

**FORM A**

**Covering Letter of the annual audit report to be filed with the stock exchanges  
(Refer Clause 31(a) of the Listing Agreement)**

1.	Name of the Company	Shri Krishna Devcon Limited
2.	Annual Financial Statements for the year ended	March 31, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Nil

**For Khandelwal & Khandelwal Associates**

Chartered Accountants

Firm Registration No. 008389C



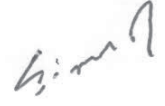
**Durgesh Khandelwal**

Partner

**Membership No. 077390**

**For Shri Krishna Devcon Limited**

  
**Sunil Kumar Jain**  
Managing Director

  
**P.D. Bairagi**  
Chairman  
(Audit Committee)



# TOUCH THE SKY

Annual Report  
2013 - 2014

**Shrikrishna**  
DEVCON LIMITED





## Contents

Corporate Information	2
Notice	4
Director's Report	13
Management Discussion & Analysis	16
Report on Corporate Governance	20
CEO / CFO Certification	29
CEO's Declaration on the Affirmation of Code of Conduct	30
Auditor's Certificate on Corporate Governance	30
Auditor's Report	31
Balance Sheet	36
Statement of Profit & Loss Account	37
Cash Flow Statement	38
Notes to the Financial Statements	39
Attendance Slip	59
Proxy Form	61
Ballot Paper	63

### 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](mailto:sharexindia@vsnl.com)

**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	

**SHAREHOLDER / INVESTOR 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	Oriental Bank of Commerce
Canara Bank	City Bank
State Bank Of India	Dena Bank
Axis Bank	ING Vyasya

**AUDITORS**

M/s. Khandelwal & Khandelwal Associates  
Chartered Accountants  
A-302, Clifton, Raviraj Oberoi Complex,  
New Link Road, Andheri (W), Mumbai - 400058.

**COMPANY SECRETARY**

Ms. Surbhi Goyal

**SECRETARIAL CONSULTANT**

M/s B. K. Pradhan & Associates, Company Secretaries

**REGISTRAR & TRANSFER AGENT**

Sharex Dynamic (India) Pvt. Ltd.  
Unit No. 1, Luthra Ind. Premises,  
M. VasANJI Marg, Andheri Kurla Road,  
Safed Pool, Andheri (E), Mumbai - 400072.  
Tel.: 022-2851 5606 / 2851 5644  
E-mail: sharexindia@vsnl.com

**REGISTERED OFFICE**

“SHRI KRISHNA”  
805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai.  
Tel.: 022-232175699  
E-mail: shrikrishnaelectra@hotmail.com /  
info@shrikrishnadevconlimited.com

**CORPORATE OFFICE**

M-1-2, Starlit Tower,  
29, Y. N. Road, Indore - 452001 (M.P.)  
Tel.: 0731-4041485



## "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  
20th Annual Report  
along with  
Audited Accounts  
of the Company  
for the year ended  
31st March, 2014**

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

Date : Monday, the 22nd day of  
September, 2014

Time : 11.30 a. m.

Venue : Svenska Design Hotel,  
SAB TV Road, Off Link Road,  
Andheri West, Mumbai - 400053

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 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. Mukesh Kumar Jain (Din : 00392364) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or re-enactment thereof, M/s. Khandelwal & Khandelwal Associates, Chartered Accountants (FRN : 008389C), be and are hereby appointed as the Statutory Auditors of the Company for a period of 3 (three) years, to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the 23rd Annual General Meeting, subject to ratification of such appointment by the Members of the Company at every Annual General Meeting held after this Annual General Meeting, on such remuneration, in addition to reimbursement of out of pocket expenses incurred.



**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, and clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof for the time being in force, Mr. Dinesh Joshi (DIN : 01784102), a Non-executive Independent Director of the Company, in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from date of this Annual General Meeting till 25th Annual General meeting of the Company propose to be held in the year of 2019.”

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, and clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof for the time being in force, Mr. Ashok Kumar Sethi (DIN : 01784133), a Non-executive Independent Director of the Company, in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from date of this Annual General Meeting till 25th Annual General meeting of the Company propose to be held in the year of 2019.”

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, and clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof for the time being in force, Mr. Purshottam Das Bairagi (DIN : 01785896), a Non-executive Independent Director of the Company, in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from date of this Annual General Meeting till 25th Annual General meeting of the Company propose to be held in the year of 2019.”

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

**“RESOLVED THAT** the consent of the members be and is hereby granted in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) to borrow from time to time all such sum(s) of money from various entities (natural or artificial), including but not limited to financial institutions, non banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts, individuals, limited liability partnerships, firms, association of persons/ individuals and other bodies corporate, whether by way of advances, loans, issue of debentures/bonds and/or other instruments or otherwise, including by way of external commercial borrowings in foreign denominated currencies from any foreign sources/foreign countries as prescribed by statutory guidelines in this regard, if any, in such manner and upon such terms and conditions and with or without security, as may be deemed necessary and prudent by the



Board for the purposes of the of the Company an aggregate outstanding borrowings not exceeding Rs. 500.00 Crore (Rupees Five Hundred Crore only) and interest, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption and all other costs, charges and expenses including any increase as a result of devaluation/ revaluation/fluctuation in the rates of exchange and all other moneys payable in terms of the loan agreement(s)/ debenture trust deed (s)/ security trustee agreements or any other document in respect of the said borrowings.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/ deeds/ writings/ papers and agreements for creating the aforesaid mortgage, pledge, hypothecation or charge and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

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

“RESOLVED THAT the consent of the members be and is hereby granted in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) for the creation of mortgage, pledge, hypothecation or charge, in addition to the existing mortgages, pledges, hypothecations and charges created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties/assets of the Company, both present and future, and/or the whole or any part of the undertaking or

undertakings of the Company, to or in favour of the lenders or trustees for the holders of debentures/bonds and/or other instruments or otherwise, to secure borrowings by way of rupee term loans, working capital facilities, foreign currency loans, external commercial borrowings, debentures, bonds and other instruments/ securities or otherwise, of the Company and/or its subsidiaries and/or its joint ventures and/ or the group companies, of an aggregate outstanding borrowings not exceeding Rs. 500 Crs. (Rupees Five Hundred Crore only) and interest, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption and all other costs, charges and expenses including any increase as a result of devaluation/ revaluation/fluctuation in the rates of exchange and all other moneys payable in terms of the loan agreement(s)/ debenture trust deed (s)/ security trustee agreements or any other document in respect of the said borrowings.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/ deeds/ writings/ papers and agreements for creating the aforesaid mortgage, pledge, hypothecation or charge and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

By order of the Board of Directors

Sunil Kumar Jain  
Managing Director  
Din : 00101324

Place: Indore  
Date: 14.08.2014

#### REGISTERED OFFICE

“Sri Krishna” 805/806,  
Opp Laxmi Industrial Estate,  
New Link Road, Andheri West,  
Mumbai - 400053. (Maharashtra)



**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto
2. 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. A person can act as a proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person cannot act as proxy for any other member.
3. 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.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 15th September, 2014 to 22nd September, 2014 (both days inclusive) for the purpose of the Annual General Meeting.
5. 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.
6. 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.
7. 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.
8. 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;
9. 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.
10. 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.
11. Information about the director seeking reappointment required under Clause 49 of



the Listing Agreement is annexed hereto separately and forms part of the Notice.

12. Non-Resident Indian Members are requested to inform the Company's Registrars & 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.

