

30TH ANNUAL REPORT

2011 – 2012



**KRISHNA VENTURES
LIMITED**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vijay Khetan Whole Time Director
 Mrs. Meena Khetan Director
 Mr. Ratish Tgade Director
 Mr. Kishor Vussonji Director
 Mr. Avinash Jagushte Director
 Mrs. Savita Sonavane Director

STATUTORY AUDITORS

M/s. Bansi S. Mehta, Chartered Accountants,
 Address: 11/13, Botawala Building, 2nd Floor,
 Horiman Circle, Mumbai - 400 001
 Ph: 022. 22661255 / 22660275

REGISTERED OFFICE

7th Floor, Corporate Center, Andheri Kurla Road,
 Andheri (E), Mumbai- 400 059
 Ph: 022 28269569

**REGISTRAR AND SHARE
TRANSFER AGENTS**

M/s. Universal Capital Securities Private Limited
 21, Shakti Niwas, Opp. Satya Saibaba Temple,
 Mahakali Caves Road, Andheri (E), Mumbai- 400
 093
 Ph: 022 2820 7203-05

BANKERS

Kotak Mahindra Bank
 IDBI Bank

Content	Page No.
Notice	1
Directors Report	4
Management Discussion and Analysis	8
Corporate Governance Report	10
Auditors Report	22
Balance Sheet	26
Profit & Loss Account	27
Schedules	30
Notes to Accounts	36

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of Krishna Ventures Limited will be held on Tuesday, 10th July, 2012 at 11: 00 am at 7th Floor, Corporate Centre, Andheri Kurla Road, Andheri (East), Mumbai 400059 to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as on 31st March 2012, the Profit and Loss account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To re-appoint a Director in place of Mrs. Meena Khetan, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint M/s. Bansi S. Mehta & Co., Chartered Accountants, as the Auditors of the Company to office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

For and On Behalf of the Board of Director

Place: Mumbai
Date: May 19, 2012
Whole Time Director
Registered Office:
7th Floor, Corporate Centre
Andheri Kurla Road, Andheri (East)
Mumbai – 400 059.

Sd/-
Vijay Khetan

NOTES:

1. **MEMBERS ENTITLED TO ATTEND AND VOTE ARE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.**
2. Proxies in order to be effective, should be duly completed stamped and signed, and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing to attend and vote on their behalf at the Meeting along with the attendance slip or proxy as the case may be.
4. Members are requested to notify immediately any changes in their address.
5. Members are requested to bring their copy of the Annual Report to the Meeting.
6. Register of Members and Share Transfer Books will be closed from July 06, 2012 to July 10, 2012 (both days inclusive).
7. Shareholders are requested to forward their queries on the accounts for the financial year ended March 31, 2011 to the Company at least 10 days in advance, to enable us to keep the required information available at the Meeting.

8. Members are requested to give their valuable suggestions for improvement of the services and are also advised to quote their E-mail Id's, telephone / facsimile no. for prompt reply of their communications.
9. The Ministry of Corporate Affairs, Government of India has come out with a circular dated 29th April 2011 which allows the companies to send documents including Annual Reports and other intimation by an email. Therefore you are requested to register your email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective Depository Participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise by the respective shareholder to the Company or Registrar and Transfer Agent.

For and On Behalf of the Board of Director

Place: Mumbai
Date: May 19, 2012
Whole Time Director
Registered Office:
7th Floor, Corporate Centre
Andheri Kurla Road, Andheri (East)
Mumbai – 400 059.

Sd/-
Vijay Khetan

DIRECTORS' REPORT

To
The Shareholders
Krishna Ventures Limited

Your Directors have pleasure in presenting their 30th Annual Report on the business and operations of the company together with Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2012. A summary of Financial Results is given below:

FINANCIAL RESULTS: (Rs. In lacs)

Particulars	2011 – 2012	2010-2011
Total Income	67.53	36.78
Gross Profit	33.19	4.77
Depreciation	Nil	Nil
Interest	Nil	Nil
Provision for Tax	1.30	Nil
Net Profit	31.89	4.77
Proposed Dividend	Nil	Nil
Balance b/f	7.06	2.29
Profit c/f to Balance Sheet	38.95	7.06

OPERATIONAL REVIEW:

The Company operates in one segment only i.e. Business of Builder, Contractor, Developer and Consultancy. During the year under review, there is 83.60 % increase in income of the Company. The 50% of its revenue is from its consultancy business and rest is from the investment of idle funds. The Company is exploring various options for acquisition of suitable properties which will prove to be a viable business proposition.

RESERVES:

During the year under review, no amount was transferred to Reserves. However credit balance of Profit and Loss Accounts has been transferred to Reserves & Surplus in the Balance Sheet.

DIVIDEND:

In order to augment the financial position of the Company, your Directors do not recommend any dividend for the year under consideration.

SHARE CAPITAL:

The Company has made a preferential allotment of 99,00,000 Equity shares of Rs. 10/- each at par to the promoters and non promoters. As on March 31, 2012, Paid – up Share Capital of the Company is Rs. 10,80,00,000/- divided into 1,08,00,000 equity shares of Rs. 10/- each fully paid-up.

SUBSIDIARIES:

The Company does not have any subsidiary Company.

FINANCIAL RESTRUCTURING – MERGER:

That in order to expand the business activities in other states of India and in view of maximizing Shareholders' wealth and other additional benefits, the Board has decided to acquire Rudra Mahima Business Ventures Limited (Transferor Company) ,a Jaipur based Company and merge it with Krishna Ventures Limited (Company).

Accordingly the Board has approved the Scheme of merger with swap ratio of 37 fully paid up equity shares of the Company for every 5 equity shares fully paid up held in the Transferor Company and filed the application with the High Court of Bombay and Jaipur. Both the courts have admitted the application and shareholders of the Company have approved the proposal in its Court Convened Meeting held on April 28, 2012 as per directions of Hon'ble High Court of Bombay and shareholders of Transferor Company had already given consents for the same.

PUBLIC DEPOSITS

The Company has not accepted any deposit from public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

AUDITOR'S OBSERVATIONS

Auditors have not put any adverse remarks or qualification in their audit report which is required to be commented in this report.

AUDITORS:

M/s Bansi S. Mehta & Co., Chartered Accountants, Auditors of the Company, who holds office until the Conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be in-accordance with Section 224(1B) of the Companies Act, 1956.

The Board recommends their re-appointment for the current year to hold office from the conclusion of ensuing Annual General Meeting until, the conclusion of the next Annual General Meeting.

DIRECTORS

In accordance with Section 255 and S. 256 of the Companies Act, Mrs. Meena khetan, Director of the company, retire by rotation at the ensuring Annual General Meeting, has offered herself for reappointment.

Mr. Vijay Khetan is the executive director and Mrs. Meena Khetan, Mr. Ratish Tagde, Mr. Kishore Vussonji, Mrs. Savita Sonawane and Mr. Avinash Jagushte are other non executive directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under 217 (2AA) of the Companies Act, 1956, the discussions had with the Statutory Auditors and subject to disclosures in the Annual Accounts, The Directors states that:

1. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

2. They 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 ended 31st March, 2012 and of the Profit or Loss of the Company for that year.
3. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. They had prepared the Annual Accounts on a going concern basis.

DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

As the Company is not carrying out any manufacturing activities, the provisions of the section 217(1)(e) of the Companies Act, 1956 read with the Companies Rule 2(A) and 2(B) of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 are not applicable. Reporting in the prescribed format has been made in Annexure-I.

During the year under consideration, the Company had no foreign exchange out go and no Foreign exchange income.

PARTICULAR OF EMPLOYEES

The statement of particulars of employees required under the section 217(2A) of the Companies Act, 1956 read with the Company's (Disclosure of Particulars of Employees) Rules, 1975 is not attached as none of the employees are covered under the said section.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are attached herewith forms part of the Directors' Report.

MANAGEMENT ANALYSIS AND DISCUSSION REPORT

Management Discussion and Analysis report is attached herewith forms part of this report.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the co-operation offered by the Stakeholders, banks, employees, State Government and Local authorities during the Year.

Your Directors also wish to place on record their deep sense of appreciation for the contribution and commitment made by every member of the Company.

For and on behalf of the Board

Sd/-
Vijay Khetan
Whole Time Director

Place: Mumbai
Date: May 19. 2012

ANNEXURE I

I. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken – Nil
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy – Nil
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – Nil
- (d) Total energy consumption and energy consumption per unit of production – Nil

FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

- A. Power and fuel consumption: Nil
- B. Consumption per unit of production: Nil

II. TECHNOLOGY ABSORPTION

FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.,

- I Research and Development: Nil
- II Technology Absorption, Adaptation and Innovation: Nil

II. FOREIGN EXCHANGE EARNINGS AND OUTGO

- I. Earnings in Foreign Exchange during the year: NIL
- II. Foreign Exchange outgo during the year: NIL

On behalf of Board of Directors of

Sd/-
Vijay Khetan
Whole Time Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments:

For many years now, real estate sector was a major sector, which remained untapped business by corporate. Though the potential of this market is immense, majority of the Indian real estate sector is still unorganized. The post liberalization GDP growth has changed the business arena in India, in such a way that, the demand for the property has skyrocketed in recent times. With a strong purchasing power parity fuelled by incredible economic growth has made itself an attractive destination for the property investors. The boom in real estate sector continued with growing demand for the infrastructural requirements in the four major sectors i.e. housing, office space, hotels and retail shopping malls.

Opportunities and Threats:

Opportunities:

- Continuous private sector housing boom will create more construction opportunities.
- Public sector projects through Public Private Partnerships will bring further opportunities.
- Developing supply chain through involvement in large projects is likely to enhance the chances in construction.
- Renewable energy projects will offer opportunities to develop skills and capacity in new markets.
- More flexible training delivery techniques are now available.
- Financial supports like loan and insurance and growth in income of people is in support of construction and real estate industry

Threats:

- Long term market instability and uncertainty may damage the opportunities and prevent the expansion of training and development facilities.
- Current economic situation may have an adverse impact on construction industry.
- Political and security conditions in the region and Late legislative enforcement measures are always threats to any industry in India.
- Infrastructure safety is a challenging task in construction industry.
- Lack of political willingness and support on promoting new strategies.
- Natural abnormal casualties such as earth quake and floods are uncertain and can prevent the construction boom.
- Inefficient accessibility in planning and concerning the infrastructure.
- Competitors are emerging in the industry by leaps and bounds.

Segment-wise or product-wise performance:

Your Company operates in one segment only viz. Builder, Contractor, Developer and Consultancy. Currently the management is in the process of identifying suitable properties in Mumbai and nearby places for construction and development.

Outlook:

The market for real estate is still in a nascent stage in India. Though the overall outlook for 2012 is negative this sector has a vast potential to grow, provided it restructures its strategy. The dependency of industry on debt cash flows is likely to increase in the near future. The bank are also cautious about extending financial support real estate companies because of their creditworthiness.

The real estate industry has to mature and implement best practices in its day to day operations to make it more organized sector, which is instrumental in attracting investments.

Risk and Concerns:

- Construction industry suffers from capacity constraints.
- Lack of trained manpower and managerial skills with performance much below international level.
- The industry is starved of finance.
- Small and medium contractors do not have the wherewithal to upgrade their capability.
- Quality, safety, environment and social aspects are also not being addressed appropriately.

Internal control systems and their adequacy:

Considering the size of current operations, the internal control systems are adequate to report any material discrepancy in operations.

Discussion on financial performance with respect to operational performance:

Your Company has not fully operational in its real estate business. Current revenue is generated by the consultancy business. However, the management is confident of better performance in years to come.

Material developments in Human Resources / Industrial Relations front, including number of people employed:

Your Company is in the phase of planning and restructuring. It avails of services of experts from varied field of Income tax, Mergers and Acquisitions, Legal on consultancy basis. Currently the back office of the Company is managed by 6 persons.

CORPORATE GOVERNANCE REPORT

In Compliance with Clause 49 of the Listing Agreement of the Stock Exchanges, the Compliance Report on Corporate Governance is as under:

I. Company's Philosophy on Corporate Governance:

The Company is committed to Good Corporate Governance. The Company's Corporate Governance Policies aim to facilitate the creation of long term value for its shareholders and stakeholders. The company has implemented code of conduct for transparency and integrity at all levels so as to achieve best results.

II. Board of Directors:

A. Composition of Board of directors:

For the Financial Year 2011-12, the Board of Directors comprised of an Executive Director, and five non-executive Directors. They are as follows:

Sr. no.	Name of Director	Designation	Status
1	Mr. Vijay Khetan	Promoter & Executive Director	Non Independent Director
2	Mrs. Meena Khetan	Promoter & Non Executive Director	Non Independent Director
3	Mr. Kishore Vussonji	Non-Executive	Independent Director
4	Mr. Ratish Tagde	Non-Executive	Independent Director
5	Mr. Avinash jagushte	Non-Executive	Independent Director
6	Mrs. Savita Sonawane	Non-Executive	Independent Director

Since the Chairman is an Executive Chairman, the requirement of half of the Board of Directors as independent Directors is met with by the Company in view of four Independent Directors out of a total of Six Directors. The non- executive independent directors are eminent professionals and have experience in the field of finance, taxation, management, administration and law, bringing a wide range of expertise and experience to the Board.

B. Board Procedure:

The Board members are presented with the Agenda papers and notes for the meeting. In addition to the normal business agenda, information covering the matters listed as per the Annexure 1 to Clause 49 of the Listing Agreement is provided to the Board as a part of Agenda Papers.

During the year 2011-12, the Board met five times on the following dates; 14th May, 2011, 13th July, 2011, 12th October, 2011, 12th November, 2011 and 28th January, 2012.

The Company has from time to time obtained the requisite disclosures from the Directors in respect of their directorship in other Companies. All the directors who are on various committees

are within the permissible limits of the listing agreement. The Composition of the Board of Directors and their attendance at the Board meeting during the period and at the last Annual General Meeting and also the number of other Directorship/ membership of Committees of other Companies are as under:

Name of Director	Category of Directorship	No. of Board Meetings Attended out of 4 Meetings held	Attendance at the last AGM	No of the Committee membership held in companies other than that of KVL	*No. of Membership on other Board other than KVL
Mr. Vijay Khetan	Executive Director	5	Yes	Nil	Nil
Mrs Meena Khetan	Non-Executive Director	5	Yes	Nil	1
Mr. Kishore Vussonji	Non-Executive Director	3	Yes	Nil	5
Mr. Ratish Tagde	Non-Executive Director	5	Yes	Nil	3
Mr. Avinash Jagushte	Non-Executive Director	-	Yes	Nil	Nil
Mrs. Savita Sonawane	Non-Executive Director	-	Yes	Nil	Nil

* Number of membership in the Board of the Private Limited Companies and Alternate Directorship are excluded.

