
Chartered Accountant

SHRI KESHAV CEMENTS & INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

ATTENDANCE SLIP

I/We hereby record my/our presence at the Seventeenth Annual Meeting of the Company held at Regd. Office 215/2, Jyoti Towers, 6th Cross, Nazar Camp, M. Vadgaon, Belgaum at 11:30 a.m. On Tuesday th 27th July 2010.

I name of Member (in Block Letter) _____

Regd. Folio No. _____

No. of Shares Held _____

Full Name of the proxy (in Block Letter) _____

Signature of the Member (s) of Proxy / proxies Present _____

Please complete and sign this attendance slip and handover at the entrance of the meeting hall.

Only member (s) or their proxies with this attendance slip will be allowed entry to the Meeting.

SHRI KESHAV CEMENTS & INFRA LIMITED

[formerly Katwa Udyog Limited]

215/2, Jyoti Towers, 6th Cross Nazar Camp M. Vadgaon, Belgaum - 590 005.

PROXY FORM

Regd. Folio No. _____ No. of Shares held _____

I/We of _____

In the district being a member / members of Shri Keshav Cements & Infra Ltd. _____

_____ in the District _____

of failing him / her _____ of _____

_____ in the district of _____ as

my / our Proxy to attend and vote for me / us behalf at the Seventeenth Annual General Meeting of the Company to be held on at 11:30 a.m. on Tuesday the 27th July 2010 Adjournment thereof.

As witness my hand / our hands this _____ day of _____

Signed by said _____

Affix
Rupee 1
revenue
stamp

Note :

a) The form should be signed across the stamp as per specimen signatures registered with the Company.

B) The Proxy duly completely must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.