13. Voting Through electronic means:

- Pursuant to General Circular No.20/2014 dated June 17, 2014 issued by the Ministry of Corporate Affairs, Government of India, the e-voting process has not been considered as mandatory till December 31, 2014. Pursuant to Clause 35B of the listing agreement, the Company is providing facility of e-voting and voting through ballot to all members as per the applicable regulations, the Company is providing facility to the members to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- A. The voting period begins on 9.00 A. M. on 16th September, 2014 and ends on 5.00 P.M. on 18th September, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(ii) Click on Shareholders.

(iii) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

First time user follow the steps given	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>



- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <SHRI KRISHNA DEVCON LIMITED> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- A. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company



- as on the cut-off date (record date) of August 22, 2014.
- B. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- C. Mr. Balkrishan Pradhan, Proprietor of M/s. B. K. Pradhan and Associates, Practicing Company Secretary (Membership No. 20739) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- D. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- E. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.shrikrishnadevconlimited.com](http://www.shrikrishnadevconlimited.com) and on the website of CDSL within 2 (two) days of passing of the resolutions at the Annual General Meeting and will be communicated to BSE Limited.
- F. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent along with this Notice. A member desiring to exercise vote by Ballot shall complete the said Ballot Form with assent (for) or dissent (against) and send it to Mr. Balkrishan Pradhan, Scrutinizer, C/o. Shri Krishna Devcon Limited, "Sri Krishna" 805/806, Opp Laxmi Industrial Estate, New Link Road, Andheri (W) Mumbai 400053, as to reach him on or before September 18, 2014 by 6.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

By order of the Board of Directors

Sunil Kumar Jain  
Managing Director

Place: Indore  
Date: 14.08.2014

**REGISTERED OFFICE**

"SRI KRISHNA"  
805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri West,  
Mumbai - 40005. (Maharashtra)



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

### ITEM NO. 4 to 6

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively. Mr. Dinesh Joshi, Mr. Ashok Kumar Sethi and Mr. Purshottam Das Bairagi were appointed as Independent Directors of the Company pursuant to Clause 49 (III)(I) of the listing agreement. The period of office of these Directors was liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dinesh Joshi, Mr. Ashok Kumar Sethi and Mr. Purshottam Das Bairagi, being eligible, offer themselves for appointment, and are proposed to be appointed as Independent Directors for the term as stated in the resolutions.

The said three Directors have given declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made there under for their appointment as Independent Directors of the Company.

The brief profile of the said three directors is attached to this notice.

Except these Directors, being the appointees, none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolutions set out at Item No. 4 to 6.

Your Directors recommend the resolutions set out at Item No. 4 to 6 to be passed as ordinary resolutions by the members.

### ITEM No. 7 & 8

The shareholders at the Annual General Meeting of the Company held on 26th day of September, 2009 had given their consent to the Board of Directors by way of ordinary resolutions under the erstwhile Section 293(1) (d) of the Companies Act, 1956 to borrow amounts upto Rs. 100.00 Crore (Rupees One Hundred Crore only).

Section 180(1) (C) of the Companies Act, 2013 provides that the Board of Directors of a company may borrow funds in excess of the aggregate of the paid up share capital and free reserves, subject to approval of the members of the Company by a special resolution. Hence, it is proposed to obtain approval of the members of the Company by way of special resolution for borrowing funds up to Rs. 500 Cr. (Rupees Five Hundred Crore only) and necessary delegation of authority to the Board for this purpose.

The proposed borrowings, may in certain cases, be secured by charges, mortgages and hypothecations of properties/ assets, both present and future, of the Company and may attract the provisions of Section 180(1)(a) of the Companies Act, 2013 and hence it is considered appropriate to obtain members approval by way of special resolution under the provisions of said section.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7 & 8 of the Notice.

Your Directors recommend the resolutions set out at Item No. 7 & 8 to be passed as Special Resolution resolutions by the members.

**By order of the Board of Directors**

**Sunil Kumar Jain**  
Managing Director

Place: Indore  
Date: 14.08.2014

### REGISTERED OFFICE

"Sri Krishna"  
805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri West,  
Mumbai - 400053 (Maharashtra)

### 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. Mukesh Kumar Jain	Mr. Purushottam Das Bairagi	Mr. Ashok Kumar Sethi	Mr. Dinesh Joshi
DIN	00392364	01785896	01784133	01784102
Date of Birth	07.11.1971	03.01.1933	16.10.1960	26.11.1941
Date of Appointment	09.08.2007	01.09.2007	01.09.2007	01.09.2007
Educational Qualifications	M.com	B.A.,L.L.B.	L.L.B.	Aayurvadecharya
Category of Director	Non-Executive Director	Independent Director	Independent Director	Independent Director
Expertise in functional area	Accounts and Construction work	Legal	Advocate	Accounts
List of other Companies in which he holds Directorship as on 31/03/2014	1. Navkar Finvest Ltd. 2. SKDL Developers Pvt. Ltd. 3. Shreedhar Developers Pvt. Ltd. 4. MJEE Energy Prolite Pvt. Ltd. 5. Denmark Real Infra Pvt. Ltd.	Nil	Nil	Nil
Other Committee Membership	Nil	Nil	Nil	Nil
No. of Shares held	1,920,600	Nil	Nil	Nil



## Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twentieth Annual Report along with the Audited Accounts and Financial Statements for the year ended 31st March, 2014.

### Financial results

The summarized financial results of the company for the year ended 31st March, 2014 are as follows:

Particulars	₹ In Lacs)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Total Revenue	3,050.41	2,744.52
Total Expenses	2,888.40	2,421.02
Profit before exceptional items & tax	162.00	323.50
Exceptional items	-	56.50
Profit before Tax	162.00	266.99
Profit after Tax	108.06	162.49

### Operational Performance

During the year under review, the Company recorded total revenue of ₹ 305,040,715/- as compared to ₹ 274,452,217/- recorded during the previous year. The Company recorded a net profit of ₹ 10,805,930/- as compared to net profit of ₹ 16,248,972/- during the previous year. The Basic Earnings per Share for the year ended March 31, 2014 is 0.39 as against 0.58 for the corresponding previous year ended March 31, 2013.

### 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 2013-2014.

### 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 28,000,000 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 2014-15.

### 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, 2014 is annexed hereto.

### Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Mukesh Kumar Jain, Non-Executive Directors retiring by rotation at this Annual General Meeting and being eligible offers themselves for re-appointment.

Mr. Purushottam Das Bairagi, Mr. Ashok Kumar Sethi and Mr. Dinesh Joshi, the Non-Executive Independent Directors, have been appointed as Independent Directors under the provisions of Listing Agreement and they also meet the criterion of independence as provided under Section 149(6) of the Companies Act, 2013. It is proposed to appoint them in the ensuing Annual General Meeting as Independent Directors in terms of Section 150(2) of the Companies Act, 2013 for a term of five consecutive years as stated in Section 149(10) of the Companies Act, 2013 and resolutions to this effect is incorporated in the Notice of the ensuing Annual General Meeting.

Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing from one of the members of the Company, signifying his intention to propose the candidatures of the said three Directors for the offices of the directors of the Company. In terms of Section 149 (13) of the Companies Act, 2013, the provisions of Section 152(6) and (7) of the said Act in respect of retirement of Director by rotation shall not be applicable to appointment of Independent Directors.