NO. OF SHARES HELD BY NON- EXECUTIVE DIRECTORS AS ON MARCH 31, 2012

NAME OF THE DIRECTORS	NO. OF SHARES HELD
Mrs. Meena Khetan	3,42,500
Mr. Kishore Vussonji	Nil
Mr. Ratish Tagde	Nil
Mr. Avinash Jagushte	Nil
Mrs. Savita Sonawane	Nil

C. Code of Conduct:

The Company has adopted a Code of Conduct for the members of the Board and the senior Executives in Compliance with the provisions of Clause 49 of the Listing Agreement. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on March 31, 2012 and a declaration to that effect signed by the Whole Time Director is attached and forms part of this Report.

III. Audit Committee:

The Audit Committee of the Company met four times during the year as per the following dates; 14th May, 2011, 13th July, 2011, 12th November 2011, and 28th January, 2012.

The Audit Committee of the Board comprises of an Executive Director and two Non- Executive Independent Directors. Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

The constitution of the Committee and the attendance of each member of the Committee were as follows;

Name of the Audit Committee member	Designation	Status	No. of meetings attended out of 4 Meetings held
Mr. Ratish Tagde	Chairman	Non-Executive/ Independent	4
Mrs. Savita Sonawane	Member	Non-Executive/ Independent	4
Mrs. Meena Khetan	Member	Non-Executive/ Non-Independent	4

The representative of the Statutory Auditor was also present to attend the Audit Committee Meeting. Mrs. Meena Khetan acted as the secretary of the Committee.

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General meeting was held on June 25, 2011.

The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process.
- Recommending to the Board, the appointment, re-appointment or removal of the statutory auditors and their remuneration.
- Reviewing, with the management, the quarterly and annual financial statements before submission to the Board for approval.
- Considering and approving changes, if any, in accounting policies and practices.
- Overseeing compliance with listing and other legal requirements relating to financial statement.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Review of Management Discussion and Analysis of financial condition and results of operations.
- Review of statement of significant related party transactions, submitted by management.
- To recommend a change in the auditors if in the opinion of the Committee the auditors have failed to discharge their duties adequately.

IV. Shareholders/ Investors Grievance Committee:

The following are the members of the Shareholders'/ Investors Grievance Committee;

1. Mr. Ratish Tagde, Chairman
2. Mr. Kishore Vussonji, Member

No Complaint was received during the year ended March 31, 2012.

As per Clause 47 (F) of the Listing Agreement the Email ID of the Shareholders/ Investors Grievance Department of the Company is corporate@krishnaventures.in

V. Compliance Certificate:

Compliance certificate for Corporate Governance from Auditors of the Company is annexed herewith.

VI. General Body Meeting:

The details of the Annual General Meeting held in the last three years are as follows;

AGM	Day	Date	Time	Venue	Details of Special Resolution	Postal Ballot
27 th	Saturday	09/05/2009	11.00 A.M	477, Chandra Chowk, 3 rd Lane, Sheth Moolji Jaitha Cloth Market,, Sheikh Menon Street, Mumbai 400002	Nil	N.A.
28 th	Saturday	24/07/2010	11:00 A.M	7 th Floor, corporate Centre, Andheri-Kurla Rd. Andheri (E), Mum-59	<ol style="list-style-type: none"> 1. Authority to Board of Directors U/s 293(1)(d) to Borrow up to a limit not exceeding in the aggregate Rs. 1000 Crores. 2. Alteration of Main Object Clause of the Memorandum of Association of the Company. 3. Commencement of new Business U/s 149(2A) of the Companies Act, 1956. 4. Authority to Board of Directors to Invest/acquire by way of subscription or purchase securities and other financial instruments U/s 372A of the Companies Act, 1956. 5. Increase of Authorised Capital. 	<ol style="list-style-type: none"> 1. Alteration in Main object of the memorandum of Association of the Company. 2. Invest/acquire by way of subscription or purchase securities and other financial instruments u/S 372A of the Companies Act, 1956.
29 th	Saturday	25/06/2011	2:00 P.M	7 th Floor, corporate Centre, Andheri-Kurla Rd. Andheri (E), Mum-59	Nil	N.A

Details of an Extra ordinary General Meetings held during last three years:

Day	Date	Time	Venue	Details of Special Resolution
Friday	05/01/2010	10.00 A.M.	Nityanand Nagar No. 4 Hall, Behind Better Home, Sahar Road, Andheri (East), Mumbai-400 069	<ol style="list-style-type: none"> Increase in Authorized capital of the Company from Rs. 5,00,000/- to Rs. 1,00,00,000/- and consequent alteration to Memorandum of Association. Allotment of Equity shares on preferential basis u/s 81 and 81(1A) Alteration of articles
Tuesday	15/04/2010	11.00 A.M.	477, Chandra Chowk, 3rd Lane, Sheth Mooljee Jaitha Cloth Market, Sheikh Memon Street, And Mumbai – 400002	<ol style="list-style-type: none"> Change of Name of the Company from Multifarious Trading and Agencies Limited to Krishna Ventures Limited
Monday	05/07/2010	10.00 A.M.	477 Chandra Chowk, 3rd Lanesheth Mooljee Jaitha Cloth Market, Sheikh Memon Street, Mumbai – 400 002	<ol style="list-style-type: none"> Capitalization of Rs. 75,00,000/- standing to the credit of Profit and Loss Account. for issuing 5 Bonus equity shares of Rs. 10/- each fully paid to every 1 eligible existing fully paid equity shares of Rs. 10/- each
Saturday	28/08/2010	11.00 A.M.	Conference Hall, Corporate Centre, 7 th Floor, Marol Pipe Line, Andheri (E), Mumbai-400 059	<ol style="list-style-type: none"> Increase in Authorized capital of the Company from Rs. 10,00,00,000/- to Rs.20,00,00,000/- and consequent alteration to Memorandum of Association.
Saturday	12.02.2011	3.00 P.M.	Conference Hall, Corporate Centre, 7 th Floor, Marol Pipe Line, Andheri (E), Mumbai-400 059	<ol style="list-style-type: none"> Allotment of Equity shares on preferential basis u/s 81 and 81(1A)

VII. Disclosures:

• **Related Party Transactions:**

Related Party Transactions under Clause 49 of the Listing Agreement are defined as the transactions of the company of a material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

There were no material transactions with related parties during the financial year ended on March 31, 2012 which is prejudicial to the interest of the Company and its Shareholders. Transactions with related parties, as per requirement of Accounting Standard 18, are discussed in Note no. 16 to the accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

- **Statutory Compliance, Penalties and Strictures:**

The Company has complied with all the requirements of the Listing Agreement entered into with the Stock Exchange as well as the regulations and guidelines of SEBI.

