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**Ceeta Industries Limited**  
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*Twenty Ninth*  
**ANNUAL REPORT**  
**2012-2013**

## CEETA INDUSTRIES LIMITED

### TWENTY NINTH ANNUAL GENERAL MEETING

Monday, the 16th September, 2013, at 1.00 p.m., at Plot No. 34-38, KIADB Industrial Area, Sathyamangala, Tumkur- 572 104, Karnataka

### BOARD OF DIRECTORS

Sri K.M. Poddar, Managing Director  
Sri A. De  
Sri S.K. Chhawchharia  
Sri S.L. Singhania  
Sri O.P. Kedia

### AUDITORS

G.K.Tulsyan & Co.  
Chartered Accountants, Kolkata

### REGISTERED OFFICE

Plot No. 34-38, KIADB Industrial Area,  
Sathyamangala, Tumkur- 572 104, Karnataka  
E-mail : [accounts@ceeta.com](mailto:accounts@ceeta.com)

### HEAD OFFICE

240B, A.J. C. Bose Road  
2nd Floor, Kolkata- 700 020  
Ph.- 033-22832925/26  
E-mail : [kolkata@ceeta.com](mailto:kolkata@ceeta.com)

### REGISTRAR & TRANSFER AGENT

Niche Technologies Pvt. Ltd.  
D- 511, Bagree Market, 71, B.R.B.Basu Road,  
Kolkata- 700 001; Phone : 033-2235-7270/71

### WORKS AT: TUMKUR

ISO 9001 : 2000 a 100% EOU Granite Unit  
Plot No. 34-38, KIADB Industrial Area,  
Sathyamangala, Tumkur- 572 104, Karnataka

## CEETA INDUSTRIES LIMITED

### NOTICE

NOTICE is hereby given that the **29th Annual General Meeting** of the Company will be held at the Registered Office of the Company at Plot No. 34-38, KIADB Industrial Area, Sathyamangala, Tumkur-572104, KARNATAKA on Monday, the 16th September, 2013 at 1.00 P.M. to transact the following business:-

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Statement for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sri Arabinda De, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and to authorise the Board to fix their remuneration.

#### SPECIAL BUSINESS

##### **4. Re-appointment of President of the Company:**

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

“RESOLVED THAT pursuant to the provisions of Section 314 read with Director’s Relative (Office or Place of Profit) Amendment Rule, 2011 and all other applicable provisions, if any, of the Companies Act, 1956 and in line with recommendation made by remuneration committee, consent be and is hereby accorded for the re-appointment of Sri Anubhav Poddar, as President of the Company on the following terms and conditions:-

1. He will be appointed as President of the Company for a period of three years with effect from 1st December, 2013 to the 30th November, 2016.
2. His remuneration shall be subject to the maximum of Rs. 1,25,000/- per month towards the aggregate of Basic Salary, Allowances and Perquisites as mentioned below:

**A. Basic Salary** – Rs. 60,000/- p.m. which may be increased at the discretion of the Board and will be subject to maximum ceiling as mentioned above.

**B. Allowances and Perquisites** – In addition to the salary he will be eligible for the following allowances and perquisites:-

#### (I) Housing

##### **Housing – I**

Any expenditure, exceeding 15 % of his salary, incurred by the Company on hiring of furnished accommodation for him shall be paid by the Company, or

##### **Housing – II**

In case the accommodation is owned by the Company, fifteen percent (15%) of his salary shall be deducted by the Company, or

##### **Housing – III**

In case no accommodation is provided by the company, the President shall be entitled to House Rent Allowance subject to maximum 40% of Basic Salary.

#### (II). Medical Reimbursement:

Expenses incurred for self and his family subject to a ceiling of one month’s salary in a year.

#### (III). Leave Travel Concession

For self and his family once in a year incurred for travel by Business Class to any destination in India or abroad subject to maximum 10% of his basic salary.

## CEETA INDUSTRIES LIMITED

### (IV). Fee of Clubs

Clubs' fee and charges subject to maximum of two clubs, excluding admission and life membership fees.

### (V). Car for Office Use as well as Personal Use

The Company will provide you a Motor Car to perform the office duties as well as for personal use. All the running and maintenance cost of the motor car will be bear by the Company.

(VI) Actual expenses incurred on gas, electricity and water shall be paid/ reimbursed by the company.

(VII). Other allowances and perquisites as per company's Rules within the maximum ceiling of remuneration.

By order of the Board

**K. M. PODDAR**  
**MANAGING DIRECTOR**

PLACE: KOLKATA  
DATE: 29/05/2013

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 11th September, 2013 to 16th September, 2013 (both days inclusive).
3. Members are requested to notify immediately change of address, if any, to the registrar and transfer agent of the company and provide their e-mail ID.
4. Members who have shareholdings in physical form are requested to submit their shares for dematerialization at your registered depository at the earliest.

### ANNEXURE TO NOTICE

#### Explanatory Statement, Pursuant to Section 173(2) of the Companies Act, 1956:

##### Item No. 4

Our Board, in line with the recommendation of the Remuneration Committee, at its meeting held on 29-05-2013 recommended the re-appointment of Sri Anubhav Poddar, president of the company, with effect from 01-12-2013 on the terms and conditions detailed in the resolution.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company will not be included in the computation of maximum ceiling of remuneration. Provision of car for use in connection with Company's Business will not be considered as perquisites.

As per Section 314 of the Companies Act, 1956, a Special Resolution is required to be passed in Annual General Meeting of the company for the above purpose.

Your Directors, therefore, recommend the resolution set out at item No.5 of the Notice for your approval by way of special resolution.

No other Director except Sri Krishna Murari Poddar, Managing Director, being relative of Sri Anubhav Poddar is interested in the resolution.

The explanatory statement read with the proposed resolution may be treated as an abstract of terms of the re-appointment and memorandum of interest u/s 302 of the Companies Act, 1956.

By order of the Board

**K. M. PODDAR**  
**MANAGING DIRECTOR**

PLACE: KOLKATA  
DATE: 29/05/2013

## CEETA INDUSTRIES LIMITED

### DIRECTORS' REPORT

For the year ended 31st March, 2013

Dear Shareholders,

Your Directors have pleasure in presenting their report on business and operations together with the Audited Accounts of your company for 2012-2013.

#### FINANCIAL RESULTS

Particulars	All figures in Rs. lacs	
	Current Year	Previous Year
Total Income	920.22	859.11
Profit before Interest & Depreciation	221.61	506.99
Interest	52.72	196.72
Depreciation	34.52	34.05
Profit before taxation	134.37	276.22
Provision for Tax	26.02	-
Profit after tax	108.35	276.22

#### REVIEW OF OPERATIONS:

The trading condition of the granite industry particularly in the export market continues to be difficult and our company is no exception. Our company being an Export Oriented Unit (EOU), the dearth of profitable export order affected the company's working adversely during 2012-13. The company could earn some surplus mainly by undertaking other activities such as trading, transportation, investments etc. The total revenue of the company was Rs. 920.22 lac in 2012-13 as against Rs. 859.11 lac in the previous year. It earned a Net Profit of Rs. 108.35 lac in 2012-13 as compared to Rs. 276.22 lac in 2011-12.

The profits of 2011-12 enabled the company to achieve positive net worth and it ceased to be a sick industrial undertaking. The Board for Industrial and Financial Reconstruction (BIFR) reviewed the company's financial status and discharged our company (vide its order dated 29-05-2012) from the preview of Sick Industries (Special Provision) Act, 1985 and BIFR.

#### PROSPECT:

The company continues to make effort to obtain profitable order for granite products from export market as also to explore possibility of diversified activity.

#### DIVIDEND:

In order to conserve resources for working capital requirements in the absence of bank finance, no payment of dividend has been considered.

#### DIRECTORS:

Sri Arabinda De, Director of the company, retires at the ensuing Annual General Meeting by rotation and being eligible, offers himself for re-appointment pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company. He does not hold any share in his own name. He is director in six other limited companies. He is a practicing Chartered Accountant and doing practice since 20 years.

#### CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, the Annual Report also included Consolidated Financial Statement for the financial year 2012-13.

#### SUBSIDIARY COMPANY

In terms of Section 212 of the Companies Act, 1956, the documents required to be annexed in respect of M/s. Kingstone Krystals Limited, a subsidiary Company are attached to this report.

## CEETA INDUSTRIES LIMITED

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- I. in preparation of the Financial Statements for the year ended 31st March, 2013, the applicable Accounting Standard read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there has been no material departure from the same;
- II. the Directors have 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 as at March 31, 2013 and of the Profit of the Company for the year ended on that date;
- III. proper and sufficient care has been taken 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;
- IV. the Financial Statements have been prepared on a going concern basis.

### PUBLIC DEPOSITS

Your company did not accept any deposits from the public during the year under review.

### AUDITORS & AUDITORS' REPORT

The Auditors, M/s.G. K. Tulsyan & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. As required under Section 224 of the Companies Act, 1956, the Company has obtained from them a certificate to the effect that re-appointment, if made would be in conformity with the limits prescribed in the said Section. The Directors recommend their reappointment.

Report of the Auditors, including reference made therein to the notes forming part of the Statement of Accounts, are self explanatory and does not require to be elucidated further.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as per Section 217(1)(e) read with Rule 2(A) and 2(B) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are given in the 'Annexure - A' as forming part of the report.

### PERSONNEL

Your Directors would like to put on record their appreciation of the sincere and dedicated services rendered by the loyal employees of the Company. There are no employees drawing remuneration in aggregate of Rs.5,00,000/- or more per month, if employed for the part of the year and Rs. 60,00,000/- per annum if employed throughout the year, in terms of Section 217(2A) of the Companies Act, 1956.

### CORPORATE GOVERNANCE

The Company believes in and has practiced good Corporate Governance. The spirit of Corporate Governance is being gradually built up in the Company and is not just restricted to ensuring compliance with regulatory requirements but also meeting higher standards of transparency, accountability and integrity in respect of all its transactions. Based upon the above philosophy your Directors present a report on corporate governance as 'Annexure - B' to their report.

On behalf of the Board of Directors

Place : Kolkata

Dated : 29/05/2013

**K. M. Poddar**  
Managing Director

## CEETA INDUSTRIES LIMITED

### 'ANNEXURE - A' FORMING PART OF DIRECTORS' REPORT:

**INFORMATION PURSUANT TO SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956 READ WITH RULE 2(A) AND 2(B) OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT.**

#### A. Conservation of Energy:

##### Power and Fuel Consumption

	Current Year (2012-13)	Previous Year (2011-12)
1. Electricity - Purchased		
Units (Kwh)	65,161	51185
Total Amount (Rs.)	6,14,616	15,12,052
Rate/ Unit (Rs.)	9.43	29.54
2. Electricity - Owned Generation		
Through Diesel Generator		
Units (Kwh)	NIL	NIL
Units/ Ltrs of Diesel Oil		
Total Amount (Rs.)	NIL	NIL
Cost/ Unit (Rs.)		

#### B. Technology absorption

##### a) Research & Development (R & D)

1. Specific areas in which R & D carried out by the Company and benefits derived as a result thereof.	No research and development work has been carried out by the Company. Therefore, there is no expenditure on account of R & D.
2. Future plan of action.	The Company being a sick Company with financial problem has kept in abeyance its plan on research and development.

#### b) Technology Absorption, Adaptation and Innovation

Technical Innovations/ modifications are being made on regular basis in the process to achieve cost reduction, product improvement, etc.

#### C. Foreign Exchange Earnings and Outgo

(Rs. in lacs)

1. Foreign Exchange Earnings	36.18
2. Foreign Exchange Outgo	
i) CIF Value of Imports of Components & Spare Parts	NIL
ii) Expenditure in Foreign Currency on Foreign Travel & Others	NIL

### 'ANNEXURE - B' FORMING PART OF DIRECTORS' REPORT:

#### REPORT ON CORPORATE GOVERNANCE

##### 1. Brief Statement on company's Philosophy on code of governance

The Company believes in and has practiced good corporate governance. The spirit of corporate governance has prevailed in the Company since its inception. The Company's philosophy is shaped by the values of transparency, professionalism and accountability.

##### 2. Board of Directors

The Board of Directors is constituted in compliance with Clause 49 of the Listing Agreement. The Board as on 31st March, 2013 comprised five members, out of which three members are Non-Executive Independent Directors, one is additional director and one is the Managing Director.

## CEETA INDUSTRIES LIMITED

The Board's composition, categories and attendance are as under:

Sl. No.	Name	Category	No. of Directorship in other Cos.	No. of Member/ Chairman of Board / Committees of other public limited Companies	No. of Board Meetings attended	Whether attended last AGM
1	Sri K. M. Poddar	Promoter & Managing Director	2	1	4	No
2	Sri A. De	Independent, Non-Executive Director	10	NIL	4	Yes
3	Sri S.K. Chhawchharia	Independent, Non-Executive Director	5	2	3	No
4	Sri S.L. Singhanian	Independent, Non-Executive Director	3	NIL	4	No
5	Sri O. P. Kedia	Independent, Non-Executive Director	NIL	NIL	NIL	No

### Details of Board Meeting during the financial year

During the year ended 31st March, 2013, Seven Board Meetings of the Company were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors Present
1	24th April, 2012	5	3
2	21st May, 2012	5	3
3	16th July, 2012	5	3
4	31st July, 2012	5	4
5	29th September, 2012	5	2
6	5th November, 2012	5	4
7	7th February, 2013	5	3

Last Annual General Meeting (AGM) of the Company was held on 28th September, 2012.

### 3. Audit Committee

The Audit Committee of the Company was constituted in conformity with the requirements of Clause 49 of the Listing Agreement, as well as Section 292A of the Companies Act 1956. The prime objective of the Audit Committee is to effectively supervise the Company's financial reporting process with a view to discharge the responsibility as per the terms of reference.

**Briefly, the terms of reference of Audit Committee are as follows:**

The Role of Audit Committee Under Section 292A of the Companies Act 1956 includes:

- Discuss with the Auditors periodically about the internal control systems and the scope of Audit which will include the observations of the Statutory Auditors;
- Review of the quarterly and annual financial statements before submission of the same to the Board;
- Ensuring compliance of internal control system; and
- Investigation into any matter relating to the above or referred to it by the Board.

## CEETA INDUSTRIES LIMITED

The Role of Audit Committee Under clause 49 of Listing Agreement includes:

- Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services;
- Reviewing with management the annual financial statements before submission to the Board;
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems;
- Reviewing the adequacy of internal audit functions;
- Discussion with internal auditors any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The composition and categories of the Audit Committee are as under:

Sl.No.	Name	Chairman / Member / Others	No. of Meetings attended
1.	Sri A. De	Chairman	3
2.	Sri S.L. Singhanian	Member	4
3.	Sri S.K. Chhawchharia	Member	4

### Details of Audit Committee Meetings and Attendance

During the year ended 31st March, 2013, four meetings of the Audit Committee of the Company were held, as follows:

Sl.No.	Date	Committee Strength	No. of Members Present
1	21st May, 2012	3	3
2	31st July, 2012	3	3
3	5th November, 2012	3	3
4	7th February, 2013	3	2

The meetings are usually held on the same day and before the Board meetings where the financial results of the Company are considered. The results are reviewed by the Committee before they are placed before the Board.