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

M/s. Khandelwal & Khandelwal Associates, Chartered Accountants, who are the Statutory Auditors of the Company, hold office till the Conclusion of forthcoming AGM and are eligible for reappointment. The said Auditors have furnished the Certificate of their eligibility for re-appointment. Pursuant to the provision of section 139 of the Companies Act 2013 and rules framed thereunder, it is proposed to appoint M/s. Khandelwal & Khandelwal Associates Statutory Auditor of the Company from the conclusion of the forthcoming AGM till the conclusion of 23rd AGM to be held in the year 2017, subject to ratification of their appointment at the subsequent AGMs.

### 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 Report

In order to comply with the notifications and circulars issued by Ministry of Corporate Affairs (MCA), the Company has filled the Cost Compliance Report 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.

### Acknowledgment

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: 30.05.2014



## 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

#### Global economy

The Financial Year 2014 witnessed many political and economic events across the globe that kept policy makers in most of the economies to focus on the path of consolidation. The statistics by researchers may have painted a very encouraging picture but the growth prospects remained broadly moderate. The quantitative easing by US post 2008 crisis benefited equity and commodity markets, yet it is unclear if the fundamentals of global economy are still strong. The world's major economies continued to face structural flaws and policy constraints that hindered investments and growth in productivity.

#### Indian economy

The Indian economy showed signs of instability amidst the global economic and political imbalances in the second half of FY2014. The year gone by was more challenging due to high inflation, low GDP growth coupled with higher current account deficit. High interest rates further contributed in dampening the investment sentiments. A series of events both in domestic and international markets caused imbalance in capital flows, pressure on exchange rate, acute rise in inflation rate and fiscal imbalances in India. The inefficiencies in the policy making discouraged investments, further decelerating the growth projections.

#### Industry review

One of the largest employment generation sectors was severely affected by macro-economic changes in the country in FY2014. Stringent lending norms by Banks and Financial Institutions affected the sector severely. Delays in getting approvals often disturb the project

schedule and its implementation, thereby increasing the project costs. Increased intervention/monitoring by regulatory authorities and rise in key rates by RBI, challenged the potential growth of this sector.

### 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 ₹ 2,744.52 Lacs to ₹ 3,050.41 Lacs. The Basic Earnings per Share for the year ended 31.03.2014 is 0.39 as against 0.58 for the corresponding previous year ended 31.03.2013.

(₹ In Lacs)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Total Revenue	3,050.41	2,744.52
Total Expenses	2,888.40	2,421.02
Profit before Tax	162.00	266.99
Profit after Tax	108.06	162.49

### 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 construction and development activities. During the year, the Company has successfully completed the following residential projects namely;

1. Shrikrishna Avenue (Phase III) situated at Limbodi Village, Khandwa Road, Indore (M.P.)

Key Projects which are in the stage of progress:

Name of Project	Project Type	Location
Shrikrishna Enclave	Colony	Sanwer Road, Dist Indore (M.P.)
Shrikrishna Corridor	Colony	Village Limbodagari, Indore (M.P.)
Shrikrishna Park	Colony	S.K. Park, Bheslay, Pithampur (M.P.)
Shrikrishna Central Arc	Residential cum Commercial Building	4, Pratap Nagar, Manik Bagh Road, Indore (M.P.)

The Company is also under the planning stage of few new projects at Indore (M.P.) and Mumbai (MH) 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, the Company is engaged in the business of real estate development and there is no separate reportable segment.

### Future Outlook

FY2015 outlook would be governed by the policies and framework to be announced by the new government. FY2015 is expected to remain challenging in light of the need for significant fiscal adjustment, inflation risks and the spiralling current account and fiscal deficits. Economists expect India's GDP growth in the range of 5.0-6.0% for FY2015. The economic

policies around the global economy may bring further complexity to the economic environment in the midst of uncertainty of the directions on the policy front. A strong vision on infrastructure and implementation of Real Estate Regulation & Development Bill may boost the investor confidence and related businesses. Amidst all these challenges, your company will target to ensure steady operations and deliver high quality projects for its customers. The Company will eagerly await formation of the new government and union budget for 2015.

### 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 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: 30.05.2014

## Report on Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement)

### 1. Company Philosophy On Corporate Governance

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.

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

### 2. 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 2014, 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 2013-14, the Board of Directors met Five (5) times on the following dates: May 30, 2013, August 2, 2013, August 14, 2013, November 14, 2013 and February 14, 2014. The last Annual General Meeting of the Company was held on 13th September 2013.

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:

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	6	Nil	Nil	5	5	Yes
Mr. Mukesh Kumar Jain	Director	Non-Executive	1,920,600	5	Nil	Nil	5	5	Yes
Mr. Naveen Kumar Jain	Director	Non-Executive	1,920,600	2	Nil	Nil	5	5	Yes
Mr. Purshottam Das Bairagi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	5	4	Yes
Mr. Dinesh Joshi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	5	4	No
Mr. Ashok Kumar Sethi	Director	Non-Executive / Independent	Nil	Nil	Nil	Nil	5	3	No



**Notes:**

1. Directorship in Foreign Companies and Membership in Government Council, Chambers and other bodies are not included.
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**

The Board of Directors have adopted the Code of Conduct for the Board of Directors of the Company and have been posted on the Company's website [www.shrikrishnadevconlimited.com](http://www.shrikrishnadevconlimited.com). As required by Clause 49(I) (D) of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2014

**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 thereon.
- 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, 2013	3	3
2	14th August, 2013	3	3
3	14th Nov., 2013	3	3
4	14th Feb., 2014	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 2nd August 2013 during the financial year ended March 31, 2014.

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 2013-14:

**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 01.04.2013 to 31.03.2014 are given as follows:

Sl. No.	Name of Director	Designation	Gross Remuneration (₹)
1	Mr. Sunil Kumar Jain	Managing Director	2,700,000
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) Shareholder / Investor Grievances Committee

#### Composition:

The Board has constituted Shareholder/Investor Grievances 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 / Investor's 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	04th May, 2013	3	3
2	5th Aug., 2013	3	3
3	28th Oct., 2013	3	3
4	31st Jan., 2014	3	3



**Attendance** of each Member at the Shareholder/ 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 01.04.2013 to 31.03.2014	: NIL
No. of complaints pending as on 31.03.2014	: 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.

#### 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
2012-13	The Mirador, 131 B New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (E) Mumbai - 400099.	September 13, 2013 11.30 A.M.	One
2011-12	The Mirador, 131 B New Link Road, Opp. Solitaire Corporate Park, Chakala, Andheri (E) Mumbai - 400099.	September 20, 2012 11.30 A.M.	One
2010-11	4th Floor, Crystal Paradise The Mall, Off. Veera Desai Road, Andheri (W), Mumbai - 400053.	September 21, 2011 11.30 A.M.	One

#### 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.



## 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. 30 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. 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.

- d. 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.

- e. 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 ("MD & A") 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](http://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:

Monday, 22nd September, 2014  
at 11 : 30 a.m.

#### Venue:

Svenska Design Hotel,  
SAB TV Road, Off Link Road,  
Andheri West, Mumbai - 400053

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

### d. Financial Calendar 2014-15 (Tentative):

Financial Reporting for the quarter ending June 30, 2014	Second Week of August, 2014
Financial Reporting for the quarter ending September 30, 2014	Second Week of November, 2014
Financial Reporting for the quarter ending December 31, 2014	Second Week of February, 2015
Financial Reporting for the quarter ending March 31, 2015	Last Week of May, 2015

### e. Dates of Book Closure:

Monday, 15th September, 2014 to Monday 22nd September, 2014 (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:

<b>Name of the Stock Exchange</b>	<b>Stock Code</b>
The Bombay Stock Exchange Limited (BSE)	531080

The Company has paid annual Listing fees for the year 2014-15 to BSE.