There were no strictures or penalties imposed by either SEBI or the Stock Exchange or any Statutory Authority for non-compliance of any matter relating to the capital markets during the last two years.

- **Board Disclosures:**

The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committee, and other Board Committees and other disclosures as required as required under the provisions of the revised Clause 49 of the Listing Agreement. The status of compliance in respect of non-mandatory requirement of Clause 49 of the listing Agreement is as follows:

- i) **Maintenance of Chairman's office:** The Company has an executive chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the non-executive Chairman of the Audit Committee but secretarial and other assistance is provided to him whenever needed, in performance of his duties.
- ii) **Tenure of Independent Directors:** No specific tenure has been specified for the Independent Directors.
- iii) **Remuneration Committee:** Since the Company was not making profits, the Executive Directors were appointed without any remuneration. Therefore no remuneration committee has formed.
- iv) **Shareholder's Rights:** Un-audited quarterly results are regularly submitted to the Stock Exchanges in accordance and published the newspapers as per the Listing Agreement
- v) **Audit Qualification:** Auditors have not qualified their reports.
- vi) **Training of Board of Directors:** The directors of the company are persons from Business and professions with experience in corporate sector. They are being kept posted with various statutory and regulatory changes which are applicable to the Company.
- vii) **Mechanism for evaluating non-executive Board Member:** Non-Executive members of the Board are highly qualified and there is no need for evaluation.
- viii) **Whistle Blower Policy:** The Company has so far not framed a formal whistle blower policy. However, the employees of the Company have free access to the Board of Directors, Audit Committee and Senior management personnel to report their concerns about unethical behavior, fraud or violation of statutory requirement, with assurance from the Management to protect the employees from victimization in case they report any such ethical or fraudulent behavior.
- ix) **The Company has issued and allotted 99,00,000 equity shares on 14th May, 2011.**

VIII. CMD/CFO Certification:

Chief Executive Officer have issued necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is annexed and forms part of the Annual Report.

IX. Declaration regarding Code of Conduct:

Declaration by the Chairman and Managing Director confirming compliance with the Code of Conduct as adopted by the Company is annexed and forms part of the Annual Report.

X. Means of Communication:

- The Company generally publishes the quarterly financial results in Navshakti (Marathi) and Free Press Journal (English).
- There is no official news release displayed on the website.
- The Management Discussion and Analysis Report forms part of this report.
- In compliance with Clause 54 of the Listing Agreement, the Company is maintaining a website containing financial information, shareholding pattern, compliance with corporate governance, conduct information of the designated officials of the Company who are responsible for assisting and handling Investors grievances. The Company updates the content of the website on a regular basis.

X. General shareholders Information:

Annual General Meeting (AGM)

The 30th AGM of the Company will be held on: Tuesday, 10th July, 2012 at 11 a.m.

Venue: 7th Floor, Corporate Center, Andheri Kurla Road, Andheri (East), Mumbai- 400 059.

Financial Calendar:

The next financial year of the Company is April 1, 2011 to March 31, 2012.

The tentative quarterly results will be adopted by the Board of Directors in accordance with the following schedule:

For the Quarter Ending	Time period
June 30, 2012	On or before August 14, 2012
September 30, 2012(Quarter as well as Half Year)	On or before November 14, 2012
December 30, 2012	On or before February 14, 2013
March 31, 2012 (Year ending)	On or before May 14, 2013

Book Closure

July 10, 2012 to July 10, 2012 (Both days inclusive)

Dividend Payment Date: N.A.

Listing on Stock Exchange and the Stock Code:

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited.
 Bombay Stock Exchange Limited (BSE)
 Phiroze Jeejeebhoy Towers
 Dalal Street Mumbai – 400 001

The Stock Codes allotted by Stock Exchange and Depositories are as follows:

Name	Code
Bombay Stock Exchange Limited	504392
Demat ISIN Numbers in NSDL and CDSL	INE537L01010

The listing fees for the financial year 2011-2012 have been paid to Bombay Stock Exchange Limited. The Company has also paid annual custodian fee for the year 2011-12 to NSDL & CDSL.

Registrar and Transfer agent:

Universal Capital Securities Private Limited (formerly known as Mondkar Computers Private Limited), 21, Shakti Niwas, Mahakali Caves Road, Opp. Satya Sai Baba Temple, Andheri (East), Mumbai- 400 093.

Email ID: corporate@krishnaventures.in

Share Transfer System:

Share transferred are registered and duly transferred share certificates are returned within a period of 30 days from the date of receipt, if the documents are in order in all respects.

Distribution of Shareholding as on March 31, 2012:

Sr. No.	Range (Rs.)	Total Holders	% of Total Holders	No. of Shares	Percentage of Shareholding
1.	1- 500	22	37.288	1702	0.016
2.	501- 1000	1	1.695	1000	0.009
3.	1001- 2000	3	5.085	4500	0.042
4.	2001- 3000	1	1.695	2500	0.023
5.	3001- 4000	0	0.000	0	0.000
6.	4001- 5000	0	0.000	0	0.000
7.	5001- 10,000	0	0.000	0	0.000
8.	10,001 & ABOVE	32	54.237	10790298	99.910
	Total	59	100.00	10800000	100

- **SHAREHOLDING PATTERN AS ON 31ST MARCH, 2012**

S. No.	CATEGORY	NO. OF SHARES HELD	% OF SHARE HOLDING
1.	Promoters	79,10,000	73.24
2.	Bodies Corporate	403	0.00
3.	Resident Individuals	28,89,597	26.76
	TOTAL	108,00,000	100

- **DEMATERIALIZATION OF EQUITY SHARES:**

As on March 31, 2012, 99.12% of the company's total equity shares representing 107,05,000 shares are held in dematerialised form and the balance 88% representing 95,000 shares are in physical form.

- **ADDRESS FOR CORRESPONDENCE:**

A. Any query on Annual Report or Investors' Grievance Redressal:

e-mail : corporate@krishnaventures.in
 Phone : 28269568/69

B. FOR SHARES HELD IN DEMAT FORM:

Universal Capital Securities Private Limited
 (formerly known as Mondkar Computers Private Limited),
 21, Shakti Niwas, Mahakali Caves Road,
 Opp. Satya Sai Baba Temple,
 Andheri (East), Mumbai- 400 093.

- **MARKET PRICE DATA:**

The monthly high and low quotations and volume of shares traded at the Bombay Stock Exchange of India Limited during the financial year 2011-12 are given below;

Month	High price (Rs.)	Low Price (Rs.)	Volume Traded (No. of Shares)
April-11	9.47	8.44	600
May 11	10.23	9.65	200
June 11	11.27	10.43	250
July 11	11.49	11.49	50
August 11	11.94	11.71	4
September 11	17.26	12.17	40
October 11	23.75	17.60	21
November 11	34.05	24.20	69
December 11	49.95	34.70	148
January 12	75.05	50.90	189
February 12	104.65	76.55	17
March 12	124.85	106.70	23

XI. Information Pursuant to Clause 49 (III) of the Listing Agreement:

The Company has no subsidiary and hence provisions for furnishing specific information are not applicable.

XII. Declaration by the CEO under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct:

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended March 31, 2012.