### 4. Remuneration Committee

The Remuneration Committee of Directors constituted mainly for the purpose of recommending the Company's policy on Remuneration Package for the Managing Director, Chief Executive Officer and other specified management personnel, reviewing the structure, design and implementation of remuneration policy in respect of such persons.

## CEETA INDUSTRIES LIMITED

The composition and categories of the Remuneration Committee are as under:

Sl.No.	Name	Chairman / Member / Others	No. of Meetings held	No. of Meetings attended
1	Sri S.K. Chhawchharia	Chairman	1	1
2	Sri S.L. Singhanian	Member	1	1
3.	Sri A. De	Member	1	1

Details of Remuneration of Directors for the financial year ended on 31st March, 2013.

Director	Consolidated Salary (Rs.)	Perquisites	Performance and other Benefits	Sitting Fees Bonus/ Commission	Total (Rs.)
Sri K.M Poddar	600000	228277	-	N.A.	828277
Sri A. De	-	-	-	6000	6000
Sri S.K.Chhawchharia	-	-	-	6000	6000
Sri S.L. Singhanian	-	-	-	7000	7000

### 5. Shareholders/Investors Grievance Committee

The Board constituted a Committee under the chairmanship of Sri S. L. Singhanian (Non-Executive Independent Director) to look into the matters of redressing of the shareholders/investors complaints, approves transfer / transmission of shares, issue of duplicate share certificates etc.

The composition and categories of the Committee are as under:

Sl.No.	Name	Chairman / Member / Others	No. of Meetings attended
1.	Sri S.L. Singhanian	Chairman	4
2.	Sri S.K. Chhawchharia	Member	4
3.	Sri A. De	Member	4

There being no investor complaint pending, the committee reviewed the existing procedures for attending to complaints as and when they arise.

As per clause 47 of the Listing Agreement, Sri Vikas Kedia, Manager- Commercial, is appointed as Compliance Officer w.e.f. 02-04-2013 who oversees matters of redressing investor complaints / grievances.

The Board of Directors also constituted the sub-committee for share transfer and delegated the powers of authentication the transfer of shares to senior executives of the Company.

During the year ended 31st March, 2013, twenty five meetings of the sub- committee which were held to consider and approve of transfer/ transmission of shares, are as follows:

Sl. No.	Date	Sub- Committee Strength	No. of Members Present
1	30th April, 2012	3	2
2	15th May, 2012	3	2
3	30th May, 2012	3	2
4	15th June, 2012	3	2
5	16th July, 2012	3	2
6	19th July, 2012	3	2
7	31st July, 2012	3	2
8	16th August, 2012	3	2
9	31st August, 2012	3	2
10	4th October, 2012	3	2
11	25th October, 2012	3	2
12	5th November, 2012	3	2
13	10th November, 2012	3	2
14	24th November, 2012	3	2
15	5th December, 2012	3	2
16	26th December, 2012	3	2
17	4th January, 2013	3	2
18	15th January, 2013	3	2
19	28th January, 2013	3	3
20	5th February, 2013	3	2
21	16th February, 2013	3	2
22	25th February, 2013	3	2
23	4th March, 2013	3	2
24	14th March, 2013	3	2
25	30th March, 2013	3	2

Company sends reply to shareholders for their grievances on regular basis within time.

## CEETA INDUSTRIES LIMITED

### 6. General Body Meetings

Location and time, where last three Annual General Meetings held:

Financial year	Location	Date & Time
2009-2010	Registered Office	21st September, 2010 at 3.00 p.m.
2010-2011	Registered Office	29th September, 2011 at 3.00 p.m.
2011-2012	Registered Office	28th September, 2012 at 10.30 a.m.

Special Resolutions passed at last three Annual General Meetings:

Date of AGM	No. of Special Resolutions	Particulars
21st September, 2010	Two	Re-appointment of two relatives of a director in terms of Section 314 of the Companies Act, 1956
29th September, 2011	Three	Revision in remuneration of two relatives of a director in terms of section 314 of companies Act, 1956 and re-appointment of Managing Director
28th September, 2012	Three	Revision in remuneration of two relatives of a director in terms of section 314 of companies Act, 1956 and approval for business mentioned in other object of the MOA under Section 149 (2A) of Companies Act, 1956.

No Special Resolution was required to be put through postal ballot last year.

### 7. Disclosures

The Company did not enter into any transaction of material nature with promoters, directors or the management, their subsidiaries or relatives, etc. that might have potential conflict with the interests of the Company at large.

The Company complies with all mandatory requirements of Clause 49 of Listing Agreement.

### 8. Code of Conduct

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and Senior Management.

### 9. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end –

- The Board of Directors of the Company approves and takes on record the quarterly un-audited financial results in the format prescribed by the Stock Exchanges within 45 days of the close of every quarter and intimates to the Stock Exchanges immediately after they are taken on record.
- The coverage is given for the benefit of the shareholders and investors by publication of the financial results in newspapers normally in 'The Financial Express' and 'Amruthavani, Karnataka', within the stipulated time. The Company also publishes its annual audited results in these newspapers within the stipulated period of 60 days.
- The Company's website is [www.ceeta.com](http://www.ceeta.com), where it displays financial results and other reports and its e-mail address is [kolkata@ceeta.com](mailto:kolkata@ceeta.com).
- At present company neither displays official news release for the above said results and reports nor making any presentation to institutional investors or to the analysts.
- The Report of the Directors, forming part of the Report and Accounts, includes all aspects of the Management Discussion and Analysis Report.

### 10. General Shareholders Information:

#### a) Annual General Meeting: Date, Time and Venue

Forthcoming Annual General Meeting is scheduled to be held on Monday, 16th September, 2013 at 1:00 P.M. at your Company's Registered Office at Plot No.34-38, KIADB Industrial Area, Sathyamangala, Tumkur – 572 104, Karnataka.

#### b) Financial Calendar for the year 2013- 2014

Financial Reporting for the quarter ending	30th June, 2013	Within 15th August, 2013
Financial Reporting for the quarter ending	30th September, 2013	Within 15th November, 2013
Financial Reporting for the quarter ending	31st December, 2013	Within 15th February, 2014
Financial Reporting for the quarter and year ending	31st March, 2014	Within 30th May, 2014

**CEETA INDUSTRIES LIMITED****c) Date of Book Closure**

11th September, 2013 to 16th September, 2013 (both days inclusive) on account of forthcoming Annual General Meeting.

**d) Dividend Payment Date**

The Company did not declare any dividend.

**e) Listing on Stock Exchanges & Stock Code**

The Company's Shares are traded at Bombay Stock Exchange Limited. The stock code with The Bombay Stock Exchange Ltd. is - 514171

**f) Registrar and Transfer Agents**

In terms of SEBI Order No.D&CC/FITTC/CIR-15/2002 dated 27th December 2002 for having a common agency for share transfer work and electronic connectivity and in terms of the directive of the Stock Exchanges, the Company appointed M/s.Niche Technologies Pvt. Ltd. of D-511, Bagree Market, 71, B.R.B.Basu Road, Kolkata – 700 001, Ph.- 033-22357270 / 7271, e-mail- nichetechpl@nichetechpl.com, as the Registrar and Share Transfer Agents of the Company.

**g) Share Transfer System**

The transfer of shares, both in physical and electronic mode, are registered and returned within the requisite period by Registrar and Transfer Agent, if the documents are clear in all respects. The shareholders of the Company are requested to send their shares directly to the RTA for transfer or registry related work. However, for the sake of the convenience of the investors / shareholders, the Company shall continue to receive request for transfer of shares.

**h) Stock Market Price Date – for F.Y. 2012-13 at - Bombay Stock Exchange Ltd.**

Month	High (Rs.)	Low (Rs.)	Close Price	Volume
April, 2012	4.21	2.87	4.21	18,03,300
May, 2012	-	-	-	-
June, 2012	4.00	2.96	3.25	1555
July, 2012	4.24	2.94	4.03	3114
August, 2012	4.15	3.46	4.15	2763
September, 2012	3.95	2.48	2.86	4148
October, 2012	2.91	2.21	2.85	7778
November, 2012	2.64	2.20	2.64	16104
December, 2012	3.67	2.77	3.47	4457
January, 2013	3.45	3.14	3.45	3339
February, 2013	-	-	-	-
March, 2013	3.28	3.20	3.20	1200

**l) Shareholding Pattern (by ownership) as on 31st March, 2013**

Sl.No.	Category	No.of Shares	% of Holding
1	Promoters	10429400	71.915
2	Banks, Mutual Funds and Financial Institutions	32700	0.225
3	Private Corporate Bodies	86200	0.594
4	NRIs / OC Bs	34500	0.238
5	Indian Public	3914775	26.995
6	Clearing Memb./ Clearing Corp.	4825	0.033
	<b>TOTAL</b>	<b>14502400</b>	<b>100.00</b>

**CEETA INDUSTRIES LIMITED****j) The Distribution of Shareholding (by size) as on 31st March, 2013**

No. of Shares Slab	Number of Shareholders	% to Total	Number of Shares	% to Total
1 – 500	20016	95.6331	27,55,608	19.0010
501 – 1000	623	2.9766	523857	3.6122
1001 – 5000	256	1.2231	530935	3.6610
5001 – 10000	21	0.1003	141400	0.9750
10001 – 50000	8	0.0382	121400	0.8371
50001 – And Above	6	0.0287	10429200	71.9137
<b>TOTAL</b>	<b>20930</b>	<b>100.000</b>	<b>1,45,02,400</b>	<b>100.000</b>

Out of 14502400 equity shares, 3731100 shares are in physical form

**k) Dematerialization of Shares and Liquidity**

The Equity Shares of the Company are registered with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for having the facility of Dematerialization of shares and its **ISIN NO. is – INE 760 J 01012**

**l) Plant Location**

Granite Division and Registered Office:

Plot No.34-38, KIADB Industrial Area  
Sathyamangala, Tumkur – 572 104  
Karnataka.

**m) Address for Correspondence and Corporate Office**

240B, A.J.C.Bose Road  
2nd Floor, Kolkata – 700 020  
Phone- 033-22832925/ 26  
E.mail : kolkata@ceeta.com

**n) Compliance Certificate from the Auditors**

The Company has obtained a certificate from the Statutory Auditors certifying compliance of the mandatory recommendations mentioned in the clause 49 of the listing agreement. The certificate is annexed.

## CEETA INDUSTRIES LIMITED

### CEO AND CFO CERTIFICATION

We, K. M. Poddar, Managing Director and Vaibhav Poddar, Chief Executive Officer, certify that:

- a) a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2013 and to the best of our 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.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2013 are fraudulent, illegal or violate the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) (I) There has not been any significant change in internal control over financial reporting during the year under reference;
  - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements;
  - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Kolkata  
29th May, 2013

**Vaibhav Poddar**  
Chief Executive Officer (CEO)

**K. M. Poddar**  
Managing Director

## CEETA INDUSTRIES LIMITED

### Auditor's Report on Corporate Governance

To

The members of Ceeta Industries Limited

We have examined the compliance of conditions of Corporate Governance by Ceeta Industries Limited, for the year ended on 31st March, 2013 as stipulated in clause 49 of the listing agreement for the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuing compliance with the conditions of the 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 based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievance were pending for a period of one month against the company as per the record maintained by the Shareholders/ Investors Grievances Committee.

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 which the management conducted the affairs of the company.

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**G. K. Tulsyan**  
Partner  
Membership No. 50511

4, Gangadhar Babu Lane,  
Kolkata – 700 012.  
Dated: 29/05/2013



**COMPLIANCE CERTIFICATE**

CIN No of the Company L 85110 KA1984PLC021494

Nominal Capital Rs. 9,00,00,000

The Members

CEETA INDUSTRIES LTD.

PLOT NO. 34-38, KIADB INDUSTRIAL AREA

SATHYAMANGALA, TUMKUR

KARNATAKA - 572104

We have examined the registers, records, books & papers of M/S Ceeta Industries Ltd (the Company), as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31st March'2013. In our opinion & the best of our information & according to the examinations carried out by us & explanations furnished to us by the Company, its officers & agents, we certify that in respect of aforesaid financial year:

1. The Company has kept & maintained all the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act & the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in annexure 'B' to this certificate with the Ministry of Corporate Affairs under the Companies Act, 1956 and the rules made there under. However, no forms or returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited Company, comments are not required
4. The Board of Directors duly met seven times respectively on 24th April' 12, 21st May' 2012, 16th July' 2012, 31st July' 12, 29th September' 2012, 5th November' 2012 and 7th February, 2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has not passed any Board resolution by circulation.
5. The Company has closed its Register of Members from 21st September, 2012 to 28th September, 2012 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March' 2012 was held on 28th September'12 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the aforesaid financial year.
8. The Company has not advanced any loan to its Directors and/ or persons, firms or Companies referred in Section 295 of the Act
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company has made proper entries in the register maintained under Section 301 of the act wherever applicable.
11. The Company has revised the remuneration payable to one of the relative and appointed another relative of the director of the company as Chief Executive Officer in the place of profit under section 314 (1B) within the specified limit with the approval of members through special resolution.
12. The Company has issued one duplicate Share Certificates for 100 shares during the financial year under review.

13. The Company has:

- a)not allotted any Equity Share or other Securities during the above financial year,
  - b)delivered all the Share Certificates received thereof for transfer/transmission/ consolidation and for other purposes during the above financial year within stipulated time period and as per provisions of the Companies Act and as per SEBI guidelines. The Share Transfer Committee met twenty five times during the financial year 2012-13 and all the instrument of transfer were approved by this Committee.
  - c)not required to deposit any amount of Dividend in a separate Bank account for Dividend, as no Dividend was declared during the above financial year ,
  - d)not required to post Dividend Warrants to any of its Member, as no Dividend was declared during the above financial year,
  - e)not lying any amount in respect of unpaid Dividend account or under any other head due for transfer to Investor Protection and Education fund u/s 205C of the Companies Act,
  - f)duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The members has appointed Sri Om Prakash Kedia as regular independent director as per applicable provisions of the Act in the AGM. There were no appointment of additional director, alternate director or director to fill casual vacancy during the above financial year.
15. The Company has not appointed any Managing Director, Manager or Whole Time Director during the year under review.
16. The Company has not appointed any Sole-selling Agent during the above financial year under review.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Equity Shares or other Securities during the aforesaid financial year.
20. The Company has not bought back any Share during the above financial year.
21. The Company has not any redeemable preference shares and / or debentures outstanding during the above financial year.
22. There was no transactions' necessitating the Company to keep in abeyance the right to dividend, rights Shares and Bonus Shares pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the above financial year under review.
24. The Loan taken by the Company during the current financial year both secured and unsecured are within the limit prescribed under Section 293(1) (d) of the Company's Act.
25. The Company has granted Loans and Advances to other Bodies Corporate and made investment in equities and mutual funds of other bodies corporate as per Provisions of Section 372A of the Act during the above financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of Memorandum with respect to the objects of the Company during the above period.
28. The Company has not altered the provisions of Memorandum with respect to name of the Company during the above period.