### Market Price Data:

Period	Bombay Stock Exchange (BSE) (In ₹ Per share)	
	Month's High Price	Month's Low Price
April, 2013	7.50	6.53
May, 2013	7.32	6.98
June, 2013	-	-
July, 2013	7.66	7.30
August, 2013	11.15	8.04
September, 2013	11.15	10.08
October, 2013	11.10	10.55
November, 2013	10.03	6.05
December, 2013	5.75	4.27
January, 2014	7.59	4.48
February, 2014	10.50	7.96
March, 2014	9.96	8.08

Source: BSE website

### h. Registrar and Transfer Agents & Share Transfer System:

Sharex Dynamic (India) Private Limited is your Company's Registrars & Transfer Agents. Share transfers in physical form and other communications 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 (East), Mumbai - 400 072  
Tel.: 022-2851 5606 / 2851 5644  
E-mail: [sharexindia@vsnl.com](mailto: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 Dematerialized form	Total Paid up Capital	% of Paid up capital in Dematerialized form
31.03.2014	27,390,450	28,000,000	97.82 %

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 2013-14.**

**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, 2014:**

Share of Nominal Value (Rs)	No. of Shareholders	(%) of Shareholders	Total Amount (Rs)	(%) of Amount
Upto - 5000	1,707	81.99	2,854,980.00	1.02
5001 - 10000	180	8.65	1,529,510.00	0.55
10001 - 20000	79	3.79	1,151,360.00	0.41
20001 - 30000	27	1.30	692,510.00	0.25
30001 - 40000	10	0.48	349,850.00	0.12
40001 - 50000	15	0.72	689,960.00	0.25
50001 - 100000	24	1.15	1,798,640.00	0.64
100001 & Above	40	1.92	270,933,190.00	96.76
<b>Total</b>	<b>2,082</b>	<b>100%</b>	<b>280,000,000.00</b>	<b>100%</b>



## n. Distribution of Shareholding according to the categories of shareholders as on March 31, 2014:

Categories	No. of Shares	Amount in ₹	% to Total
Promoters	15,365,070	153,650,700.00	54.8753
Financial Institutions, Banks	Nil	Nil	Nil
Mutual Funds, UTI	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil
NRIs/ OCBs	500	5,000.00	00.0018
Other Bodies Corporate	11,477,102	114,771,020.00	40.9896
Public	1,157,328	11,573,280.00	04.1333
<b>Total</b>	<b>28,000,000</b>	<b>280,000,000.00</b>	<b>100%</b>

## 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 Share Transfer Agents or at the Company's Investor Service Centre, at the following address:

**Sharex Dynamic (India) Private Limited  
Registrar & 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](mailto:sharexindia@vsnl.com)

**Shri Krishna Devcon Limited**

Investor Service Centre

"Sri Krishna"

805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (West),  
Mumbai - 400 053

Tel. : 022 - 32175699

Email : [info@shrikrishnadevconlimited.com](mailto:info@shrikrishnadevconlimited.com) /  
[shrikrishnaelectra@hotmail.com](mailto:shrikrishnaelectra@hotmail.com)



**MD certification for financial statement**

---

**Certification by the Managing Director on Financial Statement of the Company for the year ended 31st March, 2014**

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, 2014 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 : 30.05.2014

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, 2014.

**Sunil Kumar Jain**  
Managing Director

Place: Indore  
Date: 30.05.2014

---

## Auditor's Certificate On Corporate Governance

To  
The Members of  
**SHRI KRISHNA DEVCON LIMITED.**

We have examined the compliance of conditions of Corporate Governance by SHRI KRISHNA DEVCON LIMITED (the Company) for the year ended on March 31, 2014 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. On the basis of the Records maintained by the Company we state that as at 31st March, 2014 there were no investor grievances pending with the Company.

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  
(FRN. 008389C)

(Durgesh Khandelwal)  
Partner.  
Membership No. 077390

Place : Indore  
Date : 30.05.2014



## Auditor's 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 31st March, 2014 the Statement of Profit and Loss and Cash flow statement for the year 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 and cash flows 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") read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013. 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 31st March, 2014;
- (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 read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013; and
- e) on the basis of written representations received from the directors as on 31st

March, 2014, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2014, 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  
Membership No. 077390

Place : Indore  
Date : 30.05.2014



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 ₹ 14,07,44,264/- and the year end balance of loans taken from such parties was ₹ 10,37,70,022/-.

- 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 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 generally 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 of 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 not raised any term loan from bank during the period. Accordingly, provisions of clause 4(xvi) of the order are not applicable.



**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 preferential allotment of shares to parties 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 : 30.05.2014



## Balance Sheet as at March 31, 2014

Particulars	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	280,000,000	280,000,000
(b) Reserves and surplus	4	275,973,045	265,167,116
<b>Total of Shareholders' funds</b>		<b>555,973,045</b>	<b>545,167,116</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	99,533	1,797,435
(b) Deferred tax liabilities (net)	26	622,803	545,393
<b>Total of Non-current liabilities</b>		<b>722,337</b>	<b>2,342,828</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	235,545,483	231,259,395
(b) Trade payables	7	182,342,343	47,749,888
(c) Other current liabilities	8	195,949,305	167,769,780
(d) Short-term provisions	9	311,146	8,958,809
<b>Total of Current liabilities</b>		<b>614,148,277</b>	<b>455,737,872</b>
<b>TOTAL OF EQUITY AND LIABILITIES</b>		<b>1,170,843,659</b>	<b>1,003,247,816</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
Tangible assets	10	11,019,816	12,410,121
(b) Non-current investments	11	116,313,757	78,114,902
(c) Long-term loans and advances	12	715,500	715,500
(d) Other non-current assets	13	2,332,535	2,381,695
<b>Total of Non-current assets</b>		<b>130,381,607</b>	<b>93,622,217</b>
<b>2 Current assets</b>			
(a) Inventories	14	831,835,865	774,239,536
(b) Trade receivables	15	149,656,882	14,872,265
(c) Cash and cash equivalents	16	38,924,810	101,863,347
(d) Short-term loans and advances	17	20,044,494	18,650,451
<b>Total of Current assets</b>		<b>1,040,462,051</b>	<b>909,625,599</b>
<b>TOTAL OF ASSETS</b>		<b>1,170,843,659</b>	<b>1,003,247,816</b>

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

For and on behalf of the Board of Directors

**Sunil Kumar Jain**      **Mukesh Kumar Jain**  
(Managing Director)      (Director)

Place : Indore  
Date: 30-05-2014

**Surbhi Goyal**  
(Company Secretary)



## Statement of Profit and Loss for the year ended March 31, 2014

Particulars	Note No.	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
1 Revenue from operations	18	296,828,342	268,297,012
2 Other income	19	8,212,373	6,155,205
3 Total revenue (1+2)		<u>305,040,715</u>	<u>274,452,217</u>
4 Expenses			
(a) Land, Construction & Services Cost	20.a	321,564,982	272,484,261
(b) Changes in inventories of finished goods, work-in-progress and trading stock	20.b	(57,596,329)	(43,986,108)
(c) Employee benefits expenses	21	4,394,000	3,062,500
(d) Finance costs	22	1,499,777	1,466,450
(e) Depreciation	10	1,403,305	1,394,662
(f) Other expenses	23	17,574,575	7,681,001
Total expenses		<u>288,840,311</u>	<u>242,102,766</u>
5 Profit before exceptional items and tax (3-4)		16,200,404	32,349,451
6 Exceptional items	24	-	5,649,802
7 Profit before tax (5-6)		<u>16,200,404</u>	<u>26,699,650</u>
8 Tax expense:			
(a) Current tax		5,317,064	10,275,056
(b) Deferred tax		77,410	175,622
Net tax expense		<u>5,394,474</u>	<u>10,450,678</u>
9 Profit for the year (7-8)		<u>10,805,930</u>	<u>16,248,972</u>
10 Earnings per share (of ₹ 10/- each):			
(a) Basic	25	0.39	0.58
(b) Diluted	25	0.39	0.58