Place: Mumbai

Date: May 19, 2012

Sd/-

Vijay Khetan

Whole Time Director

For Krishna Ventures Limited

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, VIJAY KHETAN, CHAIRMAN AND WHOLE TIME DIRECTOR OF THE COMPANY of the Krishna Ventures Limited, to the best of our knowledge and belief certify that:

1. a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) 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. I further state that to the best of my knowledge and belief, no transactions are entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct. I hereby declare that all members of the Board of Directors and the Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the 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 internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same;
4. I have indicated to the auditors and the Audit Committee: -
 - a) Significant changes, if any, in internal control over financial reporting during the year;
 - b) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai

Date: May 19, 2012

Sd/-

Vijay Khetan

Whole Time Director

For Krishna ventures Limited

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Krishna Ventures Limited

We have examined the compliance of conditions of Corporate Governance by Krishna Ventures Limited, for the year-ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of 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 representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders'/Investors' Grievance Committee.

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

FOR BANSI S. MEHTA & CO.
Chartered Accountants
Firm Regn. No.: 100991W

Sd/-

PLACE : Mumbai
DATE : May 19, 2012
Partner Membership No: 37326

D. I. SHAH

AUDITORS' REPORT

To
The Members of

KRISHNA VENTURES LIMITED

We have audited the attached Balance Sheet of **KRISHNA VENTURES LIMITED** ("the Company") as at March 31, 2012, the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date annexed thereto. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in Paragraph 3 of the said Order;
2. Further to our comments in Annexure referred to in paragraph 1 above, 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 accounts as required by law have been kept by the Company, so far as appears from our examination of such books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of accounts;
 - d) In our opinion and to the best of our information, the Balance Sheet and Profit And Loss Account dealt with by this report comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
 - e) On the basis of the written representations received from the Directors as on March 31, 2012, and taken on record by the Board of Directors and further certified by the Company, we report that none of the directors are prima facie disqualified as on March 31, 2012 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Schedules and Notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2012; and
 - (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - (iii) In the case of cash flow statement, of the cash flows for the year ended on that date.

FOR BANSI S. MEHTA & CO.

Chartered Accountants
Firm Regn. No.: 100991W
Sd/-

D. I. SHAH

Partner Membership No: 37326

PLACE : Mumbai
DATE : May 19, 2012

Annexure referred to in paragraph 1 of the Auditor's Report of even date to the members of KRISHNA VENTURES LIMITED on the accounts for the year ended March 31, 2012.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that: -

- 1 a) The Company does not own any fixed assets, hence the question of maintenance of records in respect of the situation, etc., of fixed assets and the verification thereof does not arise.

 b) In view of our comments in Para (1) (a) above, the question of commenting, on disposal of substantial part of the fixed assets of the company, during the year, which may affect the going concern status of the Company, does not arise.
- 2 Since the Company does not have inventories, the question of physical verification of Inventories and maintaining proper records thereof does not arise. Further, the question of commenting, on reasonableness and adequacy of the procedures of physical verification of Inventories in relation to the size of the Company and the nature of its business, does not arise.
- 3 a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register, maintained under Section 301 of the Companies Act, 1956.

 b) According to the information and explanations given to us, the Company has not taken any unsecured loans from any company covered under the register maintained under Section 301 of the Companies Act, 1956.
- 4 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. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 (a) According to the information and explanations given to us and the records of the Company examined by us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered into the Register required to be maintained under that Section;

 (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time, wherever applicable.
- 6 The Company has not accepted any deposit from the Public and hence the question, of applicability of the directives issued by the Reserve Bank of India and the provisions of Section 58A and Section 58AA or any other relevant provisions of the Act and the rules framed there under, does not arise.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8 Based on the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of the Company. Hence, the question of maintaining such accounts and records and our commenting thereon, does not arise.

- 9 (a) According to the information and explanations given to us, the Company did not have the required number of employees during the year, hence the question of depositing undisputed statutory dues of Provident Fund, Employees' State Insurance dues with the appropriate authorities does not arise. The Company is regular in depositing undisputed amount of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, investor education and protection fund and other material statutory dues applicable to it with appropriate authorities. There are no undisputed arrears of abovementioned statutory dues outstanding as at March 31, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues outstanding of income tax, sales tax, wealth tax, service-tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
- 10 The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- 11 The Company has not borrowed any amount from any financial institutions, Banks or debenture holders. Hence, the question of our commenting on whether the Company has defaulted in repayment to Financial Institutions, Banks or Debenture Holders does not arise.
- 12 According to the information and explanations given to us and based on the documents 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 In our opinion, the Company is not a chit fund or Nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- 14 In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- 15 In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from Banks or Financial Institutions are not prejudicial to the interest of the Company.
- 16 In our opinion and according to the information and explanation given to us, the Company has not taken any term loan during the year.
- 17 On an examination of financial statements of the Company, no short-term funds were used for long-term investments during the year. On an overall basis short-term funds were not used for long-term investments at the year-end.
- 18 According to information and explanation given to us, the Company has made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion and to the best of our knowledge the price at which shares have been issued /allotted is not, prima facie, prejudicial to the interest of the company.
- 19 According to the information and explanations given to us, the company has not issued any debentures during the year.
- 20 The Company has not raised any money through a public issue during the year.

- 21 On the basis of our examination of the books of accounts and other relevant records and information made available to us, prima-facie we have not noticed any fraud on or by the Company, during the year. Further, the management has represented to us that no fraud on or by the Company has been reported during the year. However, we are unable to determine / verify as to whether any such reporting has been made, during the year.

FOR BANSI S. MEHTA & CO.
Chartered Accountants
Firm Regn. No.: 100991W

Sd/-

PLACE : Mumbai

DATE : May 19, 2012

Partner Membership No: 37326

D. I. SHAH

BALANCE SHEET

KRISHNA VENTURES LIMITED

Balance Sheet as at 31st March, 2012

<u>Particulars</u>	<u>Note No.</u>	<u>As at March 31, 2012 In Rs.</u>	<u>As at March 31, 2011 In Rs.</u>
<u>I. EQUITY AND LIABILITIES</u>			
<u>Shareholder's Funds</u>			
Share Capital	2	10,80,00,000	90,00,000
Reserves and surplus	3	56,15,508	24,26,994
	(A)	11,36,15,508	1,14,26,994
Share Application Money Pending Allotment	(B)	-	9,90,00,000
<u>Current liabilities</u>			
Trade Payables	4	5,99,26,812	-
Other current liabilities	5	5,20,339	10,52,547
Short-term provisions	6	18,74,853	17,44,853
	(C)	6,23,22,004	27,97,400
<u>TOTAL</u>	(A)+(B)+(C.)	17,59,37,512	11,32,24,394
<u>II. ASSETS</u>			
<u>Non - Current Assets</u>			
Long term loans and advances	7	-	3,64,05,000
	(A)	-	3,64,05,000
<u>Current Assets</u>			
Current Investments	8	-	7,29,95,749
Inventories	9	7,98,25,131	20,33,541
Cash and Cash equivalents	10	9,34,81,377	(296,130)
Short Term Loans & Advances	11	26,31,004	20,86,234
	(B)	17,59,37,512	7,68,19,394
<u>TOTAL</u>	(A) + (B)	17,59,37,512	11,32,24,394