**CEETA INDUSTRIES LIMITED**

29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the above period.
30. The Company has not altered its Articles of Association during the above period.
31. There was no prosecution initiated against or show cause notices received by the Company during the above period for offence under the Act.
32. The Company has not received any money as security from its employees during the above period.
33. The Company has deducted both the employer's and employee's contribution towards Provident fund and deposited the same with appropriate Authorities under Section 418 of the Act during the aforesaid financial year.

**FOR DROLIA & COMPANY**  
**(Company Secretaries)**  
**(PK DROLIA)**  
**Proprietor**  
**CP: 1362**

**Place: 9, Crooked Lane,**  
**Kolkata 700 069**  
**Date: 29/05/2013**

**ANNEXURE: A****Register as maintained by the Company**

SL NO	PARTICULARS	SECTION
1.	Register of Members	150
2.	Directors Minutes Book	193
3.	Shareholders Minutes Book	193
4.	Register of Directors	303
5.	Share transfer register / transmission	—
6.	Register of Director's Shareholding	307
7.	Register of Duplicate, consolidation and Exchange of Share Certificate	...
8.	Register of Investments	372A

**ANNEXURE: B**

SL No.	From No./Return	Filed under Section	Date of Filing	Whether filed within Statutory Time Period
1.	Compliance Report in in e-form- 66 for the F.Y. ended on 31st March, 12	383A	13/10/2012	Yes
2.	Balance sheet and P/L A/c as at 31st March 2012 in XBRL Format in Form No. 23AC/ 23ACA	220	12/04/2013	Yes
3.	Annual Return made up to 28/09/12 in e-form 20B	159	26/11/2012	Yes
4.	Form -32 for appointment of Sri. O.P. Kedia as regular director w.e.f. 28-09-2012	257	13/10/2012	Yes
5.	Form-23 dated 28-09-2012 for registration of three Special resolutions U/s 314 and 149(2A)	192	25/10/2012	Yes

**CEETA INDUSTRIES LIMITED****INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CEETA INDUSTRIES LTD.****Report on the Financial Statements**

We have audited the accompanying financial statements of CEETA INDUSTRIES LTD. which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Statement of Cash flow the year ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statement**

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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- in the case of the Profit and Loss Account, of the profit for the year ended on that date.
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## CEETA INDUSTRIES LIMITED

### Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, 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 and Statement of Profit and Loss, 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 subsection (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For G. K. TULSYAN & COMPANY**  
**CHARTERED ACCOUNTANTS,**  
**Registration No. 323246E**

**G.K. Tulsyan**  
**PARTNER**  
**Membership No. 50511**  
4, Gangadhar Babu Lane, Kolkata-700012  
Dated the 29th day of May, 2013

## CEETA INDUSTRIES LIMITED

### Annexure referred to in paragraph 1 of the report of even date on the account for the year ended 31st March, 2013, of Messrs Ceeta Industries Limited.

1. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the Management at reasonable intervals. No discrepancies were noticed on such verification.
  - (c) In our opinion, the Company's has not disposal off any substantial part of its fixed assets.
2. In respect of its inventories:
  - (a) As explained to us the stocks of finished goods, stores and raw materials have been physically verified by the Management during the year at reasonable intervals. The frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
  - (b) In our opinion and according to the information and explanation given to us the procedures of physical verification of the above referred stock followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) The Company has maintained proper records of inventories.
  - (d) As explained to us no material discrepancies were noticed on physical verification of the stocks of raw materials, finished goods and packing materials as compared to the book records.
3.
  - (a) The company has granted unsecured loan to 3(three) parties covered in the register maintained under section 301 of the companies Act. The total of loan outstanding in such account is NIL at the end of the year.
  - (b) the rate of interest and other terms and conditions of loans given by the company, Prima facie are not prejudicial to the interest of the company;
  - (c) With regard to the unsecured loans granted, receipt of the principal amount and interest are regular;
  - (d) With regard to the unsecured loans granted and squared off during the year, there are no overdue amounts.
  - (e) The company has received unsecured loan from 1 (one) party covered in the register maintained under section 301 of the companies Act. The loan amount has been squared off during the year.
  - (f) The rate of interest and other terms and conditions in respect of the loans received by the company, Prima facie are not prejudicial to the interest of the company;
  - (g) With regard to the unsecured loans received, payment of the principal amount and interest are regular;
  - (h) With regards to the unsecured loans received, there are no overdue amounts.
4. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of raw materials, stores, spare including components, plant and machinery, equipment and other assets and also for sale of goods.
5. In our opinion and according to the information and explanations given to us, the transactions of 301 and aggregating during the year to Rs. 500000/- or more in respect of each party have been purchase of goods, materials or services and sale of goods, materials or services made in pursuance of contracts or arrangements entered in the register maintained under Section made at price which are reasonable having regard to

## CEETA INDUSTRIES LIMITED

- prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other products.
6. In our opinion and according to the explanation and information given to us the company has not accepted any deposit from public during the year.
  7. In our opinion the Company has an internal audit system commensurate with the size and nature of the business.
  8. The Central Government has not prescribed maintenance of cost records under Section 209(i) (d) of the Companies Act, 1956 in respect of this Company.
  9. In respect of its statutory dues :  
According to the records of the company undisputed statutory dues including provident fund, employees' State Insurance, sales tax, customs duty, excise duty, cess and other statutory dues have been regularly deposited with the appropriate authorities.
  10. The Company has no accumulated losses of at the year end and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
  11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
  12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company 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 a nidhi/mutual benefit fund/society. Therefore clause 4 (xiii) of the Companies (Auditors' Report) Order 2003, is not applicable to the Company.
  14. The Company is not dealing or trading in shares, securities, debentures and other investments.
  15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
  16. The Company has not raised any term loans during the year.
  17. The company has not raised any funds on short term basis which can be used for long term purpose.
  18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the companies Act, 1956.
  19. The Company has no debentures.
  20. The Company has not raised any money by way of public issue during the year.
  21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to be materially mis-stated

**For G. K. TULSYAN & COMPANY**  
**CHARTERED ACCOUNTANTS,**  
**Registration No. 323246E**

**G.K. Tulsyan**  
**PARTNER**  
**Membership No. 50511**  
4, Gangadhar Babu Lane, Kolkata-700012  
Dated the 29th day of May, 2013.

(21)

## CEETA INDUSTRIES LIMITED

### Balance Sheet as at 31st March 2013

Particulars	Note No.	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	14,502,400	14,502,400
(b) Reserves and surplus	3	152,151,906	141,316,949
<b>2 Current liabilities</b>			
(a) Short-term borrowings	4	90,246	-
(b) Trade payables		5,758,055	3,023,346
(c) Other current liabilities	5	733,380	52,944,949
(d) Short-term provisions	6	628,065	535,751
<b>TOTAL</b>		<b>173,864,052</b>	<b>212,323,395</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
1 (a) Fixed assets	7		
(i) Tangible assets		16,505,960	19,652,744
(ii) Capital work-in-progress		-	-
(b) Non-current investments	8	679,038	704,231
(c) Long-term loans and advances	9	55,953,726	81,401,965
(d) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current investments	10	2,502,818	-
(b) Inventories	11	56,024,375	61,659,289
(c) Trade Receivables	12	6,914,529	4,512,390
(d) Cash and cash equivalents	13	7,765,433	20,541,754
(e) Short-term loans and advances	14	27,484,614	23,832,463
(f) Other current assets	15	33,559	18,559
<b>TOTAL</b>		<b>173,864,052</b>	<b>212,323,395</b>

Notes to Balance Sheet and Statement of Profit and Loss 1-28

This is the Balance Sheet as per our Report of even date

**For G.K. Tulsyan & Company**  
**Chartered Accountants**  
**Firm's Registration No. 323246E**

**G.K. Tulsyan**  
**Partner**  
**Membership No. 50511**  
**4, Gangadhar Babu Lane**  
Kolkata- 700012  
Dated: 29-05-2013

**On behalf of the Board**

**K.M. Poddar**  
**Managing Director**

**A. De**  
**Director**

(22)

## CEETA INDUSTRIES LIMITED

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

Particulars	Note No.	2012-13	2011-12
		Amount (Rs.)	Amount (Rs.)
I. Revenue from operations	16	71,695,324	30,581,426
II. Other income	17	20,326,427	55,329,257
<b>III. Total Revenue (I + II)</b>		<b>92,021,751</b>	<b>85,910,683</b>
IV. Expenses:			
Cost of materials consumed	18	-	2,192,017
Purchase of Stock-in Trade	19	2,181,983	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	4,024,759	(572,663)
Other Operating Expenses		44,144,742	10,382,197
Employee benefits expense	21	5,021,906	7,220,870
Finance costs	22	5,272,167	19,672,494
Depreciation and amortization expense		3,452,195	3,405,021
Other expenses	23	14,487,189	15,989,059
<b>Total expenses</b>		<b>78,584,941</b>	<b>58,288,995</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		13,436,810	27,621,688
VI. Exceptional / Extraordinary items		-	-
VII. Profit before tax (VII- VIII)		<b>13,436,810</b>	<b>27,621,688</b>
VIII. Provision for Taxation		<b>2,601,853</b>	-
<b>IX. Profit/ (Loss) for the Period</b>		<b>10,834,957</b>	<b>27,621,688</b>
X. Earnings per equity share:	24		
(1) Basic		0.75	1.90
(2) Diluted		0.75	1.90

Notes to Balance Sheet and Statement of Profit and Loss 1-28

This is the Profit and Loss statement as per our Report of even date

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**On behalf of the Board**

K.M. Poddar  
Managing Director

G.K. Tulsyan  
Partner  
Membership No. 50511  
4, Gangadhar Babu Lane  
Kolkata- 700012  
Dated: 29-05-2013

A. De  
Director

## CEETA INDUSTRIES LIMITED

### Cash Flow Statement for the year ended 31st March, 2013

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>	<b>Rs.</b>	<b>Rs.</b>
Net profit before interest, tax and extraordinary items	18,708,977	47,294,182
Adjustment for:		
Income from Investment	(382,721)	(21,290,168)
Depreciation	3,452,195	3,405,021
Interest received	(19,499,073)	(16,012,049)
Operating profit before working capital charges	2,279,378	13,396,986
Adjustments for Increase/ decrease in :		
Trade and Other receivables	(2,402,139)	462,493
Inventories	5,634,914	(136,931)
Trade Payables	2,734,709	1,224,091
Other Current Liabilities & Provisions	(53,043,016)	(5,440,933)
Long Term Loans & Advances	25,448,239	18,859,478
Short Term Loans & Advances	(3,652,151)	(17,469,610)
Other Current Assets	(15,000)	-
Cash Generated from Operation	(23,015,066)	15,058,020
Direct Tax Paid	1,678,092	-
Cash Flow before extraordinary items	(24,693,158)	15,058,020
Extraordinary items	-	-
Net cash flow from operating activities(A)	<b>(24,693,158)</b>	<b>15,058,020</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets including Capital W.I.P.	(305,411)	(1,133,935)
Purchase of Investment	(54,299,100)	(14,825,194)
Sale of fixed assets	-	19,024,225
Sale of Investment	52,204,196	41,693,472
Interest Received	19,499,073	16,012,049
Net cash used in investing activities (B)	<b>17,098,758</b>	<b>60,770,617</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(5,272,167)	(19,672,494)
Proceeds from long term borrowings	90,246	(37,882,201)
Net Cash Flow from Financing Activities©	<b>(5,181,921)</b>	<b>(57,554,695)</b>
Net Increase in cash and Cash equivalent(A+B+C)	(12,776,321)	18,273,942
Cash and Cash equivalent as at beginning of the year	20,541,754	2,267,812
<b>Cash and Cash equivalent as at end of the year</b>	<b>7,765,433</b>	<b>20,541,754</b>

Note: - Figures in brackets represent cash outflows

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**On behalf of the Board**

G.K. Tulsyan  
Partner  
Membership No. 50511  
4, Gangadhar Babu Lane  
Kolkata- 700012  
Dated: 29-05-2013

K.M. Poddar  
Managing Director

A. De  
Director

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### NOTE 1

#### SIGNIFICANT ACCOUNTING POLICIES

**a. Corporate information**

Ceeta Industries Limited is a domestic public limited company incorporated under the provisions of the Indian Companies Act, 1956. The company's main activity, being the operation of its hundred percent export oriented granite unit, had to be kept in suspension due to continuing unfavourable trading condition in the export market. The company, therefore, has always been in the took out for opportunity to undertake profitable activities such as trading, handling & transportation and deployment of funds for short term with the corporates. The other activities as mentioned earlier have enabled the company to have profitable operations.

**b. Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**c. Change in accounting policy**

Presentation and disclosure of financial statements:

The revised Schedule VI notified under the Companies Act 1956, has become applicable to the company in the previous year for preparation and presentation of its financial statements. There is no change in accounting policy of the company during the current year. However, the company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

**d. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

**e. Tangible fixed assets**

Fixed assets are stated at the book value as on 01/06/2003 and subsequent capital expenditure i.e.; addition to fixed assets are stated at cost prevailing at the date of acquisition.

**f. Depreciation on tangible fixed assets**

Depreciation on fixed assets has been provided on straight line method; in case of plant & machinery for granite division the 'triple shift basis' has been taken. The rates and manner for depreciation provision are as per schedule XIV to the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

**g. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements at cost. Long-term investments are carried at cost. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited under the head "capital gain" to the statement of profit and loss.

**h. Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Finished goods are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**i. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross).

Interest:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**j. Foreign currency translation**

(i) Sale: Direct exports are undertaken in terms of the currency of the country of export and accounted for at the rate prevailing on the date of shipment. The difference in exchange on the date of realization of debts is taken in revenue. Third party exports are undertaken at rupee value.

(ii) Expenses: The actual expenses in terms of rupees on the date of transaction/ remittance for purchase (import) of goods and expenses are taken into account.

(iii) Capital Goods: No capital goods were acquired out of foreign exchange involvement since 01-06-2003.

(iv) Borrowings: No foreign currency borrowings were made during the current financial year and no outstanding foreign currency borrowings were at the beginning of the year.

**k. Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The retirement benefits of the employees in the form of gratuity is provided on accrual basis taking into account the actuarial valuation.

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**i Income tax**

In pursuance of accounting Standard-22 (accounting for taxes on income) issued by the Institute of Chartered Accountants of India, current tax is determined on the basis of the income for the year under Income Tax Act.