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

For and on behalf of the Board of Directors

**Sunil Kumar Jain**      **Mukesh Kumar Jain**  
(Managing Director)      (Director)

Place : Indore  
Date: 30-05-2014

**Surbhi Goyal**  
(Company Secretary)



## Cash Flow Statement for the year ended March 31, 2014

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	16,200,404	26,699,650
<u>Adjustments for:</u>		
Depreciation	1,403,305	1,394,662
Loss on sale of Fixed assets	-	17,421
Loss on sale of Investments	-	5,649,802
Interest costs	1,409,422	1,399,012
Interest income	(5,730,645)	(4,942,875)
Dividend income	(1,124)	(77,100)
Loss from partnership firms	-	5,923
Miscellaneous expenses	-	801,768
Profit from partnership firms	(1,012,637)	(1,135,230)
<b>Operating profit before working capital changes</b>	<b>12,268,724</b>	<b>29,813,032</b>
Changes in working capital:		
<u>Adjustments for operating assets:</u>		
(Increase)/Decrease in inventories	(57,596,329)	(43,986,108)
(Increase)/Decrease in trade receivables	(134,784,617)	(12,596,885)
(Increase)/Decrease in short-term loans and advances	(1,394,043)	17,466,939
<u>Adjustments for operating liabilities:</u>		
Increase/(Decrease) in trade payables	134,592,455	(2,764,849)
Increase/(Decrease) in other current liabilities	29,678,125	17,098,550
Increase/(Decrease) in other long-term liabilities	-	(4,014,808)
Increase/(Decrease) in short-term provisions	-	(5,565)
<b>Cash generated from operations</b>	<b>(17,235,685)</b>	<b>1,010,306</b>
Income tax	(13,964,727)	(2,162,482)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(31,200,412)</b>	<b>(1,152,176)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets	(13,000)	(2,993,682)
Investments in partnership firms	(38,198,856)	(18,065,678)
Proceeds from sale of fixed assets	-	448,175
Proceeds from sale of investments	-	1,449,108
Bank deposits not considered as Cash and cash equivalents	49,160	(296,180)
Dividend Received	1,124	77,100
Interest received	5,730,645	4,926,628
Profit from partnership firms	1,012,637	1,135,230
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(31,418,289)</b>	<b>(13,319,299)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(repayment) of long-term borrowings	(3,196,502)	(1,187,180)
Proceeds from other short-term borrowings	4,286,088	87,476,833
Interest cost	(1,409,422)	(1,399,012)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(319,835)</b>	<b>84,890,641</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(62,938,537)</b>	<b>70,419,166</b>
Cash and cash equivalents at the beginning of the year	101,863,347	31,444,181
<b>Cash and cash equivalents at the end of the year</b>	<b>38,924,810</b>	<b>101,863,347</b>
Cash and cash equivalents Comprises of:		
(a) Cash on hand	16,348,505	77,582,144
(b) Balances with banks in current accounts	22,576,305	24,281,203
<b>Total</b>	<b>38,924,810</b>	<b>101,863,347</b>

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: 30-05-2014

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, 2014

Note	Particulars
<b>1</b>	<b>Corporate information</b>
	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.
<b>2</b>	<b>Significant accounting policies</b>
<b>2.01</b>	<b>Basis of preparation of financial statements</b>
	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) read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013 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.
<b>2.02</b>	<b>Use of estimates</b>
	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.
<b>2.03</b>	<b>Tangible fixed assets</b>
	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.
<b>2.04</b>	<b>Depreciation and amortisation</b>
	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.
<b>2.05</b>	<b>Impairment of tangible assets</b>
	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



## Notes forming part of the financial statements for the year ended March 31, 2014

Note

Particulars

### Note 2 Significant accounting policies (contd.)

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.

#### 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 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



## Notes forming part of the financial statements for the year ended March 31, 2014

Note	Particulars
------	-------------

### Note 2 Significant accounting policies (contd.)

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.

- at least 25% of estimated construction and development costs (excluding land cost) has been incurred;
- at least 25% of the saleable project area is secured by contract or agreements with buyers; and
- at least 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.

(ii) Revenue from Construction Contracts are recognized as per AS -7 "Construction Contracts"

(iii) 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.

(iv) Dividend income

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

(v) Interest Income

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

(vi) 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.



## Notes forming part of the financial statements for the year ended March 31, 2014

Note	Particulars
<b>Note 2 Significant accounting policies (contd.)</b>	
<b>2.11 Segment reporting</b>	
	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.
<b>2.12 Earnings per share</b>	
	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.
<b>2.13 Taxes on income</b>	
	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.
<b>2.14 Provisions and contingencies</b>	
	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, 2014

### Note 3 Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 10 each with voting rights	28,000,000	28,00,00,000	28,000,000	28,00,00,000
(b) Issued Equity shares of ₹ 10 each with voting rights	28,000,000	28,00,00,000	28,000,000	28,00,00,000
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	28,000,000	28,00,00,000	28,000,000	28,00,00,000
<b>Total</b>	<b>28,000,000</b>	<b>28,00,00,000</b>	<b>28,000,000</b>	<b>28,00,00,000</b>

#### 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	Changes during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	28,000,000	-	28,000,000
- Amount (₹)	280,000,000	-	280,000,000
Year ended 31 March, 2013			
- Number of shares	28,000,000	-	28,000,000
- Amount (₹)	280,000,000	-	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, 2014

### 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, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
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 31st March, 2014	As at 31st March, 2013
	₹	₹
(a) Securities premium account Opening balance	238,329,657	238,329,657
<b>Closing balance</b>	<b>238,329,657</b>	<b>238,329,657</b>
(b) Surplus in Statement of Profit and Loss Opening balance	26,837,459	10,588,487
Add: Profit for the year	10,805,930	16,248,972
<b>Closing balance</b>	<b>37,643,388</b>	<b>26,837,459</b>
<b>Total of reserve &amp; surplus</b>	<b>275,973,045</b>	<b>265,167,116</b>

### Note 5 Long-term Borrowings

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Secured term loans From banks (Refer Note 5.1)	99,533	1,797,435
<b>Total of long term borrowing</b>	<b>99,533</b>	<b>1,797,435</b>



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 5 Long-term Borrowings (contd.)