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W
Sd/-
D. I. SHAH
Partner
Membership No.37326

For and on Behalf of the Board

Sd/-
Vijay Khetan
Whole Time Director
Sd/-
Kishore Vussonji
Director
Sd/-
Savita Sonawane
Director

Sd/-
Meena Khetan
Director
Sd/-
Ratish Tagde
Director
Sd/-
Avinash Jagushte
Director

Place : Mumbai
Date : 19th May, 2012

Place : Mumbai
Date : 19th May, 2012

STATEMENT OF PROFIT AND LOSS
KRISHNA VENTURES LIMITED

Profit and Loss statement for the year ended 31st March, 2012

<u>Particulars</u>	<u>Note No.</u>	<u>For the Year ended</u> <u>March 31, 2012</u> <u>In Rs.</u>	<u>For the Year</u> <u>Ended</u> <u>March 31, 2011</u> <u>In Rs.</u>
<u>I. Revenue from operations</u>	12	35,47,068	27,08,925
<u>II. Other Income</u>	13	32,06,353	9,69,354
<u>III. Total Revenue (I +II)</u>		67,53,421	36,78,279
<u>IV. Expenses:</u>			
Employee benefit expense	14	5,12,952	4,36,972
Other expenses	15	29,21,955	27,63,739
<u>Total Expenses</u>		34,34,907	32,00,711
<u>V. Profit before exceptional and extraordinary items and tax (III - IV)</u>		33,18,514	4,77,568
<u>VI. Exceptional Items</u>		-	-
<u>VII. Profit before extraordinary items and tax (V - VI)</u>		33,18,514	4,77,568
<u>VIII. Extraordinary Items</u>		-	-
<u>IX. Profit before tax (VII - VIII)</u>		33,18,514	4,77,568
<u>X. Tax expense:</u>			
(1) Current tax		1,30,000	-
(2) Deferred tax		-	-
<u>XI. Profit(Loss) from the period from continuing operations (VII-VIII)</u>		31,88,514	4,77,568
<u>XII. Profit/(Loss) from discontinuing operations</u>		-	-
<u>XIII. Tax expense of discounting operations</u>		-	-
<u>XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII)</u>		-	-
<u>XV. Profit/(Loss) for the period (XI + XIV)</u>		31,88,514	4,77,568
<u>XVI. Earning per equity share:</u>			
Basic & Diluted Earning Per Share refer Note No.17		0.33	1.21

See accompanying notes forming part of the statements. As per our report of even date attached For **BANSI S. MEHTA & CO.**

Chartered Accountants
Firm Registration No.100991W
Sd/-
D. I. SHAH
Partner Membership No.37326

Place : Mumbai
Date : 19th May, 2012

financial

For and on Behalf of the Board

Sd/-
Vijay Khetan
Whole Time Director
Sd/-
Kishore Vussonji
Director

Sd/-
Savita Sonawane
Director

Place : Mumbai
Date : 19th May, 2012

Sd/-
Meena Khetan
Director
Sd/-
Ratish Tagde
Director
Sd/-
Avinash Jagushte
Director

KRISHNA VENTURES LIMITED

Cash Flow Statement for the Year Ended 31st March, 2012

Particulars		Year Ended 31.03.2012 (Rs.)	Year Ended 31.03.2011 (Rs.)
Cash Flow from Operating Activities			
Profit Before Tax and Extraordinary items as per Profit and Loss Account		33,18,514	4,77,568
Adjustment for:			
Depreciation		-	-
Miscellaneous Expenses W/off		-	-
Dividend Income		(26,57,924)	(9,68,080)
Operating Profit before Working Capital Changes		6,60,590	(4,90,512)
Changes in Working Capital			
Increase/(Decrease) in Trade Payable		5,99,26,812	-
Increase/(Decrease) in Other Current Liabilities		(5,32,208)	9,98,220
(Increase)/Decrease in Long Term Loans and Advances		3,64,05,000	(3,64,05,000)
(Increase)/Decrease in Inventories		(7,77,91,590)	(20,33,541)
(Increase)/Decrease in Sundry Debtors		-	6,46,200
(Increase)/Decrease in Short Term Loans & Advances		(14,290)	(3,57,863)
Cash Generated From Operations		1,86,54,314	(3,76,42,496)
Income Tax Paid		(5,30,480)	-
Cash Inflow Before Prior Period Adjustments		1,81,23,834	(3,76,42,496)
Less : Prior Period Adjustment		-	-
Net Cash from Operating Activities	A	1,81,23,834	(3,76,42,496)
Cash Flow from Investing Activities			
Redemption/(Purchase) of Investment		7,29,95,749	(6,29,68,080)
Dividend Received		26,57,924	9,68,080
Dividend Paid		-	(1,75,485)
Net Cash from Investing Activities	B	7,56,53,673	(6,21,75,485)
Cash Flow from Financing Activities			
Share Application Money Received		-	9,90,00,000
Net Cash from Financial Activities	C	-	9,90,00,000
Net Increase in Cash and Cash Equivalents (A+B+C)		9,37,77,507	(8,17,981)
Cash and Cash Equivalents - Opening Balance		(2,96,130)	5,21,851
Cash and Cash Equivalents - Closing Balance		9,34,81,377	(2,96,130)

See accompanying notes forming part of the financial statements, As per our report of even date attached

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No.100991W
Sd/-
D. I. SHAH
Partner Membership No.37326
Place : Mumbai

Date : 19th May, 2012

For and on Behalf of the Board

Sd/-
Vijay Khetan
Whole Time Director

Sd/-
Meena Khetan
Director

Sd/-
Kishore Vussonji
Director

Sd/-
Ratish Tagde
Director

Sd/-
Savita Sonawane
Place : Mumbai

Sd/-
Avinash Jagushte

Date : 19th May, 2012

KRISHNA VENTURES LIMITED

Note No.1

Significant Accounting Policies

1.1 Basis for preparation of financial Statements

The Financial Statement is prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standard as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and Guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting Policies have been consistently applied except where a newly issued accounting standard is mainly adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto is use.

1.2 Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to effect ultimate collection. Revenue from operations includes sale of service.

1.3 Use of Estimate

The Preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

1.4 Provisions & Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimates can be made. Provisions are not discounted to its present value and are determined based on 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.

All known liabilities are provided for and liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty are treated as Contingent and disclosed by way Notes on Accounts.

1.5 Fixed Assets

The Company does not have any fixed assets.

1.6 Income Taxes

Income-tax expenses comprises of Current Tax and Deferred Tax charge or credit. Provision for Current Tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.7 Earning Per Share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares area adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.8 Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase. Investments are stated at cost including all other expenses incurred on its acquisition and dividend accrued thereon, if any. Current investments are carried at the lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.9 Cash & Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Note 2: Share Capital

Particulars		No. of Shares	As at March 31, 2012 In Rs.	No. of Shares	As at March 31, 2011 In Rs.
2(a)	Authorized				
	2,00,00,000 Equity Shares at Rs. 10/- par value	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
		2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				
2(b)	Issued, Subscribed and paid - up	As at March 31, 2012	As at March 31, 2011	
	1,08,00,000 Equity Shares at Rs.10/- par value	No. of Shares	Rs.	No. of Shares
	Equity Shares at the beginning	9,00,000	90,00,000	1,50,000
	Add: Fresh Issue	99,00,000	9,90,00,000	-
	Add: Bonus Issue	-	-	7,50,000
Equity Shares at the end	1,08,00,000	10,80,00,000	9,00,000	90,00,000

The company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each holder of Equity Shares is entitled to one vote per share.