Provision for deferred tax made in the Profit and Loss Statement reflects the impact of timing differences between income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

As the company is having deferred tax asset by concept of prudence, no provisions has been made in the books.

**m. Segment reporting**

The Company at present has two segments viz. granite division engaged in manufacturing granite products and other operations which comprise trading transactions including brokerage, commission, mining, transportation, purchase / sale of property construction rights, interest income on short term lending and miscellaneous services.

Segment result includes revenue less operating expenses and provision, if any, for that segment. Segment capital employed represents the net assets in particular segments. Head office income and expenses are considered as unallocable corporate expenditure net of unallocable income.

**n. Earnings Per Share**

The company reports basic and diluted earnings per equity share in accordance with AS-20 (Earnings Per Share). Basic earnings per equity share has been computed by dividing net profit or loss by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity share, has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

**o. Inter Corporate Loans**

The Company follows the KYC norms before providing inter- corporate loans. The Company also covers reasonable securities against loan before / at the time of providing loans. Loans are segregated into secured and unsecured depending upon the securities taken against the loan.

**p. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**q. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and bank deposits with more than 12 months maturity. Investment towards margin money and security deposit and other commitments are also grouped under cash and cash equivalents.

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 2

#### Share capital

Share Capital	2012-13		2011-12	
	Number	Amount Rs.	Number	Amount Rs.
<b>a) Authorised</b>				
150000 - 15% Non Cumulative Redeemable Preference Shares of Rs. 100/- each	150,000	15,000,000	150,000	15,000,000
75000000 Equity Shares of Re.1/- each	75,000,000	75,000,000	75,000,000	75,000,000
		90,000,000		90,000,000
<b>b) Issued</b>				
14502400 Equity Shares of Re. 1/- each	14,502,400	14,502,400	14,502,400	14,502,400
<b>c) Subscribed &amp; Paid up</b>				
14502400 Equity Shares of Re. 1/- each	14,502,400	14,502,400	14,502,400	14,502,400
<b>Total</b>	<b>14,502,400</b>	<b>14,502,400</b>	<b>14,502,400</b>	<b>14,502,400</b>

#### d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2012-13		2011-12	
	Number	Amount(Rs.)	Number	Amount(Rs.)
Shares outstanding at the beginning of the year	14,502,400	145,024,000	14,502,400	145,024,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,502,400	145,024,000	14,502,400	145,024,000

#### Terms/rights attached to equity shares:

The company has only one class of equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share. No dividend proposed by the Board of Directors for the year ended 31st March, 2013. In the event of liquidation of the company, the holders of equity shares will 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

#### e) Shares in the company held by each shareholder holding more than 5 percent shares-

Name of Shareholder	2012-13		2011-12	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Refrigeration Industries Ltd.	2250000	15.515	4050000	27.926
Likhami Trading & Mfg. Co. Ltd.	3324000	22.920	3324000	22.920
Nouveau Metal Industries Ltd.	1177500	8.119	1177500	8.119
Rashmi Properties & Investments Ltd.	3107000	21.424	1307000	9.012

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 3

#### Reserves and surplus

Particulars	2012-13	2011-12
<b>a. Capital Reserves- Restructuring of Debt.</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
Opening Balance	132,995,444	132,995,444
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>132,995,444</b>	<b>132,995,444</b>
<b>b. Capital Redemption Reserve</b>		
Opening Balance	13,300,000	13,300,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>13,300,000</b>	<b>13,300,000</b>
<b>c. Other Reserves (Capital Reserve on Forfeiture of Shares )</b>		
Opening Balance	91,000	91,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>91,000</b>	<b>91,000</b>
<b>d. Surplus</b>		
Opening balance	(5,069,495)	(32,691,183)
(+) Net Profit/(Net Loss) For the current year	10,834,957	27,621,688
(+) Transfer from Reserves	-	-
(-) Transfer to Reserves	-	-
Closing Balance	<b>5,765,462</b>	<b>(5,069,495)</b>
<b>Total</b>	<b>152,151,906</b>	<b>141,316,949</b>

### Note 4

#### Short Term Borrowings

Particulars	2012-13	2011-12
<b>Unsecured</b>		
(a) Loans and advances from related parties	90,246	-
	90,246	-
In case of continuing default as on the balance sheet		
1. Period of default	-	-
2. Amount	-	-
<b>Total</b>	<b>90,246</b>	<b>-</b>

### Note 5

#### Other Current Liabilities

Particulars	2012-13	2011-12
<b>Other payables</b>		
TDS Payable	67,246	195,741
Service Tax Payable	111,014	-
Liability for Expenses	310,244	-
Other liabilities	244,876	52,749,208
<b>Total</b>	<b>733,380</b>	<b>52,944,949</b>

### Note 6

#### Short Term Provisions

Particulars	2012-13	2011-12
<b>(a) Provision for employee benefits</b>		
Gratuity (Funded)	489,713	535,751
<b>(b) Others</b>		
Provisions for Taxation (Net of advance Tax and TDS of Rs. 2463501/-)	138,352	-
<b>Total</b>	<b>628,065</b>	<b>535,751</b>



# CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

## Note 7

(Figs. in Rs.)

Fixed Assets	Gross Block		Accumulated Depreciation		Net Block	
	Balance as at 1 April 2012	Additions/ (Disposals)	Balance as at 1 April 2012	Depreciation charge for the year	Balance as at 1 April 2012	Balance as at 31 March 2013
<b>a Tangible Assets</b>						
Land	2,263,097	-	-	-	2,263,097	2,263,097
Assets under lease	44,900	-	-	-	44,900	44,900
Buildings	8,720,963	-	2,568,862	291,280	6,152,101	5,860,821
Non Factory building	1,541,813	-	131,182	25,131	1,410,631	1,385,500
Plant and Equipment	23,232,817	-	18,183,902	2,399,241	5,048,915	2,649,674
Furniture and Fixtures	623,669	127,971	298,969	59,468	324,700	393,203
Electrical Installation	2,675,239	-	1,101,002	127,074	1,574,237	1,447,163
Vehicles	2,934,916	-	1,241,224	278,817	1,693,692	1,414,875
Office equipment	998,290	100,000	274,129	47,420	724,161	776,741
Computer	1,340,311	77,440	924,001	223,764	416,310	269,986
<b>Total</b>	<b>44,376,015</b>	<b>305,411</b>	<b>24,723,271</b>	<b>3,452,195</b>	<b>19,652,744</b>	<b>16,505,960</b>

(30)

## Note 8

### Non-current investments

Particulars	2012-13	2011-12
<b>A Non-Trade Investments (Refer A below)</b>	Rs.	Rs.
(a) Investment in Equity instruments	674,038	699,231
(b) Investments in Government or Trust securities	5,000	5,000
Total (A)	679,038	704,231
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>679,038</b>	<b>704,231</b>

Particulars	2011-13	2011-12
Aggregate amount of quoted investments	3538	28731
(Market value of Rs.3370/- (Previous Year Rs 37160/-)	675500	675500
Aggregate amount of unquoted investments		

### A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity /	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in Rs.)		Whether stated at Cost' Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation"
			2012-13	2011-12			2012-13	2011-12	2012-13	2011-12		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment in Equity Instruments											
	Himalaya Granite Ltd	N.A.	100	100	Quoted	Fully Paid	-	-	3538	3538	Yes	-
	Bharat Gear Ltd.	N.A.	-	500	Quoted	Fully Paid	-	-	25193	25193	Yes	-
	Kingstone Krystals Ltd.	Subsidiary	66800	66,800	Unquoted	Fully Paid	98.96	98.96	670500	670500	Yes	-
									674,038	699231		
(b)	Investments in Government or Trust securities											
	NSC VIII Issue	-	-	-	-	-	-	-	5000	5000	Yes	-
	<b>Total</b>								<b>679,038</b>	<b>704,231</b>		

(31)

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 9

#### Long Term Loans and Advances

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Security Deposits				
Unsecured, considered good	1,228,636		2,018,275	
	1,228,636		2,018,275	
b. Other loans and advances (specify nature)				
Unsecured, considered good				
Loans	52,250,000		76,526,776	
Advances to Govt. Authorities	2,120,712		2,659,553	
Advances to others	354,378		197,361	
	54,725,090		79,383,690	
<b>Total</b>	<b>55,953,726</b>		<b>81,401,965</b>	

### Note 10

#### Current Investments

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Investment in Equity instruments	-		-	
(a) Investments in preference shares	-		-	
(b) Investments in Debentures or Bonds	-		-	
(c) Investments in Mutual Funds - (14483.776 units - fully paid-up, quoted)	2,502,818		-	
(d) Other non-current investments	-		-	
Total	2,502,818		-	
Less : Provision for dimunition in the value of Investments	-		-	
<b>Total</b>	<b>2,502,818</b>		<b>-</b>	

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Aggregate amount of quoted investments (Market value of `25,20,129/- (Previous Year `NIL)	2,502,818		-	
Aggregate amount of unquoted investments (Previous Year ` )	-		-	

### Note 11

#### Inventories

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Raw Materials and components (Valued at Cost)	8,206,860		8,206,859	
		8,206,860		8,206,859
b. Finished goods (Valued at Cost or net realisable value, whichever is low)	44,459,735		48,484,494	
		44,459,735		48,484,494
c. Stores and spares (Valued at Cost)	3,357,780		4,967,936	
		3,357,780		1,967,936
<b>Total</b>		<b>56,024,375</b>		<b>61,659,289</b>

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 12

#### Trade Receivables

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a) Aggregate of Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	-		2,639,505	
	-		2,639,505	
b) Trade Receivable outstanding for a period not exceeding six months from the due of payment	6,883,125		1,861,378	
	6,883,125		1,861,378	
c) Debts due by related parties				
Unsecured, considered good	31,404		11,507	
	31,404		11,507	
<b>Total</b>	<b>6,914,529</b>		<b>4,512,390</b>	

#### Trade Receivable stated above include debts due by:

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Directors and their relatives *	28,978		6,438	
Other officers of the Company *	2,426		5,069	
	<b>31,404</b>		<b>11,507</b>	

\*Either severally or jointly

### Note 13

#### Cash and cash equivalents

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Balances with banks		7,300,186		20,332,350
This includes:				
Margin money	-		-	
Other commitments	6,400		6,400	
Bank deposits with more than 12 months maturity	215,612		196,098	
b. Cash on hand		465,247		209,404
		<b>7,765,433</b>		<b>20,541,754</b>

### Note 14

#### Short-term loans and advances

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Loans and advances to related parties "Unsecured, considered good	-		18,336,748	
	-			18,336,748
b. Others (specify nature) Unsecured, considered good -				
Loans	27,372,090		-	
Advance Against Purchase	7,500		1,382,229	
Prepaid Expenses	88,556		77,473	
Advance Tax and TDS	-		3,814,351	
Advance Against Expenses	16,468		221,662	
		27,484,614		5,495,715
		<b>27,484,614</b>		<b>23,832,463</b>

**CEETA INDUSTRIES LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

**Note 15****Other Current Assets**

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Interest accrued on Investments	18,559		18,559	
Other receivables	15,000		-	
		<b>33,559</b>		<b>18,559</b>

**Note 16****Revenue from operations**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
Sale of products	6,207,358	9,367,996
Sale of services	7,200,000	6,000,000
Other operating revenues	58,287,966	15,213,430
<b>Total</b>	<b>71,695,324</b>	<b>30,581,426</b>

**Note 17****Other income**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
a) Interest Income (in case of a company other than a finance company)	19,499,073	16,012,049
b) Net gain/loss on sale of investments	382,721	21,290,168
c) Other non-operating income (net of expenses directly attributable to such income)	357,988	18,027,040
d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	86,645	-
<b>Total</b>	<b>20,326,427</b>	<b>55,329,257</b>

**Note 18****Cost of materials consumed**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount
Opening Stock	8,206,860	8,616,072
Add: Purchase	-	1,782,804
less: Closing Stock	8,206,860	8,206,859
<b>Total</b>	<b>-</b>	<b>2,192,017</b>

**CEETA INDUSTRIES LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

**Note 19****Purchase of Stock-in - Trade**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount
Opening Stock	-	-
Add: Purchase	2,181,983	-
Less: Closing Stock	-	-
<b>Total</b>	<b>2,181,983</b>	<b>-</b>

**Note 20****Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount
<b>Opening Stock :</b>		
Finished Goods	48,484,494	47,911,831
	48,484,494	47,911,831
<b>Closing Stock :</b>		
Finished Goods	44,459,735	48,484,494
	44,459,735	48,484,494
<b>Net Decrease / (increase ) in Finished Goods</b>	<b>4,024,759</b>	<b>(572,663)</b>

**Note 21****Employee Benefits Expense**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount(Rs)
(a) Salaries and incentives	4,280,444	6,542,906
(b) Contributions to Provident fund	240,828	247,941
(c) Social security and other benefit plans for overseas employees	128,030	45,554
(d) Staff welfare expenses	372,604	384,469
<b>Total</b>	<b>5,021,906</b>	<b>7,220,870</b>

**Note 22****Finance costs**

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
Interest expense	5,272,167	19,672,494
<b>Total</b>	<b>5,272,167</b>	<b>19,672,494</b>

## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 23

#### Other expenses

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
Consumption of stores and spare parts.	1,596,493	1,777,928
Consumption of Packing Materials	-	75,358
Other Manufacturing Expenses	363,030	674,448
Power and fuel.	628,279	1,670,197
Packing & Forwarding Charges	183,516	346,925
Electricity Charges	557,107	284,561
Rent.	1,566,426	1,013,400
Repairs and Maintenance - Office & others	724,200	560,316
Repairs to machinery - Factory	471,559	456,332
Insurance .	125,758	135,538
Rates and taxes, excluding, taxes on income.	74,113	173,138
Travelling and Conveyance Expenses	2,681,051	2,277,821
Vehicle Running and Maintenance Expenses	612,969	498,657
Printing & Stationary	257,392	252,147
Communication Charges(Postage & Telephone)	759,064	754,313
Legal & Professional Charges	574,686	1,979,808
Managerial Remuneration	795,877	780,086
Service Charges	126,000	-
Security Charges	712,995	870,986
Business Promotion Expenses	-	40,472
Vehicle Hire Charges	288,178	273,404
Miscellaneous Expenditure	384,403	646,169
Net loss on foreign currency translation and transaction (other than considered as finance cost)	-	390,802
Payments to the auditor as		
a. auditor	40,000	40,000
b. for taxation matters	11,000	11,000
c. for reimbursement of expenses/ Service Tax	6,304	5,253
Sundry Balance written off	929,632	-
Prior Period Items	17,157	-
<b>Total</b>	<b>14,487,189</b>	<b>15,989,059</b>

### Note 24

#### Earning Per Share

Particulars	31.03.2013	31.03.2012
	Amount (Rs.)	Amount (Rs.)
Profit After Tax	10,834,957	27,621,688
No of Equity Shares	14,502,400	14,502,400
Basic and diluted earning per equity share	0.75	1.90

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## CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

### Note 25

#### a) Contingent liabilities and commitments (to the extent not provided for)

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt (Sales Tax Demand under dispute Rs. 20,49,049/- under Orissa Sales Tax Tribunal, Cuttack, and Rs. 791025/- as Rajasthan State Tax and Rs. 2496/- as Central Sales Tax is pending under appeal before Rajasthan Tax Board, Ajmer. )	2,842,570	2,842,570
(b) Other money for which the company is contingently liable (Bank Guarantees in favour of Customs Department issued by bank on our behalf valied upto March, 2014)	170,700	170,700
	<b>3,013,270</b>	<b>3,013,270</b>
<b>(ii) Commitments</b>		
	-	-
	<b>3,013,270</b>	<b>3,013,270</b>
b) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.		