#### Note 5.1 Terms of repayment and security

Particulars	Terms of repayment and security	As at	As at
		31st March, 2014	31st March, 2013
		Secured	Secured
		₹	₹
<b>Term loans from banks:</b>			
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
(b) HDFC Bank Ltd.	one instalment of ₹ 192,850 was due on 05.02.2013 and 34 equal monthly instalments of ₹ 96,425 starting from 05.03.2013 and last instalment due on 05.12. 2014.	-	828,591
(c) BMW Financial Services	35 Monthly instalments of ₹ 50,150 as mentioned in the repayment schedule commenced from June 2013 and last instalments due in April 2015	99,533	675,269
	<b>Total - Term loans from banks</b>	<b>99,533</b>	<b>1,797,435</b>

### Note 6 Short-term Borrowings

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
(a) Loans and advances from related parties Unsecured	103,770,022	136,078,922
(b) From corporate bodies Unsecured	131,775,461	95,180,473
<b>Total of short-term borrowings</b>	<b>235,545,483</b>	<b>231,259,395</b>

### Note 7 Trade Payables

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Payable for land purchase	13,725,000	30,425,000
Payable for Supplies & Services (Refer Note 28)	168,617,343	17,324,888
<b>Total of trade payables</b>	<b>182,342,343</b>	<b>47,749,888</b>



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 8 Other Current Liabilities

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Current maturities of long-term debt (refer note 5.1)	1,697,451	3,196,051
Advances from customers	171,162,045	144,818,265
Statutory dues	5,492,414	2,908,070
Others	17,597,395	16,847,394
<b>Total of other current liabilities</b>	<b>195,949,305</b>	<b>167,769,780</b>

### Note 9 Short-term Provisions

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Provision for tax net of advance tax & TDS	311,146	8,958,809
<b>Total of short-term provisions</b>	<b>311,146</b>	<b>8,958,809</b>



**Notes forming part of the financial statements  
for the year ended March 31, 2014**

**Note 10 Fixed Assets**

Tangible Assets	Gross block			Depreciation			Net block		
	Balance as at 1st April, 2013 ₹	Additions ₹	Disposals ₹	Balance as at 31st Mar., 2014 ₹	Balance as at 1st April, 2013 ₹	Depreciation expense for the year ₹	Eliminated on disposal of assets ₹	Balance as at 31st Mar., 2014 ₹	Balance as at 31st Mar., 2013 ₹
<b>Owned:</b>									
(a) Furniture and Fixtures	17,930	-	-	17,930	17,930	-	-	17,930	-
(b) Vehicles	13,928,701	-	-	13,928,701	2,282,005	1,323,227	-	3,605,231	11,646,696
(c) Computer and Peripherals	295,209	13,000	-	308,209	111,615	49,620	-	161,235	183,594
(d) Air Conditioner	61,897	-	-	61,897	14,946	2,940	-	17,886	46,951
(e) DVD Player	4,499	-	-	4,499	1,122	214	-	1,336	3,377
(f) LCD TV	29,000	-	-	29,000	7,295	1,378	-	8,673	21,705
(g) EPABX	7,995	-	-	7,995	1,997	380	-	2,376	5,998
(h) Mobile Instruments	167,000	-	-	167,000	20,632	7,933	-	28,564	146,368
(i) Money counting Machine	31,640	-	-	31,640	2,246	1,503	-	3,749	29,394
(j) D.G Set	339,200	-	-	339,200	13,163	16,112	-	29,275	326,037
<b>Total</b>	<b>14,883,071</b>	<b>13,000</b>	<b>-</b>	<b>14,896,071</b>	<b>2,472,950</b>	<b>1,403,305</b>	<b>-</b>	<b>3,876,255</b>	<b>12,410,121</b>
<b>Previous year</b>	<b>12,657,768</b>	<b>2,993,682</b>	<b>768,379</b>	<b>14,883,071</b>	<b>1,381,071</b>	<b>1,394,662</b>	<b>302,783</b>	<b>2,472,950</b>	<b>11,276,697</b>

## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 11 Non-current Investments

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>A. Trade Investments (At cost):</b>		
Unquoted		
Investment in partnership firms (Refer Note 11.1)	112,218,855	74,019,999
<b>Total of trade investments</b>	<b>112,218,855</b>	<b>74,019,999</b>
<b>B. Other Investments (At cost)</b>		
Quoted equity shares (Refer Note 11.2)		
(a) 17,891 (As at 31 March, 2013 : 17,891) shares of ₹ 10 each, fully paid up in Vishal Malleables Ltd.	1,354,862	1,354,862
(b) 1,285,000 (As at 31 March, 2013 : 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, 2014 ₹ 48.21 Lacs (As at 31st March 2013 ₹ 41.60 lacs)		
<b>Total of other investments</b>	<b>4,094,903</b>	<b>4,094,903</b>
<b>Total of non current investments (A+B)</b>	<b>116,313,757</b>	<b>78,114,902</b>

### Note 11.1 Other details relating to investment in partnership firms

Name of the firms	As at 31st March, 2014		As at 31st March, 2013	
	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 Total Capital as on 31.03.2014 - ₹ 3,600,000 Previous year ₹ 3,600,000	Shri Krishna Devcon Ltd Mr. Yogesh Mishra Mr. Abhishek Rathi Mr. Lokesh Awasthi	25 25 25 25	Shri Krishna Devcon Ltd Mr. Yogesh Mishra Mr. Abhishek Rathi Mr. Lokesh Awasthi	25 25 25 25
<b>Total</b>		<b>100</b>		<b>100</b>
2 M/S Avani Buildcon Total Capital as on 31.03.2014 - ₹ 8,36,84,601 Previous year ₹ 60,095,326	Shri Krishna Devcon Ltd Mr. Jetendra Mehta Mr. Sunil Sangoi	50 30 20	Shri Krishna Devcon Ltd Mr. Jetendra Mehta Mr. Sunil Sangoi	50 30 20
<b>Total</b>		<b>100</b>		<b>100</b>
3 M/S Shree Krishna Buildcon Total Capital as on 31.03.2014 - ₹ 29,968,000 Previous year ₹ 29,968,000	Shri Krishna Devcon Ltd Mr. Vijay Godwani Mr. Ramesh Godwani Mr. Gagandeep Singh Juneja Mrs. Armeet Kaur Mrs. Simmi Kaur Mrs. Kamna Bajaj	60 8 8 8 6 5 5	Shri Krishna Devcon Ltd Mr. Vijay Godwani Mr. Ramesh Godwani Mr. Gagandeep Singh Juneja Mrs. Armeet Kaur Mrs. Simmi Kaur Mrs. Kamna Bajaj	60 8 8 8 6 5 5
<b>Total</b>		<b>100</b>		<b>100</b>
4 M/S Krishna Developers Total Capital as on 31.03.2014 - ₹ 12,127,621 Previous year ₹ 11,783,832	Shri Krishna Devcon Ltd Mr. Sandeep Jain Mr. Vikas Choudhary	35 2.5 62.5	Shri Krishna Devcon Ltd Mr. Sandeep Jain Mr. Vikas Choudhary	35 2.5 62.5
<b>Total</b>		<b>100</b>		<b>100</b>
5 M/S A & A Shelters Total Capital as on 31.03.2014 - ₹ 1,90,81,427 Previous year ₹ 1,93,154	Shri Krishna Devcon Ltd A & A Shelters Pvt. Ltd.	50 50	Shri Krishna Devcon Ltd A & A Shelters Pvt. Ltd.	50 50
<b>Total</b>		<b>100</b>		<b>100</b>



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 11.2 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 12 Long-term loans and advances

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Security deposits		
Unsecured, considered good	715,500	715,500
<b>Total of long-term loans and advances</b>	<b>715,500</b>	<b>715,500</b>

### Note 13 Other non-current assets

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Fixed deposit with Bank for bank guarantees	2,332,535	2,381,695
<b>Total of other non-current assets</b>	<b>2,332,535</b>	<b>2,381,695</b>

### Note 14 Inventories

(As certified by management.)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
(a) Trading stock (Flats)	824,462	824,462
(b) Work-in-progress (Projects Under Development)	789,296,525	730,627,915
(c) Finished goods (other than those acquired for trading) (Complete Units of the Projects)	41,714,878	42,787,159
<b>Total of inventories</b>	<b>831,835,865</b>	<b>774,239,536</b>

