

NOTICE

NOTICE is hereby given the Company pursuant to Cl. 49 of the Listing Agreements under the heading of Corporate Governance, needs to provide complete details relating to Management Discussion and Analysis Report. However due to oversight the company failed to provide you the same in totality. Under this letter we like to send you the complete details as required under Cl. 49 of the Listing agreement matters relating to Management Discussion and Analysis Report. We regret the inconvenience cause to you.

Registered Office:

D 25, Lal Bahadur Nagar East,

J L N Marg,

Jaipur - 302017

By Order of the Board

Shri Kalyan Holdings Limited

Mr. Rajendra Kumar Jain
(Chairman)

Date - 16/10/2012

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The key areas of Management Discussion and Analysis are given below.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The year 2011-12 was a challenging year for the Indian economy mainly due to high inflation and high cost of finance that impacted investments. The economy experienced a sharp decline in GDP rate from 8.4% in 2010-11 to 6.9% in 2011-12. The tightened liquidity also affected the functioning of Capital markets. However, despite such deceleration, your Company continued to focus on its operations and emerged stronger.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments.

OUTLOOK

Your Company is making all efforts to accelerate the growth of its business. In spite of the market risks faced by your Company, your directors are optimistic about the future prospects of the Company.

OPPORTUNITIES & THREATS

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. With the intervention of RBI, your Company expects a favorable market in the years to come. Your Company on its part is also well poised to seize new opportunities as they come.

The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate.

RISKS & CONCERNS

Your Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Internal control systems and procedures in the Company are commensurate with the size and the nature of Company's business and are regularly reviewed and updated by incorporating changes in regulatory provisions in order to safeguard the assets and to ensure reliability of financial reporting.

HUMAN RESOURCES

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment to all its employees. The Company is continuously working to create and nurture an atmosphere which is highly motivated and result oriented.

FINANCIAL PERFORMANCE

The financial performance of the Company for the year under review is discussed in detail in the Directors Report.

Place: Jaipur

Date: 16th October 2012

For and on behalf of board of directors

Sd/-

Rajendra Kumar Jain
Chairman