### Note 26

#### Segment Reporting

The Company has the two segments - Granite Division and Other Operations.  
Summary of operating segments of the Company area:-

	Rs.in lac)		
	Granite	Other Operations	Total
Segmental Revenue:	62.07	858.91	<b>920.98</b>
<b>TOTAL REVENUE</b>	<b>62.07</b>	<b>858.91</b>	<b>920.98</b>
Segment Result :	(148.94)	135.31	<b>(13.63)</b>
(before interest and tax)			
Unallocated Corporate Expenses net of unallocable income	-	-	<b>5.72</b>
Operating Profit/(Loss)	-	-	<b>(7.91)</b>
Interest Income	2.24	192.75	194.99
Interest Expenses	0.51	52.21	52.72
<b>Net Profit / (Loss) before Tax</b>	<b>-</b>	<b>-</b>	<b>134.36</b>
<b>OTHER INFORMATION</b>			
CAPITAL EMPLOYED			
Net Segment Assets	<b>1589.31</b>	<b>81.77</b>	<b>1671.08</b>
Unallocated Assets / (Liabilities)	-	-	<b>92.19</b>
Net Capital Employed	-	-	<b>1763.27</b>
Capital Expenditure	1.50	1.55	3.05
Depreciation	32.67	1.85	34.52

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**CEETA INDUSTRIES LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.....)

**Note 27**

Foreign Exchange earning / Outgo	31/03/2013 (Rs. In lakhs)	31/03/2012 (Rs. In Lakhs)
a) Expenditure in foreign currency		
Traveling	NIL	NIL
Advertisement	NIL	NIL
Imported Consumables	NIL	1.31
b) FOB Value of exports/earnings in foreign currency	33.35	47.83
Other earnings in Foreign Currency	NIL	NIL
c) Value of imports on CIF basis		
Components & spare parts	NIL	1.31

**Note 28****Related Party Transactions**

As per AS 18 issued by The Institute of Chartered Accountants of India, the related party transactions are as follows:

**List of related Parties:****Key Management Personnel:**

Sri K.M. Poddar  
Sri Arabinda De  
Sri S.K. Chhawchharia  
Sri S.L. Singhania  
Sri O.P. Kedia  
Sri Vaibhav Poddar  
Sri Anubhav Poddar

**Associate Persons:**

Ceeta Synthetics & Turfs Ltd.  
Rashmi Properties & Investments Ltd.  
Coronation Refrigeration Industries Ltd.  
Tetron Commercial Limited  
Likhmi Trading & Mfg. Co. Ltd.  
Nouveau Metal Industries Ltd.  
Uma Poddar

Name of the Related Parties	Nature of Transactions
Sri K.M. Poddar	Paid Remuneration Rs. 6,00,000/-, Employers contribution to Provident Fund Rs.72000/- and other perquisites Rs.2,28,277/-
Sri Arabinda De	Paid Director Sitting Fee Rs.6,000/-
Sri S.K. Chhawchharia	Paid Director Sitting Fee Rs.6,000/-
Sri S.L. Singhania	Paid Director Sitting Fee Rs.7,000/-
Sri Vaibhav Poddar	Paid Remuneration Rs.4,73,000/-, Employers contribution to Provident Fund Rs.33000/- and other perquisites Rs.32,251/-
Sri Anubhav Poddar	Paid Remuneration Rs.7,20,000/-, Employers contribution to Provident Fund Rs.9,360/-
Uma Poddar	The Company incurred expenses Rs.31,621/- on her behalf during the year. Closing balance as on 31-03-2013 was Rs.28,978/-

Ceeta Synthetics & Turfs Ltd. (CSTL) The balance receivable from CSTL as on 01-04-12 was Rs.1,30,14,459/- Total interest due for the year was

**CEETA INDUSTRIES LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Rs.12,20,844/- The company received Rs.1,41,13,219/- as refund of loan after TDS. Further, the company taken loan of Rs.7000000/- from CSTL during the year and interest due thereon was Rs.66740/-. The company refunded Rs.7060066/- to CSTL after TDS. The Closing Balance as on 31-03-2013 was NIL.

Rashmi Properties & Investments Ltd.(RPIL): The Company given unsecured loan of Rs. 15,00,000 to RPIL and received the entire amount with interest of Rs.16274/- as refund on loan during the year. Closing balance as on 31-03-2013 is NIL. The Company paid Rs.3,00,000/- as rent and Rs. 1,51,002/- as electricity to RPIL.

Coronation Refrigeration Ind. Ltd.(CRIL): The amount receivable from CRIL as on 01-04-12 was Rs.53,22,289/-. The Company given unsecured loan of Rs. 5,00,000 to CRIL and received the entire amount with interest of Rs.50,794/- as refund on loan during the year after TDS. The Company paid rent of Rs.8,40,000/- to CRIL and incurred expenses of Rs.1,23,735/- on his behalf. Closing Balance as on 31-03-2013 was Rs.90,246/-

Tetron Commercial Limited (TCL): The Company given unsecured loan to TCL of Rs.1,75,00,000/- during the year and total interest due was Rs. 20,59,956/-. The Company received entire amount as refund of loan and interest due after deduction of TDS. Closing balance as on 31-03-2013 was NIL.

Likhmi Trading & Mfg. Co. Ltd.(LTML): The Company paid Rs.1,44,000/- as rent and Rs.1,51,308/- as electricity to LTML.

Nouveau Metal Industries Ltd. (NMIL): The Company paid Rs.1,20,000/- as rent and Rs.1,21,977/- as electricity to NMIL for residence of M.D.

Signature of Notes 1 to 28 as per our annexed report of even date.

**For G.K.Tulsyan & Co.**  
**Chartered Accountants**  
**Firm's Registration No. 323246E**

**G. K. Tulsyan**  
**Partner**  
**Membership No.50511**  
4, Gangadhar Babu Lane  
Kolkata – 700012  
Date: 29/05/2013

**On behalf of the board**

**K.M. Poddar**  
Managing Director

**A. De**  
Director

**CEETA INDUSTRIES LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956  
RELATING TO SUBSIDIARY COMPANY :**

Name of the Company	Kingstone Krystals Limited
A. The Financial Year of the Subsidiary Company ended on	31/03/2013
B. Number of Shares in the Subsidiary Company held by Ceeta Industries Ltd. at the above date (equity shares unless stated otherwise) and % of holding.	66,800  98.96
C. The net aggregate of profits (losses) of the subsidiary company for its financial year so far as they concern the members of Ceeta Industries Ltd.	
a) Dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2013	Nil
b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2013.	Rs.2,75,968/-
D. The net aggregate of profits (losses) of the subsidiary company for its Previous financial years so far as they concern the members of Ceeta Industries Limited.	
a) Dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2012	Nil
b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2012	Rs. 14,60,508/-
	<b>On behalf of the Board</b>
	<b>K.M. Poddar</b> <b>Managing Director</b>
	<b>A.De</b> <b>Director</b>

Place: Kolkata  
Date: 29-05- 2013

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**KINGSTONE KRYSTALS LIMITED****DIRECTORS' REPORT**

Your Directors have the pleasure in submitting their Report and Audited Financial Statements for the financial year ended 31st March, 2013.

**FINANCIAL RESULTS:**

	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.
Profit/(Loss) as per Profit & Loss Statement	3,43,486	15,196
Less: Provision for Income Tax	64,618	2,198
Profit / (Loss) after taxation	2,78,868	12,998
Balance brought forward from previous year	14,75,857	14,62,859
Balance carried to next year	<u>17,54,725</u>	<u>14,75,857</u>

**DIVIDEND:**

In order to conserve cash resources, no dividend for the year has been recommended.

**DIRECTORS:**

Sri Shanker Lal Singhania retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company.

**AUDITORS:**

The Auditors, M/s.G.K.Tulsyan &amp; Co., Chartered Accountants retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**PERSONNEL:**

As per the disclosure required under section 217(2A) of the Companies Act, 1956, the Company has no employee drawing remuneration in aggregate of Rs.5,00,000/- or more per month, if employed for the part of the year and Rs.60,00,000/- per annum if employed through out the year.

**DEPOSITS:**

The Company has no outstanding deposits and it neither invited nor accepted any deposit from the public within the meaning of Sec.58A of the Companies Act, 1956 during the year under review.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:**

Since your Company is not carrying any manufacturing activity, the disclosure of the information relating to conservation of energy and technology absorption is not applicable.

There have been no foreign exchange earnings and outgo during the year under review.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- I. in preparation of the Financial Statements for the year ended 31st March, 2013, the applicable Accounting Standard read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there has been no material departure from the same;
- II. the Directors have 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 as at March 31, 2013 and of the Profit of the Company for the year ended on that date;
- III. proper and sufficient care has been taken 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;
- IV. the Financial Statements have been prepared on a going concern basis.

**By order of the Board****A. De**  
**Director****S. L. Singhania**  
**Director**

Place: Kolkata

Dated: the 29st day of May, 2013

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## KINGSTONE KRYSTALS LIMITED

### INDEPENDENT AUDITOR'S REPORT

To the Members of Messrs. Kingstone Krystals Limited.

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Kingstone Krystals Limited**, which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- b) in the case of the statement of Profit and Loss, for the profit of the company for the year ended on that date.

#### Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, 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

## KINGSTONE KRYSTALS LIMITED

- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For G.K. Tulsyan & Company**

**Chartered Accountants,**

**Firm's Registration No. : 323246E**

**U.K. Senapati**

**Partner**

**Membership No.58084**

4, Gangadhar Babu Lane,

Kolkata - 700 012.

Dated : 29th May, 2013.

### Annexure to the Auditors' Report

- (i) The company does not have any fixed assets and as such clause (i)(a) to (i)(c) are not applicable.
- (ii) The company does not have any inventory and as such clause (ii)(a) to (ii)(c) are not applicable.
- (iii) (a) As informed to us and as per books of accounts, the company did not grant any loan to any party mentioned in the register maintained u/s.301 of Companies Act, 1956, hence clause iii(b) (c) & (d) are also not applicable.  
(b) As informed to us and as per books of accounts, the company did not take any unsecured loan from any company, mentioned in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) According to the information and explanations provided by the management, we are of the opinion that there have been no transactions that need to be entered in to the register maintained under Section 301 and hence Clause (v)(b) is also not applicable.
- (vi) The company did not accept any deposit from Public within the meaning of Section 58A and 58AA of the Companies Act, 1956.
- (vii) In our opinion, the company has an internally designed Internal Audit System commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Clause (d) of Sub-Section (i) of Section 209 of the Companies Act, 1956.
- (ix) In respect of Statutory dues :

## KINGSTONE KRYSTALS LIMITED

- (a) According to the records of the company, the company is regular in depositing undisputed statutory dues, and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us there are no undisputed amounts payable in respect of wealth tax, sales tax, custom duty and excise duty etc which are due for more than six months from the date they became payable.
- (b) There are no dues outstanding of sales tax, excise duty and cess on account of any dispute.
- (c) The company has neither accumulated losses nor it incurred any cash losses during the financial year covered by our audit. There was also no cash loss in the immediately preceding financial year.
- (d) Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- (x) According to the information and explanations given to us and based on the documents and records produced to us, the company did not grant loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
- (xi) In our opinion and according to the 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.
- (xii) As informed and explained to us in respect of the company's investment in shares and securities, proper records have been maintained of the transactions and contracts relating to dealing / trading in shares and other investments and timely entries have been made therein. The shares and other investments have been held by the company in its own names.
- (xiii) According to the information and explanation given to us, the company did not provide any guarantee for loans taken by others from bank or financial institution.
- (xiv) There are no term loans outstanding as at the end of the year.
- (xv) We have been informed by the management that no funds have been raised and used and hence Clause (xvii) is not applicable.
- (xvi) The company has not made any preferential allotment of shares to companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xvii) The company did not have any outstanding debenture during the year.
- (xviii) The company did not raise any money through a public issue during the year.
- (xix) Based on information and explanations furnished by the management, which were relied upon by us there were no frauds on or by the company noticed or reported during the year.

**For G.K. Tulsyan & Company**  
Chartered Accountants,  
Firm's Registration No. : 323246E

**U.K. Senapati**  
Partner  
Membership No.58084  
4, Gangadhar Babu Lane  
Kolkata - 700 012  
Dated : 29th May, 2013.

## KINGSTONE KRYSTALS LIMITED

### Balance Sheet as at 31st March 2013

Particulars	Note No.	2012-13 Rs.	2011-12 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	675,000	675,000
(b) Reserves and surplus	3	1,754,725	1,475,857
<b>4 Current liabilities</b>			
(a) Other current liabilities	4	12,427	8,673
(b) Short-term provisions	5	91,891	36,147
<b>TOTAL</b>		<b>2,534,043</b>	<b>2,195,677</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Non-current investments	6	1,620,288	1,620,288
<b>2 Current assets</b>			
(a) Current investments	7	250,000	250,000
(b) Trade Receivables		276,365	-
(c) Cash and cash equivalents	8	344,524	142,349
(d) Short-term loans and advances	9	42,366	34,042
(e) Other current assets	10	500	148,998
<b>TOTAL</b>		<b>2,534,043</b>	<b>2,195,677</b>

Notes to Balance Sheet and Statement of Profit and Loss 1-14

This is the Balance Sheet as per our Report of even date

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**On behalf of the Board**

**A. De**  
Director

**U.K. Senapati**  
Partner  
Membership No. 58084  
4, Gangadhar Babu Lane  
Kolkata- 700012  
Dated: 29-05-2013

**S.L. Singhania**  
Director



**KINGSTONE KRYSTALS LIMITED****Profit and Loss Statement for the year ended 31st March 2013**

Particulars	Note No.	2012-13	2011-12
		Rs.	Rs.
I. Revenue from operations		-	-
II. Other income	11	377246	52085
<b>III. Total Revenue (I + II)</b>		<b>377246</b>	<b>52,085</b>
IV. Expenses:			
Other expenses	12	33760	36889
Total expenses		<b>33760</b>	<b>36,889</b>
<b>V. Profit before tax (III- IV)</b>		<b>343486</b>	<b>15,196</b>
VI Tax expense:			
Current tax		64618	2,198
<b>VII Profit (Loss) for the period (V - VI)</b>		<b>278868</b>	<b>12,998</b>
<b>VIII Earnings per equity share:</b>	13		
(1) Basic		4.13	0.19
(2) Diluted		4.13	0.19
Notes to Balance Sheet and Statement of Profit and Loss 1-14			

This is the Profit and Loss statement as per our Report of even date

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**On behalf of the Board**

**U.K. Senapati**  
Partner  
Membership No. 58084  
4, Gangadhar Babu Lane  
Kolkata- 700012

**A. De**  
Director

**S.L. Singhania**  
Director

Dated: 29-05-2013

**KINGSTONE KRYSTALS LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**NOTE 1****SIGNIFICANT ACCOUNTING POLICIES****a. Corporate information**

Kingstone Krystals Limited is a domestic public limited company incorporated under the provisions of the Indian Companies Act, 1956. It is a subsidiary of Ceeta Industries Limited and 98.96% shares are held by its holding company.