### Note 15 Trade Receivables

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Unsecured, considered good</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	4,009,784	1,560,489
Other	145,647,098	13,311,776
<b>Total of trade receivables</b>	<b>149,656,882</b>	<b>14,872,265</b>

## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 16 Cash and Cash Equivalents

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
(a) Cash on hand	16,348,505	77,582,144
(b) Balances with banks		
Current accounts	22,576,305	24,281,203
Fixed deposits	2,332,535	2,381,695
<b>Total</b>	<b>41,257,345</b>	<b>104,245,042</b>
Less: Amount disclosed under non-current assets	2,332,535	2,381,695
<b>Total of cash and cash equivalents</b>	<b>38,924,810</b>	<b>101,863,347</b>

### Note 17 Short-term loans and advances

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Unsecured, considered good</b>		
(a) Security deposits	2,375,000	2,375,000
(b) Advance for land	11,503,833	9,813,519
(c) Other loans and advances	6,165,661	6,461,932
<b>Total of short-term loans and advances</b>	<b>20,044,494</b>	<b>18,650,451</b>

### Note 18 Revenue from Operations

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
(a) Income from sale of land & property developments	46,532,435	268,297,012
(b) Contract revenues	250,295,907	-
<b>Total of revenue from operations</b>	<b>296,828,342</b>	<b>268,297,012</b>

### Note 19 Other Income

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
(a) Interest income	5,730,645	4,942,875
(b) Share of profit from partnership firms	1,012,637	1,135,230
(c) Dividend income	1,124	77,100
(d) Liabilities no longer payable written back	1,467,966	-
<b>Total of other income</b>	<b>8,212,373</b>	<b>6,155,205</b>



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 19.1 Details of interest income

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
<b>Interest income comprises:</b>		
Interest from banks on deposits	177,466	162,427
Interest income from investments in partnership firms	5,553,179	4,780,448
<b>Total of interest income</b>	<b>5,730,645</b>	<b>4,942,875</b>

### Note 20.a Land, Construction & Services Cost

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
(a) Cost of land, materials & services during the year	82,102,982	272,484,261
(b) Sub - Contract Expenses	239,462,000	-
<b>Total of land, construction &amp; services cost</b>	<b>321,564,982</b>	<b>272,484,261</b>

### Note 20.b Changes in inventories of finished goods, work-in-progress and trading stock

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
<b>Inventories at the end of the year :</b>		
Complete units/Finished goods	41,714,878	42,787,159
Work-in-progress	789,296,525	730,627,915
Trading stock	824,462	824,462
	<b>831,835,865</b>	<b>774,239,536</b>
<b>Inventories at the beginning of the year :</b>		
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
	<b>774,239,536</b>	<b>730,253,428</b>
<b>Net (increase) / decrease</b>	<b>(57,596,329)</b>	<b>(43,986,108)</b>

### Note 21 Employee benefits expenses

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Salaries and wages	4,394,000	3,062,500
<b>Total of employee benefits expenses</b>	<b>4,394,000</b>	<b>3,062,500</b>

## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 22 Finance Costs

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
(a) Interest expense on:		
(i) Borrowings	13,626,760	16,905,784
(ii) Others	1,061,423	407,203
(b) Other borrowing costs - bank charges	90,356	67,438
<b>Total</b>	<b>14,778,538</b>	<b>17,380,425</b>
Less:		
Borrowing cost Inventorised during the year	13,278,761	15,913,975
<b>Total of finance cost</b>	<b>1,499,777</b>	<b>1,466,450</b>

### Note 23 Other expenses

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Office rent	538,530	512,400
Electricity expenses	112,450	210,925
Insurance	286,074	56,783
Rates and taxes	4,670	4,457
Telephone expenses	141,424	197,157
Postage and Courier expenses	6,984	9,810
Travelling and Conveyance	420,187	346,324
Office expenses	152,270	208,128
Printing and Stationery	258,313	288,999
Brokerage & Commission	569,520	3,093,628
Advertisement & Publicity	217,570	374,001
Payments to auditors (Refer Note 23.1 below)	337,080	318,540
AGM expenses	21,118	5,000
Fees & Subscription	218,484	173,859
Legal and Professional	320,848	815,095
Vehicle Running and Maintenance	316,871	151,364
Computer Repairs & Maintenance Exp.	8,400	23,300
Service Tax expenses	49,456	13,603
Registry Expenses	3,639,995	-
Sales Promotion	9,587,020	-
Loss from Partnership firm	-	5,923
Loss on sale of fixed assets	-	17,421
Miscellaneous expenses	367,311	854,284
<b>Total of other expenses</b>	<b>17,574,575</b>	<b>7,681,001</b>



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 23.1 Details of payment to auditor

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Payments to the auditors comprises		
For statutory audit	140,450	140,450
For tax audit	28,090	28,090
For other services	168,540	150,000
<b>Total of payment to auditor</b>	<b>337,080</b>	<b>318,540</b>

### Note 24 Exceptional items

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Loss on Sale of Long term investments	-	5,649,802
<b>Total of exceptional items</b>	<b>-</b>	<b>5,649,802</b>

### Note 25 Basic & Diluted Earnings per Share

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Net profit after tax for the year	10,805,930	16,248,972
Equity shares outstanding as at the year end	28,000,000	28,000,000
Weighted average number of shares	28,000,000	28,000,000
Nominal value per share ₹	10	10
<b>Earnings per share ₹ (Basic &amp; Diluted)</b>	<b>0.39</b>	<b>0.58</b>

### Note 26 Deferred Tax Liability / (Asset)

Particulars	Charged/(Credit) in P & L account for current year	As at 31st March, 2014	As at 31st March, 2013
	₹	₹	₹
A. Deferred tax (Assets)	Nil	Nil	Nil
B. Deferred tax Liabilities:			
On difference between book balance and tax balance of fixed assets	77,410	622,803	545,393
<b>Net (DTA)/DTL (B-A)</b>	<b>77,410</b>	<b>622,803</b>	<b>545,393</b>

## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 27 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
Guarantees issued by Bank	5,460,000	5,350,000

### Note 28 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, 2014 .

### Note 29 Additional Statutory information to the financial statements

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Value of imports on CIF basis	Nil	Nil
Expenditure in foreign currency	Nil	Nil
Earnings in foreign exchange	Nil	Nil

### Note 30 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.



## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 30 Disclosures under Accounting Standards 18 (cont.)