2(c) Details of Shares held by each shareholder holding more than 5% share				
	As at March 31, 2012		As at March 31, 2011	
	No. of shares	% Holding	No. of shares	% Holding
Kernel Tech Networks Private Limited	66,79,500	61.85	6,60,000	73.33

2(d) Out of above shares 7,50,000 Equity Shares of Rs. 10/- each have been allotted as fully paid-up Bonus Shares by capitalizing the Securities Premium Account.

2(e) Out of 99,00,000 Equity Shares allotted during the year, 21,60,000 Equity Shares shall be under locked-in for the period of 3 years i.e. upto 13th May, 2014 and 77,40,000 Equity Shares shall be under locked-in for the period of 1 year i.e. upto 13th May, 2012.

Note 3: Reserves and Surplus

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
(a) Share Premium Account	15,00,000	15,00,000
(b) General Reserve	2,20,796	2,20,796
(c) Surplus		
Opening Balance	7,06,198	2,28,630
Add: Profit for the year	31,88,514	4,77,568
Closing balance	38,94,712	7,06,198
Total (a)+(b)+(c)	56,15,508	24,26,994

CURRENT LIABILITIES

Note 4: Trade Payable

Particulars (Refer Note No. 20)		
	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
Trade payable	5,99,26,812	-
Total	5,99,26,812	-

Note 5: Other Current Liabilities

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
<u>Other Payables</u>		
Tax deducted at source		
Profession Tax	5,257	99,741
Ceditors for expenses	7,775	3,800
Salaries payable	4,92,195	9,23,966
	15,112	25,040
Total	5,20,339	10,52,547

Note 6: Short-term Provisions

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
<u>Others</u>		
Provision for Capital Gain Tax (A.Y. 2009-10)	16,33,853	16,33,853
Provision for Taxation(A.Y. 2010-11)	1,11,000	1,11,000
Provision for Taxation(A.Y. 2012-13)	1,30,000	-
Total	18,74,853	17,44,853

Note 7: Long term loans and advances

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
<u>Other Loans and advances</u>		
Unsecured, Considered Good		
Mayrose Capfin Pvt. Ltd.	-	1,00,00,000
Roy Nazareth Baptista	-	2,80,000
Superline Trading Co. Pvt Ltd.	-	2,00,00,000
For Land at Meghwadi, Jogeshwari		61,25,000
Total	-	3,64,05,000

Note 8: Current Investments (At Cost)

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
<u>Non Trade Investments (Unquoted)</u>		
Investments In Mutual Funds		
HDFC Cash Management Fund	-	6,92,75,543
Kotak Floater Daily Dividend Mutual Fund	-	37,20,206
Total	-	7,29,95,749

Note 9: Inventories

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
Work in Progress (Project at Meghwadi)		.
Opening WIP		
Add : Expenses during the Year	20,33,541	
Land Cost		
Land Cost	7,43,00,000	-
Stamp Duty	28,00,000	-
Registration Charges	30,000.00	-
	7,71,30,000	-
Purchase Material	-	2,42,150
Professional Fees	6,57,500	17,91,391
Other Expenses		
Electricity Expenses	4,090.00	-
Less : Transferred to Statement of Profit & Loss	-	-
Closing WIP	7,98,25,131	20,33,541

Note 10: Cash and Cash Equivalents

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
Cash and cash equivalents as presented in cash flow statement		
(a) Balance with banks:		
(i) On current account	4,76,057	(3,30,461)
(ii) On Fixed Deposit account	9,30,00,000	-
(b) Cash on hand	5,320	34,331
Total	9,34,81,377	(2,96,130)

Note 11: Short-term Loans & Advances

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
<u>Others</u>		
Unsecured, considered good		
(i) <u>Balances with government authorities</u>		
Service Tax	28,800	14,510
(ii) <u>Others</u>		
Advance Tax (Capital gain tax) (A.Y. 2009-10)	16,31,853	16,31,853
Self Assesment Tax(A.Y. 2011-12)	49,954	49,954
TDS Redeivable (A.Y. 2007-08)	11,689	11,689
TDS Redeivable (A.Y. 2009-10)	13,029	13,029
TDS Redeivable (A.Y. 2010-11)	71,800	71,800
TDS Redeivable (A.Y. 2011-12)	2,93,399	2,93,399
TDS Redeivable (A.Y. 2012-13)	5,30,480	-
Total	26,31,004	20,86,234

Note 12: Revenue from Operations

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
(a) Sale of services:		
Consultancy Charges Received	10,32,000	27,08,925
(b) Other Operating Revenues		
Interest Income	25,15,068	-
Total (a)+(b)	35,47,068	27,08,925

Note 13: Other Income

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
(a) Interest from banks on fixed deposits (Gross) (TDS Rs. 54,843/-)	548,429	-
(b) Dividend Income	26,57,924	9,68,080
(c) Amount written back	-	1,274
Total (a)+(b)	32,06,353	9,69,354

Note 14: Employee Benefit Expenses

Particulars	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
(a) Salaries and Wages	4,75,745	4,10,109
(b) Staff welfare	37,207	26,863
Total (a)+(b)	5,12,952	4,36,972

Note 15: Other Expenses

OTHER EXPENSES	As at March 31, 2012 (In Rs.)	As at March 31, 2012 (In Rs.)
Rates and taxes, excluding, taxes on income	-	2,500
Payment to Auditors (Refer Note No. 15.1)	35,000	35,000
Communication Expenses	38,109	1,030
Share Issue Expenses	-	13,46,334
Listing fees & ROC Fees etc.	2,31,500	2,02,112
Legal & Professional Fees	4,17,219	8,85,560
Office Expenses	8,97,715	31,475
Travelling & Conveyance	1,13,568	47,265
Advertisement Expenses	53,792	1,58,997
Director's Sitting Fees	40,000	30,000
Membership Fees of MCHI	5,02,000	-
Printing & Stationery	28,940	20,295
Miscellaneous Expenses	5,61,500	2,620
Bank Charges	2,612	551
Total	29,21,955	27,63,739

Note No. 15.1		
Particulars	As at March 31, 2012	As at March 31, 2012
	(In Rs.)	(In Rs.)
Payment to Auditor(Net Service Tax)		
Statutory Audit Fees	35,000	35,000
Taxation Matters	-	-
Other Services	-	-
Total	35,000	35,000

16. Information on related party transaction as per Accounting Standard 18 on Related Party Disclosures.

Transactions/Nature of Relationships	Associates		Key Management personnel		Relatives	
	Volume of transaction as an amount	Amount outstanding as on 31.03.2012	Volume of transaction as an amount	Amount outstanding as on 31.03.2012	Volume of transaction as an amount	Amount outstanding as on 31.03.2012
Consultancy Charges Received						
- Krishna Developers Private Limited	8,50,000	-	-	-	-	-
Total	8,50,000	-	-	-	-	-

Related Party Relationships are identified by the company and relied upon by the auditor