**b. Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**c. Change in accounting policy**

Presentation and disclosure of financial statements

The revised Schedule VI notified under the Companies Act 1956, is applicable to the company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**d. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**e. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Long-term investments and Current investments in the financial statements are carried at cost. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited under the head "capital gain" in the statement of profit and loss.

**f. Revenue recognition**

## KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

Interest:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### g. Income tax

In pursuance of accounting Standard-22 (accounting for taxes on income) issued by the Institute of Chartered Accountants of India, current tax is determined on the basis of the income for the year under Income Tax Act. No provision for deferred tax liability made in the Profit and Loss Statement as there is no time difference persisting in the account.

### h. Earnings Per Share

The company reports basic and diluted earnings per equity share in accordance with AS-20 (Earnings Per Share). Basic earnings per equity share has been computed by dividing net profit or loss by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity share, has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

### i. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability.

### j. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and bank deposits with more than 12 months maturity. Investment towards margin money and security deposit and other commitments are also grouped under cash and cash equivalents.

#### Note 2

##### Share capital

Share Capital	2012-13		2011-12	
	Number	Amount Rs.	Number	Amount Rs.
<b>a) Authorised</b> Equity Shares of Rs.10 each	250,000	2,500,000	250,000	2,500,000
<b>b) Issued</b> Equity Shares of Rs. 10 each	67,500	675,000	67,500	675,000
<b>c) Subscribed &amp; Paid up</b> Equity Shares of Rs.10 each fully paid in cash	67,500	675,000	67,500	675,000
<b>Total</b>	<b>67,500</b>	<b>675,000</b>	<b>67,500</b>	<b>675,000</b>

## KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### d) Terms/rights attached to equity shares:

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

No dividend proposed by the Board of Directors for the year ended 31st March, 2013

In the event of liquidation of the company, the holders of equity shares will 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

### e) Equity Shares held by holding Company

Name of Shareholder	2012-13		2011-12	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
Ceeta Industries Limited (Holding Company)	66800	668,000	66800	668,000

### f) Shares in the company held by each shareholder holding more than 5 percent shares

Particulars	2012-13		2011-12	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ceeta Industries Limited	66800	98.96	66800	98.96

### g) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2012-13		2011-12	
	Number	Amount(Rs.)	Number	Amount(Rs.)
Shares outstanding at the beginning of the year	67,500	675,000	67,500	675,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	67,500	675,000	67,500	675,000

#### Note 3

##### Reserves and surplus

	2012-13	2011-12
a. Surplus		
Opening balance	1,475,857	1,462,859
(+) Net Profit/(Net Loss) For the current year	278,868	12,998
(+) Transfer from Reserves	-	-
(-) Transfer to Reserves	-	-
Closing Balance	1,754,725	1,475,857
Total	1,754,725	1,475,857

#### Note 4

##### Other Current Liabilities

	2012-13	2011-12
(a) Other Payables: Liabilities for Expenses	12,427	8,673
	12,427	8,673

#### Note 5

##### Short Term Provisions

	2012-13	2011-12
(a) Provision for employee benefits	-	-
(b) Others (Specify nature)		
Provisions for Taxation	91,891	36,147
Total	91,891	36,147

# KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	2012-13	2011-12
Aggregate amount of quoted investments (Market value of Rs.860828/- (Previous Year Rs 791718/-)	1,169,513	1,169,513
Aggregate amount of unquoted investments	450,775	450,775

Particulars	2012-13	2011-12
(a) Investment Properties	-	-
(b) Investment in Equity Instruments	1,620,288	1,620,288
<b>Total</b>	<b>1,620,288</b>	<b>1,620,288</b>
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>1,620,288</b>	<b>1,620,288</b>

## A. Details of Non - Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity /	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in Rs.)	"Whether stated at Cost" Yes / No	If Answer to Column (12) is "No" - Basis of Valuation"	
			2012-13	2011-12			2012-13	2011-12				2012-13
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
	Ceeta Synthetics & Turfs Ltd.	Controlled	555000	555000	Unquoted	Fully Paid	18.50	18.50	350525	350525	Yes	N.A.
	Impact Stoneworks Pvt. Ltd.	Controlled	10000	10000	Unquoted	Fully Paid	25.00	25.00	100250	100250	Yes	N.A.
	Gujrat NRE Coke Ltd.	N.A.	462	462	Quoted	Fully Paid	-	-	47360	47360	Yes	N.A.
	Karnataka Bank Ltd.	N.A.	1500	1500	Quoted	Fully Paid	-	-	192858	192858	Yes	N.A.
	Reliance Industries Limited	N.A.	850	850	Quoted	Fully Paid	-	-	929295	929295	Yes	N.A.
	<b>Total</b>								<b>1,620,288</b>	<b>1,620,288</b>		

(50)

# KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	2012-13	2011-12
Aggregate amount of quoted investments (Market value of Rs.2,86,123/-)	250,000	250,000

## Note 7

### Current Investments

Sl.No.	Particulars	2012-13	2011-12
(a)	Investments in Mutual Funds	250,000	250,000
	Less : Provision for diminution in the value of Investments	-	-
	<b>Total</b>	<b>250,000</b>	<b>250,000</b>

Sl.No.	Particulars	2012-13	2011-12
(l)	Aggregate amount of quoted investments (Market Value Rs.2,86,123/-)	250,000	250,000

(51)

## Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity /Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (in Rs.)	Basis of Valuation
			2012-13	2011-12				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	Investments in Mutual Funds							
	ICICI Prudential Liquid Plan- Growth	Others	1033,908	1033,908	Quoted	N.A.	250000	250000
	<b>Total</b>						<b>250,000</b>	<b>250,000</b>

Cost Price

**KINGSTONE KRYSTALS LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**Note 8****Cash and cash equivalents**

	2012-13		2011-12	
a. Balances with banks		291,129		89,676
This includes:				
Margin money	-		-	
Security against borrowings	-		-	
Guarantees	-		-	
Other Commitments	-		-	
Bank deposits with more than 12 months maturity	-		-	
b. Cheques, drafts on hand		-		-
c. Cash on hand		53,395		52,673
d. Others (specify nature)		-		-
		<b>344,524</b>		<b>142,349</b>

**Note 9****Short-term loans and advances**

	2012-13		2011-12	
a. Loans and advances to related parties	-		-	
		-		-
b. Others (specify nature)				
Unsecured, considered good				
Advance Tax & Self Asst. Tax	42,366		34,042	
		42,366		34,042
		<b>42,366</b>		<b>34,042</b>

**Note 10****Other Current Assets**

Particulars	2012-13	2011-12
Incorporates current assets that do not fit into any other asset	500	148,998
	500	148,998

**Note 11****Other income**

Particulars	2012-13	2011-12
a) Interest Income (in case of a company other than a finance company)	-	424
b) (i) Dividend from Subsidiary Companies	-	-
(ii) Dividend Income	12,475	11,762
c) Net gain/loss on sale of investments	265,337	-
d) Other non-operating income (net of expenses directly attributable to such income)	99,434	39,899
<b>Total</b>	<b>377,246</b>	<b>52,085</b>

**KINGSTONE KRYSTALS LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**Note 12****Other expenses**

Particulars	2012-13	2011-12
	Rs.	Rs.
Rent	12,000	12,000
Bank Charges	339	56
Filing Fee	1,000	1,060
Demat Charges	400	400
Rates and taxes, excluding, taxes on income.	6,750	6,750
Legal & Professional Charges	4,000	3,000
Miscellaneous Expenditure	654	550
Printing & Stationery	-	300
Payments to the auditor as		
a. auditor	5,000	5,000
b. for taxation matters	1,000	1,000
c. for company law matters	1,500	1,500
d. for reimbursement of expenses/Service Tax	927	773
Director Sitting fee	-	4,500
Income Tax for earlier year	190	-
<b>Total</b>	<b>33,760</b>	<b>36,889</b>

**Note 13****Earning Per Share**

	31.03.2013	31.03.2012
Profit After Tax (in Rs.)	278,868	12,998
No of Equity Shares	67,500	67,500
Basic and diluted earning per equity share	4.13	0.19

**Note 14****Related Party Transactions**

As per AS 18 issued by The Institute of Chartered Accountants of India, the related party transactions are as follows:

**List of related Parties:**

Key Management Personnel:

Sri Arabinda De  
Sri S.L. Singhanian  
Sri Anubhav Poddar

**Associate Persons:**

Likhami Trading & Mfg. Co. Ltd.

**Name of the Company****Nature of Transactions**

Likhami Trading & Mfg. Co. Ltd.(LTML) The Company paid Rs.12,000/- as rent to LTML.

Signature of Notes 1 to 14 as per our annexed report of even date.

**For G.K. Tulsyan & Company**

**On behalf of the Board**

**Chartered Accountants**

**Firm's Registration No. 323246E**

**U.K. Senapati**

**Partner**

**Membership No. 58084**

4, Gangadhar Babu Lane

Kolkata- 700012

Dated: 29-05-2013

**A. De**  
**Director**

**S.L. Singhanian**  
**Director**

## CEETA INDUSTRIES LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CEETA INDUSTRIES LTD.

#### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of CEETA INDUSTRIES LTD. which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash flow Statement the year ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statement

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated 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:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- b) in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date.
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No.-323246E

**G.K. Tulsyan**  
Partner  
Membership No.50511  
4, Gangadhar Babu Lane  
Kolkata - 700 012  
Dated :29/05/2013

## CEETA INDUSTRIES LIMITED

### Consolidated Balance Sheet as at 31st March 2013

Particulars	Note No.	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	14,502,400	14,502,400
(b) Reserves and surplus	3	153,888,433	142,777,500
<b>2 Minority Interest</b>			
		25,198	22,306
<b>3 Current liabilities</b>			
(a) Short-term borrowings	4	90,246	-
(b) Trade payables		5,758,055	3,023,346
(c) Other current liabilities	5	745,807	52,953,622
(d) Short-term provisions	6	677,590	571,898
<b>TOTAL</b>		<b>175,687,729</b>	<b>213,851,072</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		16,505,960	19,652,744
(ii) Intangible assets		2,500	2,500
(iii) Capital work-in-progress		-	-
(b) Non-current investments	8	1,628,826	1,654,019
(c) Long-term loans and advances	9	55,953,726	81,401,965
(d) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current investments	10	2,752,818	250,000
(b) Inventories	11	56,024,375	61,659,289
(c) Trade Receivables	12	7,190,894	4,512,390
(d) Cash and cash equivalents	13	8,109,957	20,684,103
(e) Short-term loans and advances	14	27,484,614	23,866,505
(f) Other current assets	15	34,059	167,557
<b>TOTAL</b>		<b>175,687,729</b>	<b>213,851,072</b>
Notes to Balance Sheet and Statement of Profit and Loss		1-28	

This is the Balance Sheet as per our Report of even date

**For G.K. Tulsyan & Company**  
Chartered Accountants  
Firm's Registration No. 323246E

**On behalf of the Board**

**K.M. Poddar**  
Managing Director

**G.K. Tulsyan**  
Partner  
Membership No. 50511  
4, Gangadhar Babu Lane  
Kolkata-700012  
Dated: 29-05-2013

**A.De**  
Director

## CEETA INDUSTRIES LIMITED

### Consolidated Statement of Profit and Loss for the year ended 31st March 2013

	Particulars	Note No	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
I.	Revenue from operations	16	71,695,324	30,581,426
II.	Other income	17	20,703,673	55,381,342
III.	<b>Total Revenue (I + II)</b>		<b>92,398,997</b>	<b>85,962,768</b>
IV.	Expenses:			
	Cost of materials consumed	18	-	2,192,017
	Purchase of Stock-in Trade	19	2,181,983	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	4,024,759	(572,663)
	Other Operating Expenses		44,144,742	10,382,197
	Employee benefits expense	21	5,021,906	7,220,870
	Finance costs	22	5,272,167	19,672,494
	Depreciation and amortization expense		3,452,195	3,405,021
	Other expenses	23	14,520,949	16,025,948
	<b>Total expenses</b>		<b>78,618,701</b>	<b>58,325,884</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)		13,780,296	27,636,884
VI.	Exceptional / Extraordinary items		-	-
VII.	Profit before tax (VII- VIII)		<b>13,780,296</b>	<b>27,636,884</b>
VIII.	Provision for Taxation		<b>2,666,471</b>	<b>2,198</b>
IX.	Profit/ (Loss) for the Period		<b>11,113,825</b>	<b>27,634,686</b>
X.	Earnings per equity share:	24		
	(1) Basic		0.77	1.91
	(2) Diluted		0.77	1.91