Details of related party transactions for the year ended March 31, 2014 and balances outstanding as at March 31, 2014:

Nature of the Transactions	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
<b>Directors Remuneration</b>				
- Mr. Sunil Jain	2,700,000 (1,800,000)			2,700,000 (1,800,000)
<b>Short term Borrowing</b>				
- CSM Developers Pvt Ltd			- (47,429,500)	- (47,429,500)
- Shreedhar Developers Pvt. Ltd.			2,500,000 (5,000,000)	2,500,000 (5,000,000)
- Manokesh Mines & Minerals Pvt. Ltd.			- (1,000,000)	- (1,000,000)
- Navkar Finvest Ltd.			- (3,300,000)	- (3,300,000)

## Notes forming part of the financial statements for the year ended March 31, 2014

### Note 30 Disclosures under Accounting Standards 18 (count.)

Nature of the Transactions	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
<b>Short term Borrowing</b>				
- Mr. Sunil Jain	1,000,000 (14,200,000)			1,000,000 (14,200,000)
- Mr. Naveen Jain	1,901,600 (17,080,219)			1,901,600 (17,080,219)
<b>Short term borrowing outstanding at the year end</b>				
- Mr. Sunil Jain	5,796,374 (16,037,641)			5,796,374 (16,037,641)
- Mr. Mukesh Jain	7,034,840 (7,147,200)			7,034,840 (7,147,200)
- Mr. Naveen Jain	23,137,254 (24,185,654)			23,137,254 (24,185,654)
- CSM Developers Pvt Ltd			35,194,218 (59,762,855)	35,194,218 (59,762,855)
- Shreedhar Developers Pvt. Ltd.			21,338,614 (17,345,572)	21,338,614 (17,345,572)
- SKDL Developers Pvt Ltd			7,891,300 (7,300,000)	7,891,300 (7,300,000)
- Manokesh Mines & Minerals Pvt. Ltd.			1,081,000 (1,000,000)	1,081,000 (1,000,000)
- Navkar Finvest Ltd.			2,296,422 (3,300,000)	2,296,422 (3,300,000)
<b>Interest Paid</b>				
- SKDL Developers Pvt Ltd			657,000 (967,000)	657,000 (967,000)
- CSM Developers Pvt Ltd			3,807,368 (3,359,283)	3,807,368 (3,359,283)
- Shreedhar Developers Pvt. Ltd.			1,658,937 (1,606,192)	1,658,937 -
- Manokesh Mines & Minerals Pvt. Ltd.			90,000 (38,034)	90,000 (38,034)
- Navkar Finvest Ltd.			218,247 (141,787)	218,247 (141,787)
			-	-

Note: Figures in Bracket Related to previous year.



## Notes forming part of the financial statements for the year ended March 31, 2014

---

### Note 31

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 32

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 33

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

### Note 34 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)

For and on behalf of the Board of Directors

**CA. Durgesh Khandelwal**  
Partner  
M.NO. 077390

**Sunil Kumar Jain**  
(Managing Director)

**Mukesh Kumar Jain**  
(Director)

Place : Indore  
Date: 30-05-2014

**Surbhi Goyal**  
(Company Secretary)

---

**NOTES :**

A series of horizontal dotted lines providing space for notes.



# SHRI KRISHNA DEVCON LIMITED

Reg. Office : "Shri Krishna" 805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai - 400053. (Maharashtra)  
Tel: 022 26822999 | E-mail : info@shrikrishnadevconlimited.com  
Website : www.shrikrishnadevconlimited.com | CIN.: L67190MH1993PLC075295

## 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 (Surname) (First Name) (Middle Name)  
attends instead of the Member)

Folio Number \_\_\_\_\_ No. of Shares held \_\_\_\_\_

I / We hereby record my / our presence at the 20th Annual General Meeting of the Company held on Monday 22nd day of September, 2014 at 11.30 A.M. at Svenska Design Hotel, SAB TV Road, Off Link Road, Andheri West, Mumbai - 400053.

Signature of the Member/Proxy\*

\*Strike out whichever is not applicable





# SHRI KRISHNA DEVCON LIMITED

Reg. Office : "Shri Krishna" 805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai - 400053. (Maharashtra)  
Tel: 022 26822999 | E-mail : info@shrikrishnadevconlimited.com  
Website : www.shrikrishnadevconlimited.com | CIN.: L67190MH1993PLC075295

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s)	
Address	
E-mail ID	
DP ID Client / Folio No.	

I/We, being the Member(s) of \_\_\_\_\_, shares of the above named Company, hereby appoint

1. Name  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him

2. Name  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him

3. Name  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Monday 22nd day of September, 2014 at 11.30 A.M. at Svenska Design Hotel, SAB TV Road, Off Link Road, Andheri West, Mumbai -400053 and at any adjournment thereof in respect of such resolutions as are indicated below:

# SHRI KRISHNA DEVCON LIMITED

Reg. Office : "Shri Krishna" 805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai - 400053. (Maharashtra)  
Tel: 022 26822999 | E-mail : info@shrikrishnadevconlimited.com  
Website : www.shrikrishnadevconlimited.com | CIN.: L67190MH1993PLC075295

Sr. No.	Resolution	I Assent to the resolution	I dissent from the resolution
<b>Ordinary Resolution</b>			
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.		
2.	Re-appointment of Mr. Mukesh kumar Jain, who retire by rotation		
3.	Re-appointment of M/s. Khandelwal and Khandelwal, Chartered Accountant as the statutory auditor.		
<b>Special Resolution</b>			
4.	Appointment of Mr. Dinesh joshi		
5.	Appointment of Mr. Ashok kumar Sethi		
6.	Appointment of Mr. Pursuhottam Das Bairagi		
7.	Authority to borrow money in excess of paid up capital and free reserves of the company in terms of Section 180(1)(c) of the Companies Act, 2013.		
8.	Authority to create security in terms of Section 180(1)(a) of the Companies Act, 2013.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signature of shareholder(s)

Affix a  
₹ 1/-  
Revenue  
Stamp

Signature of Proxy holder(s)

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



# SHRI KRISHNA DEVCON LIMITED

Reg. Office : "Shri Krishna" 805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai - 400053. (Maharashtra)  
Tel: 022 26822999 | E-mail : info@shrikrishnadevconlimited.com  
Website : www.shrikrishnadevconlimited.com | CIN.: L67190MH1993PLC075295

## BALLOT PAPER

Sr. No.	Particulars	Details
1	Name of Shareholder	
2	Postal Address	
3	DP Client ID / Folio Number	
4	Number of Share held	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	Resolution	I Assent to the resolution	I dissent from the resolution
<b>Ordinary Resolution</b>			
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.		
2.	Re-appointment of Mr. Mukesh kumar Jain, who retire by rotation		
3.	Re-appointment of M/s. Khandelwal and Khandelwal, Chartered Accountant as the statutory auditor.		
<b>Special Resolution</b>			
4.	Appointment of Mr. Dinesh joshi		
5.	Appointment of Mr. Ashok kumar Sethi		
6.	Appointment of Mr. Pursuhottam Das Bairagi		
7.	Authority to borrow money in excess of paid up capital and free reserves of the company in terms of Section 180(1)(c) of the Companies Act, 2013.		
8.	Authority to create security in terms of Section 180(1)(a) of the Companies Act, 2013.		

\* Please put a tick mark (✓) in appropriate column against the resolution indicated above. In case of member / proxy wishes his / her vote to be used differently, he / she should indicate the number of shares under the columns 'For', 'Against'

Place:

Date:

Signature of Member

# SHRI KRISHNA DEVCON LIMITED

Reg. Office : "Shri Krishna" 805/806, Opp Laxmi Industrial Estate,  
New Link Road, Andheri (W), Mumbai - 400053. (Maharashtra)  
Tel: 022 26822999 | E-mail : info@shrikrishnadevconlimited.com  
Website : www.shrikrishnadevconlimited.com | CIN.: L67190MH1993PLC075295

## Instructions for Members for casting vote through Ballot:

1. In terms of clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, this Ballot Form is being provided.
2. A member desiring to exercise vote by Ballot shall complete this Ballot Form with assent (for) or dissent (against) and send it to Mr. Balkrishan Pradhan, C/o. Shri Krishna Devcon Limited, "Shri Krishna" 805/806, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053. so as to reach him on or before the closure of working hours on September 18, 2014. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
3. In case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
4. Members who have neither voted electronically nor through ballot, will be permitted to deposit the filled in Ballot Forms, physically at the AGM to enable them to exercise their vote.



*If undelivered, please return to,*



**Registered Office**

SHRI KRISHNA, 805/806, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400053