Amount written off or written back in the period in respect of Debts due from or to Related Parties – NIL

Provision for Doubtful Debts due from Related Parties – NIL

16.1 Name of Related Parties and Description of Relationship as per Accounting Standard 18 on Related Party Disclosures.

(a) **Parties with transactions** Krishna Developers Private Limited

(b) **Parties without transactions**

(i) **Key Management Personnel**

Vijay Khetan	Whole Time Director
Meena Khetan	Director
Ratish Tagde	Director
Kishore Vussonji	Director
Avinash Jagushte	Director
Savita Sonawane	Director

(ii) **Relatives**

Anushree Khetan	- Daughter of Shri Vijay Khetan
Anuj Khetan	- Son of Shri Vijay Khetan

(iii) **Associates**

Vijay Khetan

- Director - Satguru Constructions Company Private Limited
- Director - Vinayak Land Developers Private Limited
- Director - Krishna Developers Private Limited
- Director - Krishna Land Developers Private Limited
- Director - Hub Real Estate Private Limited
- Director - Frontman Multitrade Private Limited
- Director - Maharaja Mutitrade Private Limited

Meena Khetan

Director - Bestlink Fintrade and Investment Private Limited
 Director - May Flower Holdings P Ltd
 Director - Daylight Finvest Pvt Ltd
 Director - Satguru Securities (India) Limited
 Director - Frontman Multitrade Private Limited
 Director - Hub Real Estate Private Limited
 Director - Kerneltech Networks Private Limited
 Director - Krishna Developers Private Limited
 Director - Krishna Land Developers Private Limited
 Director - Maharaja Multitrade Private Limited

Ratish Tagde

Director - Perfect Octave Private Limited
 Director - Perfect Company Advice Private Limited
 Director - Rabha Plastics Limited
 Director - Gandhar Media Limited
 Director - Raga Café Private Limited
 Director - Camfit Sanitary Napkins (India) Private Limited
 Director - Airoplast Private Limited
 Director - Western Remedies Private Limited
 Director - Conbar India Private Limited
 Director - Perfect Octave Media Project Limited
 Director - Surmani Content Developers Private Limited
 Director - In-Sync Music Education Private Limited

KRISHNA VENTURES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Kishore Vussonji

Director - Vardhman Concrete Ltd
 Director - Karma Energy Limited
 Director - Comfund Consulting Ltd
 Director - Sunteck Realty Ltd
 Director - Weizman Forex Ltd
 Partner - Messers Kanga & Co.

Savita Sonawane

Director - Rupak Developers Pvt Ltd

Avinash Jagushte

Director - Rommy Realty Pvt Ltd
 Director - Surface Funance Pvt Ltd

17. Information on Earning per Share as per Accounting Standard 20 on "Earning Per Share"

<u>Sr. No.</u>	<u>Particulars</u>		<u>Current Year</u>	<u>Previous Year</u>
1	Net Profit after tax for the year	Rs.	31,88,514	4,77,568
2	Number of Equity Shares	Nos.	1,08,00,000	9,00,000
3	Nominal value of per Share	Rs.	10.00	10.00
4	Basic & diluted Earning per Share	Rs.	0.33	1.21

18. Information on Accounting for Taxes on Income as per Accounting Standard 22 on "Accounting for Taxes "

"Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India has become mandatory to the Company with effect from 1st April, 2001. However, in absence of any difference between the Accounting and Taxable income, no adjustment on account of Current and Past Deferred Tax would be required.

19. Sundry Creditors are subject to confirmations

20. There are no amounts that need to be disclosed pertaining to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). As at March 31, 2012, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under 'The Micro, Small and Medium Enterprises Development Act, 2006'.

21. During the year the company has recovered the Profession Tax from its employees. However the same is not deposited to the credit of the Government in the absence of registration with Professional tax authorities.

22. Information on Segment Reporting as per Accounting Standard 17

The Company's operation relates only to Business of Builder, Contractor, Developer and Consultancy and thus has only one reportable segment under Accounting Standard 17 on "Segment Reporting".

23. The Company has filed a scheme of merger under sections 391 to 394 of the Companies Act,1956 before the High Court of Judicature at Jaipur and Bombay for merger of Rudra Mahima Business Venture Limited (RMBVL) into the company whereby all the assets and liabilities of RMBVL will be transferred to the company with effect from 1st day of April,2011, however, the approval of the scheme is still pending before the High Court of Judicature at Jaipur and Bombay.

For BANSI S. MEHTA & CO.

Chartered Accountants
Firm Registration
No.100991W

Sd/-

D. I. SHAH

Partner
Membership No.37326

Place : Mumbai

Date : 19th May, 2012

For and on Behalf of the Board

Sd/-

Vijay Khetan
Whole Time Director

Sd/-

Kishore Vussonji
Director

Sd/-

Savita Sonawane
Director

Sd/-

Meena Khetan
Director

Sd/-

Ratish Tagde
Director

Sd/-

Avinash Jagushte
Director

Place : Mumbai

Date : 19th May, 2012

KRISHNA VENTURES LIMITED
REGISTERED OFFICE: 7TH FLOOR, CORPORATE CENTRE, ANDHERI KURLA ROAD,
ANDHERI – EAST, MUMBAI 400059
ATTENDANCE SLIP
THIRTIETH ANNUAL GENERAL MEETING

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE REGISTERED OFFICE

I/We hereby record my/our presence at 30th Annual General Meeting held at the Registered office of the Company at 7th Floor, Corporate Centre, Andheri Kurla Road, Andheri – East, Mumbai 400059 on Tuesday, 10th July, 2012 at 11:00 a.m

 Name/s of the Shareholder/s of Proxy
 (In Block Letters)

 Regd. Folio No./ DP ID

 Signature of the Shareholder/s of Proxy

 No. of Shares held

----- (Tear Here) -----

KRISHNA VENTURES LIMITED
REGISTERED OFFICE: 7TH FLOOR, CORPORATE CENTRE, ANDHERI KURLA ROAD,
ANDHERI – EAST, MUMBAI 400059
PROXY FORM
THIRTIETH ANNUAL GENERAL MEETING

I/We..... of Being
 Member/Members of Krishna Ventures Limited hereby appoint
 Shri/Smt./Kum..... of and failing
 him/her.....of..... and failing
 him/her.....of..... as my/our proxy to vote for
 me/us and on my/our absence to attend and vote for me/our behalf at the 30th Annual General
 Meeting of the Company to be held at the Registered Office of the Company at 7th Floor, Corporate
 Centre, Andheri Kurla Road, Andheri – East, Mumbai 400059 on Tuesday, 10th July, 2012 and at any
 adjournment thereof.

 Regd. Folio No./ DP ID

Signed this day of

Signature.....

Affix 1
Rupee
Revenue
Stamp

Note: The Proxy must be deposited at the Registered office of the Company, viz 7th Floor, Corporate Centre, Andheri Kurla Road, Andheri – East, Mumbai 400059 on Tuesday, 10th July, 2012, not less than 48 hours before the time fixed for holding the Meeting.

BOOK POST

If not delivered, please return to:
Krishna Ventures Limited
7th Floor, Corporate Centre,
Andheri-Kurla Road,
Andheri (East), Mumbai 400 059.