Notes to Balance Sheet and Statement of Profit and Loss 1-28

This is the Profit and Loss Statement as per our Report of even date

For G.K. Tulsyan & Company

On behalf of the Board

Chartered Accountants

Firm's Registration No. 323246E

K.M. Poddar  
Managing Director

G.K. Tulsyan

Partner

Membership No. 50511

4, Gangadhar Babu Lane

Kolkata- 700012

Dated: 29-05-2013

A. De  
Director

## CEETA INDUSTRIES LIMITED

### Consolidated Cash Flow Statement for the year ended 31st March, 2013

	Particulars	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>	Rs.	Rs.
	Net profit before interest, tax and extraordinary items	19,052,463	47,309,379
	Adjustment for:		
	Income from Investment	(648,058)	(21,290,168)
	Depreciation	3,452,195	3,405,021
	Interest received	(19,499,073)	(16,012,473)
	Dividend	(12,475)	(11,762)
	Operating profit before working capital charges	2,345,052	13,399,997
	Adjustments for Increase/ decrease in :		
	Trade and Other receivables	(2,678,504)	4624939
	Inventories	5,634,914	(136,931)
	Trade Payables	2,734,709	1,224,091
	Other Current Liabilities & Provisions	(53,073,304)	(5,440,533)
	Long Term Loans & Advances	25,448,239	18,859,478
	Short Term Loans & Advances	(3,618,109)	(17,618,608)
	Other Current Assets	133,498	-
	Cash Generated from Operation	(23,073,505)	14,912,433
	Direct Tax Paid	1,695,290	(7,168)
	Cash Flow before extraordinary items	(24,768,795)	14,905,265
	Extraordinary items	-	-
	Net cash flow from operating activities(A)	<b>(24,768,795)</b>	<b>14,905,265</b>
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets including Capital W.I.P.	(305,411)	(1,133,935)
	Purchase of Investment	(54,310,128)	(15,075,194)
	Sale of fixed assets	-	19,024,225
	Sale of Investment	52,480,561	41,693,472
	Interest Received	19,499,073	16,012,473
	Dividend Received	12,475	11,762
	Net cash used in investing activities (B)	<b>17,376,570</b>	<b>60,532,803</b>
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Interest Paid	(5,272,167)	(19,672,494)
	Proceeds from long term borrowings	90,246	(37,882,201)
	Net Cash Flow from Financing Activities(c)	<b>(5,181,921)</b>	<b>(57,554,695)</b>
	Net Increase in cash and Cash equivalent(A+B+C)	(12,574,146)	17,883,373
	Cash and Cash equivalent as at beginning of the year	20,684,103	2,800,730
	<b>Cash and Cash equivalent as at end of the year</b>	<b>8,109,957</b>	<b>20,684,103</b>

Note: - Figures in brackets represent cash outflows

For G.K. Tulsyan & Company

On behalf of the Board

Chartered Accountants

Firm's Registration No. 323246E

K.M. Poddar  
Managing Director

G.K. Tulsyan

Partner

Membership No. 50511

4, Gangadhar Babu Lane

Kolkata- 700012

Dated: 29-05-2013

A. De  
Director

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### NOTE 1

#### PRINCIPLES OF CONSOLIDATION FINANCIAL STATEMENTS:

The consolidated financial statements which relate to Ceeta Industries Limited and its Subsidiary company, have been prepared on the following basis:

- I. The financial statements of the Parent Company and its subsidiary are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/loss included therein.
- II. The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements.
- III. The difference between the cost of investment in the subsidiary and the share of net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- IV. Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- V. Minority Interest's share of net assets of consolidated subsidiary is identified and presented to the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- VI. The subsidiary Company considered in the financial statements is as follows:

Name	Country of Incorporation	% Voting power as on 31/03/13
Kingstone Krystals Ltd.	India	98.96

#### b. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### c. Change in accounting policy

Presentation and disclosure of financial statements

The revised Schedule VI notified under the Companies Act 1956, has become applicable to the company in the previous year for preparation and presentation of its financial statements. There is no change in accounting policy of the company during the current year. However, the company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### d. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

#### e. Tangible fixed assets

Fixed assets of the Parent Company are stated at the book value as on 01/06/2003 and subsequent capital expenditure i.e.; addition to fixed assets are stated at cost prevailing at the date of acquisition. There is no fixed asset in the subsidiary company.

#### f. Depreciation on tangible fixed assets

Depreciation on fixed assets has been provided on straight line method; in case of plant & machinery for granite division the 'triple shift basis' has been taken. The rates and manner for depreciation provision are as per schedule XIV to the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

#### g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments and Long-term investments are carried in the financial statements at cost. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### h. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Finished goods are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross).

Interest:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### j. Foreign currency translation

(i) Sale : Direct exports are undertaken in terms of the currency of the country of export and accounted for at the rate prevailing on the date of shipment. The difference in exchange on the date of realization of debts is taken in revenue. Third party exports are undertaken at rupee value.

(ii) Expenses :The actual expenses in terms of rupees on the date of transaction/ remittance for purchase (import) of goods and expenses are taken into account.

(iii) Capital Goods :No capital goods were acquired out of foreign exchange involvement since 01-06-2003.

(iv) Borrowings: No foreign currency borrowings were made during the current financial year and no outstanding foreign currency borrowings were at the beginning of the year.

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### k. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The retirement benefits of the employees in the form of gratuity is provided on accrual basis taking into account the actuarial valuation. There is no employee in subsidiary company

### l. Income tax

In pursuance of accounting Standard-22 (accounting for taxes on income) issued by the Institute of Chartered Accountants of India, current tax is determined on the basis of the income for the year under Income Tax Act.

Provision for deferred tax made in the Profit and Loss Statement reflects the impact of timing differences between income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

As the company is having deferred tax asset by concept of prudence, no provisions has been made in the books.

### m. Segment reporting

The Company at present has two segments viz. granite division engaged in manufacturing granite products and other operations which comprise trading transactions including brokerage, commission, mining, transportation, purchase / sale of property construction rights, interest income on short term lending and miscellaneous services.

Segment result includes revenue less operating expenses and provision, if any, for that segment. Segment capital employed represents the net assets in particular segments. Head office income and expenses are considered as unallocable corporate expenditure net of unallocable income.

### n. Earnings Per Share

The company reports basic and diluted earnings per equity share in accordance with AS-20 (Earnings Per Share). Basic earnings per equity share has been computed by dividing net profit or loss by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity share, has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

### o. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

### p. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and bank deposits with more than 12 months maturity. Investment towards margin money and security deposit and other commitments are also grouped under cash and cash equivalents.

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### Note 2

#### Share capital

Share Capital	2012-13		2011-12	
	Number	Amount	Number	Amount
<b>a) Authorised</b>				
150000 - 15% Non Cumulative Redeemable Preference Shares of Rs. 100/- each	150,000	15,000,000	150,000	15,000,000
75000000 Equity Shares of Re.1/- each	75,000,000	75,000,000	75,000,000	75,000,000
		90,000,000		90,000,000
<b>b) Issued</b>				
14502400 Equity Shares of Re. 1/- each	14,502,400	14,502,400	14,502,400	14,502,400
<b>c) Subscribed &amp; Paid up</b>				
14502400 Equity Shares of Re. 1/- each	14,502,400	14,502,400	14,502,400	14,502,400
<b>Total</b>	<b>14,502,400</b>	<b>14,502,400</b>	<b>14,502,400</b>	<b>14,502,400</b>

#### d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2012-13		2011-12	
	Number	Amount (Rs)	Number	Amount (Rs)
Shares outstanding at the beginning of the year	14,502,400	145,024,000	14,502,400	145,024,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,502,400	145,024,000	14,502,400	145,024,000

#### Terms/rights attached to equity shares:

The company has only one class of equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share. No dividend proposed by the Board of Directors for the year ended 31st March, 2013. In the event of liquidation of the company, the holders of equity shares will 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

#### e) Shares in the company held by each shareholder holding more than 5 percent shares-

Name of Shareholder	2012-13		2011-12	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Coronation Refrigeration Industries Ltd.	2250000	15.515	4050000	27.926
Likhami Trading & Mfg. Co. Ltd.	3324000	22.920	3324000	22.920
Nouveau Metal Industries Ltd.	1177500	8.119	1177500	8.119
Rashmi Properties & Investments Ltd.	3107000	21.424	1307000	9.012



# CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

## Note 3

### Reserves and surplus

Particulars	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>a. Capital Reserves- Restructuring of Debt.</b>		
Opening Balance	132,995,444	132,995,444
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	132,995,444	132,995,444
<b>b. Capital Redemption Reserve</b>		
Opening Balance	13,300,000	13,300,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	13,300,000	13,300,000
<b>c. Other Reserves (Capital Reserve on Forfeiture of Shares )</b>		
Opening Balance	91,000	91,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	91,000	91,000
<b>d. Surplus</b>		
Opening balance	(3,608,944)	(31,243,495)
(+) Net Profit/(Net Loss) For the current year *	11,110,933	27,634,551
(+) Transfer from Reserves	-	-
(-) Transfer to Reserves	-	-
Closing Balance	7,501,989	(3,608,944)
<b>Total</b>	<b>153,888,433</b>	<b>142,777,500</b>

\* Net Profit taken after reducing minority interest Rs. 2892/- (previous Year Rs. 135/-)

## Note 4

### Short Term Borrowings

Particulars	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>Unsecured</b>		
Loans and advances from related parties	90,246	-
	90,246	-
<b>In case of continuing default as on the balance sheet</b>		
1. Period of default	-	-
2. Amount	-	-
<b>Total</b>	<b>90,246</b>	<b>-</b>

## Note 5

### Other Current Liabilities

Particulars	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>Other payables :</b>		
TDS Payable	67,246	195,741
Service Tax Payable	111,014	-
Liability for Expenses	322,671	-
Other liabilities	244,876	52,757,881
<b>Total</b>	<b>745,807</b>	<b>52,953,622</b>

## Note 6

### Short Term Provisions

Particulars	2012-13 Amount (Rs.)	2011-12 Amount (Rs.)
<b>(a) Provision for employee benefits</b>		
Gratuity (Funded)	489,713	535,751
(b) Others		
Provisions for Taxation (Net of advance Tax and TDS of Rs. 2463501/-)	187,877	36,147
<b>Total</b>	<b>677,590</b>	<b>571,898</b>

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# CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

## Note 7

Fixed Assets	Gross Block		Accumulated Depreciation		Net Block	
	Balance as at 1 April 2012	Additions/ (Disposals)	Balance as at 31 March 2013	On disposals	Balance as at 31 March 2013	Balance as at 1 April 2012
<b>a Tangible Assets</b>						
Land	2,263,097	-	2,263,097	-	2,263,097	2,263,097
Assets under lease	44,900	-	44,900	-	44,900	44,900
Buildings	8,720,963	-	8,720,963	291,280	6,152,101	5,860,821
Non Factory building	1,541,813	-	1,541,813	25,131	1,410,631	1,385,500
Plant and Equipment	23,232,817	-	23,232,817	2,399,241	5,048,915	2,649,674
Furniture and Fixtures	623,669	127,971	751,640	59,468	324,700	393,203
Electrical Installation	2,675,239	-	2,675,239	127,074	1,574,237	1,447,163
Vehicles	2,934,916	-	2,934,916	278,817	1,520,041	1,414,875
Office equipment	998,290	100,000	1,098,290	47,420	724,161	776,741
Computer	1,340,311	77,440	1,417,751	223,764	416,310	269,986
<b>Total</b>	<b>44,376,015</b>	<b>305,411</b>	<b>44,681,426</b>	<b>3,452,195</b>	<b>19,652,744</b>	<b>16,505,960</b>
<b>b Intangible Assets</b>						
Goodwill	2,500	-	2,500	-	2,500	2,500
<b>Total</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>

(Figs. in Rs.)

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# CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

## Note 8

### Non-current investments

Particulars	2012-13		2011-12	
	Rs.	Rs.	Rs.	Rs.
<b>A Non-Trade Investments (Refer A below)</b>				
(a) Investment in Equity Instruments	1,623,826	1,649,019		
(b) Investments in Government or Trust securities	5,000	5,000		
Total (A)	1,628,826	1,654,019		
Less: Provision for diminution in the value of investments	-	-		
<b>Total</b>	<b>1,628,826</b>	<b>1,654,019</b>		

Particulars	2012-13	2011-12
Aggregate amount of quoted investments (Market value of Rs.864198/- (Previous Year `Rs 8,28,878/-)	1,173,051	1,198,244
Aggregate amount of unquoted investments	455,775	455,775

## A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/Controlled Entity /	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount		"Whether stated at Cost" Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation"
			2012-13 (4)	2011-12 (5)			2012-13 (8)	2011-12 (9)	2012-13 (10)	2011-12 (11)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	<b>Investment in Equity Instruments</b>											
	Himalaya Granite Ltd	N.A.	100	100	Quoted	Fully Paid	-	-	3538	3538	Yes	-
	Bharat Gear Ltd.	N.A.	-	500	Quoted	Fully Paid	-	-	-	25193	Yes	-
	Ceeta Synthetics & Turfs Ltd.	Associate	555000	555000	Unquoted	Fully Paid	18.50	18.50	350525	350525	Yes	-
	Impact Stoneworks Pvt. Ltd.	Associate	10000	10000	Unquoted	Fully Paid	25.00	25.00	100250	100250	Yes	-
	Gujrat NRE Coke Ltd.	N.A.	462	462	Quoted	Fully Paid	-	-	47360	47360	Yes	-
	Karnataka Bank Ltd.	N.A.	1500	1500	Quoted	Fully Paid	-	-	192858	192858	Yes	-
	Reliance Industries Ltd.	N.A.	850	850	Quoted	Fully Paid	-	-	929295	929295	Yes	-
(b)	Investments in Government or Trust securities								<b>1,623,826</b>	<b>1,649,019</b>		
	NSC VIII Issue	-	-	-	-	-	-	-	5000	5000	Yes	-
	<b>Total</b>								<b>1,628,826</b>	<b>1,654,019</b>		

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# CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

## Note 9

### Long Term Loans and Advances

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
<b>a. Security Deposits</b>		
Unsecured, considered good	1,228,636	2,018,275
	<b>1,228,636</b>	<b>2,018,275</b>
<b>b. Other loans and advances (specify nature)</b>		
Unsecured, considered good		
Loans	52,250,000	76,526,776
Advances to Govt. Authorities	2,120,712	2,659,553
Advances to others	354,378	197,361
	54,725,090	79,383,690
<b>Total</b>	<b>55,953,726</b>	<b>81,401,965</b>

## Note 10

### Current Investments

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
(a) Investment in Equity instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Debentures or Bonds	-	-
(d) Investments in Mutual Funds - 15517.684 units - fully paid-up, quoted (Previous Year 1033.908 units)	2,752,818	250,000
(e) Other non-current investments	-	-
<b>Total</b>	<b>2,752,818</b>	<b>250,000</b>
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>2,752,818</b>	<b>250,000</b>

Particulars	2012-13	2011-12
Aggregate amount of quoted investments (Market value of `28,06,252/-)	2,752,818	250,000
Aggregate amount of unquoted investments (Previous Year ` __)	-	-

## Note 11

### Inventories

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>a. Raw Materials and components (Valued at Cost)</b>				
	8,206,860		8,206,859	
		8,206,860		8,206,859
<b>b. Finished goods (Valued at Cost or net realisable value, whichever is low)</b>				
	44,459,735		48,484,494	
		44,459,735		48,484,494
<b>c. Stores and spares (Valued at Cost)</b>				
	3,357,780		4,967,936	
		3,357,780		4,967,936
<b>Total</b>		<b>56,024,375</b>		<b>61,659,289</b>

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## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### Note 12

#### Trade Receivables

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a) Aggregate of Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	-		2,639,505	
	-		2,639,505	
b) Trade Receivable outstanding for a period not exceeding six months from the due of payment	7,159,490		1,861,378	
	7,159,490		1,861,378	
c) Debts due by related parties Unsecured, considered good	31,404		11,507	
	31,404		11,507	
Total	7,190,894		4,512,390	

Trade Receivable stated above include debts due by:

Particulars	2012-13	2011-12
Directors and their relatives *	28,978	6,438
Other officers of the Company *	2,426	5,069
	31,404	11,507

\*Either severally or jointly

### Note 13

#### Cash and cash equivalents

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Balances with banks This includes:		7,591,315		20,422,026
Margin money	-		-	
Other commitments	6,400		6,400	
Bank deposits with more than 12 months maturity	215,612		196,098	
b. Cash on hand		518,642		262,077
		8,109,957		20,684,103

### Note 14

#### Short-term loans and advances

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Loans and advances to related parties Unsecured, considered good	-		18,336,748	
				18,336,748
b. Others (specify nature) Unsecured, considered good -				
Loans	27,372,090		-	
Advance Against Purchase	7,500		1,382,229	
Prepaid Expenses	88,556		77,473	
Advance Tax and TDS	-		3,848,393	
Advance Against Expenses	16,468		221,662	
		27,484,614		5,529,757
		27,484,614		23,866,505

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## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### Note 15

#### Other Current Assets

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
accrued on Investments	18,559		18,559	
Other receivables	15,500		148,998	
		34,059		167,557

### Note 16

#### Revenue from operations

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Sale of products		6,207,358		9,367,996
Sale of services		7,200,000		6,000,000
Other operating revenues		58,287,966		15,213,430
Total		71,695,324		30,581,426

### Note 17

#### Other income

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a) Interest Income (in case of a company other than a finance company)		19499073		16012473
b) Net gain/loss on sale of investments		648,058		21,290,168
c) Dividend Income		12,475		11,762
d) Other non-operating income (net of expenses directly attributable to such income)		457,422		18,066,939
e) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)		86,645		-
Total		20,703,673		55,381,342

### Note 18

#### Cost of materials consumed

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Opening Stock		8,206,860		8,616,072
Add: Purchase		-		1,782,804
less: Closing Stock		8,206,860		8,206,859
Total		-		2,192,017

### Note 19

#### Purchase of Stock-in - Trade

Particulars	2012-13		2011-12	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Opening Stock		-		-
Add: Purchase		2,181,983		-
Less: Closing Stock		-		-
Total		2,181,983		-

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## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

### Note 20

#### Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
<b>Opening Stock :</b>		
Finished Goods	48,484,494	47,911,831
	<b>48,484,494</b>	<b>47,911,831</b>
<b>Closing Stock :</b>		
Finished Goods	44,459,735	48,484,494
	<b>44,459,735</b>	<b>48,484,494</b>
<b>Net Decrease / (increase ) in Finished Goods</b>	<b>4,024,759</b>	<b>(572,663)</b>

### Note 21

#### Employee Benefits Expense

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
(a) Salaries and incentives	4,280,444	6,542,906
"(b) Contributions to Provident fund"	240,828	247,941
(c) Social security and other benefit plans for overseas employees	128,030	45,554
(d) Staff welfare expenses	372,604	384,469
<b>Total</b>	<b>5,021,906</b>	<b>7,220,870</b>

### Note 22

#### Finance costs

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
Interest expense	5,272,167	19,672,494
<b>Total</b>	<b>5,272,167</b>	<b>19,672,494</b>

### Note 23

#### Other expenses

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
Consumption of stores and spare parts.	1,596,493	1,777,928
Consumption of Packing Materials	-	75,358
Other Manufacturing Expenses	363,030	674,448
Power and fuel.	628,279	1,670,197
Packing & Forwarding Charges	183,516	346,925
Electricity Charges	557,107	284,561
Rent.	1,578,426	1,025,400
Repairs and Maintenance - Office & others	724,200	560,316
Repairs to machinery - Factory	471,559	456,332
Insurance .	125,758	135,538
Rates and taxes, excluding, taxes on income.	80,863	179,888
Travelling and Conveyance Expenses	2,681,051	2,277,821
Vehicle Running and Maintenance Expenses	612,969	498,657
Printing & Stationary	257,392	252,147

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Communication Charges(Postage & Telephone)	759,064	754,313
Legal & Professional Charges	578,686	1,982,808
Managerial Remuneration	795,877	780,086
Service Charges	126,000	-
Security Charges	712,995	870,986
Business Promotion Expenses	-	40,472
Vehicle Hire Charges	288,178	273,404
Miscellaneous Expenditure	386,796	653,035
Net loss on foreign currency translation and transaction (other than considered as finance cost)	-	390,802
Payments to the auditor as		
a. auditor	45,000	45,000
b. for taxation matters	12,000	12,000
c. for company law matter	1,500	1,500
d. for reimbursement of expenses/ Service Tax	7,231	6,026
Sundry Balance written off	929,632	-
Prior Period Items	17,347	-
<b>Total</b>	<b>14,520,949</b>	<b>16,025,948</b>

### Note 24

#### Earning Per Share

Particulars	31.03.2013	31.03.2012
	Amount (Rs.)	Amount (Rs.)
Profit After Tax	11,113,825	27,634,686
No of Equity Shares	14,502,400	14,502,400
Basic and diluted earning per equity share	0.77	1.91

### Note 25

#### a) Contingent liabilities and commitments (to the extent not provided for)

Particulars	2012-13	2011-12
	Amount (Rs.)	Amount (Rs.)
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt (Sales Tax Demand under dispute Rs. 20,49,049/- under Orissa Sales Tax Tribunal, Cuttack, and Rs. 791025/- as Rajasthan State Tax and Rs. 2496/- as Central Sales Tax is pending under appeal before Rajasthan Tax Board, Ajmer. )	2,842,570	2,842,570
(b) Other money for which the company is contingently liable (Bank Guarantees in favour of Customs Department issued by bank on our behalf valued upto March, 2014)	170,700	170,700
	3,013,270	3,013,270
<b>(ii) Commitments</b>	-	-
<b>TOTAL</b>	<b>3,013,270</b>	<b>3,013,270</b>

b) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

**CEETA INDUSTRIES LIMITED**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**Note 26****Segment Reporting**

The Company has the two segments - Granite Division and Other Operations.  
Summary of operating segments of the Company area:-

(Rs.in lac)

	Granite	Other Operations	Total
<b>Segmental Revenue:</b>	62.07	858.91	<b>920.98</b>
<b>TOTAL REVENUE</b>	62.07	858.91	<b>920.98</b>
<b>Segment Result :</b>	(148.94)	135.31	<b>(13.63)</b>
(before interest and tax)			
Unallocated Corporate Expenses net of unallocable income	-	-	<b>5.72</b>
Operating Profit/(Loss)	-	-	<b>(7.91)</b>
Interest Income	2.24	192.75	194.99
Interest Expenses	0.51	52.21	52.72
<b>Net Profit / (Loss) before Tax</b>	-	-	<b>134.36</b>
<b>OTHER INFORMATION</b>			
<b>CAPITAL EMPLOYED</b>			
Net Segment Assets	<b>1589.31</b>	<b>81.77</b>	<b>1671.08</b>
Unallocated Assets / (Liabilities)	-	-	<b>92.19</b>
Net Capital Employed	-	-	<b>1763.27</b>
Capital Expenditure	1.50	1.55	3.05
Depreciation	32.67	1.85	34.52

**Note 27****Foreign Exchange earning / Outgo**

	31/03/2013 (Rs. In lakhs)	31/03/2012 (Rs.In Lakhs)
a) Expenditure in foreign currency		
Traveling	NIL	NIL
Advertisement	NIL	NIL
Imported Consumables	NIL	1.31
b) FOB Value of exports/earnings in foreign currency	33.35	47.83
Other earnings in Foreign Currency	NIL	NIL
c) Value of imports on CIF basis		
Components & spare parts	NIL	1.31

**CEETA INDUSTRIES LIMITED**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

**Note 28****Related Party Transactions**

As per AS 18 issued by The Institute of Chartered Accountants of India, the related party transactions are as follows:

**List of related Parties:****Key Management Personnel:**

Sri K.M. Poddar  
Sri Arabinda De  
Sri S.K. Chhawchharia  
Sri S.L. Singhanian  
Sri O.P. Kedia  
Sri Vaibhav Poddar  
Sri Anubhav Poddar

**Associate Persons:**

Ceeta Synthetics & Turfs Ltd.  
Rashmi Properties & Investments Ltd.  
Coronation Refrigeration Industries Ltd.  
Tetron Commercial Limited  
Likhani Trading & Mfg. Co. Ltd.  
Nouveau Metal Industries Ltd.  
Uma Poddar

**Name of the Related Parties****Nature of Transactions**

Sri K.M. Poddar	Paid Remuneration Rs. 6,00,000/-, Employers contribution to Provident Fund Rs.72000/- and other perquisites Rs.2,28,277/-
Sri Arabinda De	Paid Director Sitting Fee Rs.6,000/-.
Sri S.K. Chhawchharia	Paid Director Sitting Fee Rs.6,000/-.
Sri S.L. Singhanian	Paid Director Sitting Fee Rs.7,000/-.
Sri Vaibhav Poddar	Paid Remuneration Rs.4,73,000/-, Employers contribution to Provident Fund Rs.33000/- and other perquisites Rs.32,251/-.
Sri Anubhav Poddar	Paid Remuneration Rs.7,20,000/-, Employers contribution to Provident Fund Rs.9,360/-.
Uma Poddar	The Company incurred expenses Rs.31,621/- on her behalf during the year. Closing balance as on 31-03-2013 was Rs.28,978/-.
Ceeta Synthetics & Turfs Ltd. (CSTL)	The balance receivable from CSTL as on 01-04-12 was Rs.1,30,14,459/- Total interest due for the year was Rs.12,20,844/-. The company received Rs.1,41,13,219/- as refund of loan after TDS. Further, the company taken

## CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

loan of Rs.7000000/- from CSTL during the year and interest due thereon was Rs.66740/-. The company refunded Rs.7060066/- to CSTL after TDS. The Closing Balance as on 31-03-2013 was NIL.

Rashmi Properties & Investments Ltd.(RPIL) The Company given unsecured loan of Rs. 15,00,000 to RPIL and received the entire amount with interest of Rs.16274/- as refund on loan during the year. Closing balance as on 31-03-2013 is NIL. The Company paid Rs.3,00,000/- as rent and Rs. 1,51,002/- as electricity to RPIL.

Coronation Refrigeration Ind. Ltd.(CRIL) The amount receivable from CRIL as on 01-04-12 was Rs.53,22,289/-. The Company given unsecured loan of Rs. 5,00,000 to CRIL and received the entire amount with interest of Rs.50,794/- as refund on loan during the year after TDS. The Company paid rent of Rs.8,40,000/- and incurred expenses of Rs.1,23,735/- on his behalf. Closing Balance as on 31-03-2013 was Rs.90,246/-

Tetron Commercial Limited (TCL) The Company given unsecured loan to TCL of Rs.1,75,00,000/- during the year and total interest due was Rs. 20,59,956/-. The Company received entire amount as refund of loan and interest due after deduction Closing balance as on 31-03-2013 was NIL.

Likhami Trading & Mfg. Co. Ltd.(LTML) The Company paid Rs.1,44,000/- as rent and Rs.1,51,308/- as electricity to LTML. Subsidiary Company paid Rs.12,000/- as rent to LTML.

Nouveau Metal Industries Ltd. (NMIL) The Company paid Rs.1,20,000/- as rent and Rs.1,21,977/- as electricity to NMIL for residence of M.D.

Signature of Notes 1 to 28 as per our annexed report of even date.

**For G.K.Tulsyan & Co.**  
**Chartered Accountants**  
**Firm's Registration No. 323246E**

**G. K. Tulsyan**  
**Partner**  
**Membership No.50511**  
4, Gangadhar Babu Lane  
Kolkata – 700012  
Date: 29/05/2013

**On behalf of the board**

**K.M. Poddar**  
Managing Director

**A. De**  
Director

## CEETA INDUSTRIES LIMITED

Regd Off: : Plot No. 34-38, KIADB Industrial Area  
Sathyamangala, Tumkur – 572 104, Karnataka

### PROXY FORM

Regd.FolioNo. \_\_\_\_\_  
I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of the above named Company hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
or failing him/ her \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ as my/ our Proxy to vote for me/ us on my/ our behalf  
at the Annual General Meeting of the Company to be held on 16th September, 2013 at  
1.00 P.M. and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Signature \_\_\_\_\_

Affix Re. 1/=  
Revenue  
Stamp

NOTE: The Proxy form duly completed must reach at the Registered Office of the Company not less than 48 hours before the time of the meeting.

## CEETA INDUSTRIES LIMITED

Regd Off: Plot No. 34-38, KIADB Industrial Area  
Sathyamangala, Tumkur – 572 104, Karnataka

### **ATTENDANCE SLIP**

Annual General Meeting on Monday, the 16th September, 2013 at 1.00 P.M. at plot no. 34-38, KIADB Industrial Area, Sathyamangala, Tumkur - 572 104, KARNATAKA.

Regd. Folio No./ Client ID :

No. of Shares held:

D.P. ID :

Name of the Attending Member:

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company at the Registered Office of the Company at Plot No.34-38, KIADB Industrial Area, Sathyamangala, Tumkur - 572 104, Karnataka on Monday, the 16th September, 2013 at 1.00 P.M.

Member's / Proxy's Name in BLOCK Letters

Member's/Proxy's signature

NOTE: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

# CEETA

INDUSTRIES LIMITED

1108, A.J.C. Bose Road, 7th Floor, Kolkata - 700 020, India  
Tel : 91 - 31 - 2503 2021 - 2503 2022 / 91 - 31 - 2588 2022  
Email : [kolkata@ceeta.com](mailto:kolkata@ceeta.com) / [www@ceeta.com](mailto:www@ceeta.com)

## FORM A

[Format of covering letter of the annual audit report to be filed with the  
Stock exchanges]

1. Name of the Company : CEETA INDUSTRIES LIMITED

2. Annual financial statements for the year ended : 31st March, 2013

3. Type of Audit observation : Un-qualified


4. Frequency of observation : N.A.

5. To be Signed by-

• Chief Executive Officer

:   
Vaibhav Poddar

• Auditor of the company

:   
G.K. Tulsyan,  
Partner  
G.K. Tulsyan & Company  
Firm Registration No. 323246E

• Audit Committee Chairman

:   
Arabinda De

Dated : 17-12-2013



REGISTERED OFFICE & WORKS:

Plot No. 339, 44/06, Industrial Area, Sathyamanga, Timber, 57100, Karnataka, India. Tel: 91-819-0210100, 91-819-0210101, 91-819-0210102, e-mail: [accounts@ceeta.com](mailto:accounts@ceeta.com)

BERHANGKAWAT OFFICE:

Plot No. 111, Malappa Block, Rajaraj Apartments, G.F. 2 & B, Gangasagar, Bangalore - 560032, India. Tel: 91-80-2543 3250, Fax: 91-80-2543 3250