



Thirtieth
ANNUAL REPORT
2013-2014

CEETA INDUSTRIES LIMITED (CIN: L85110KA1984PLC021494)

THIRTIETH ANNUAL GENERAL MEETING

Monday the 22nd September 2014 at 1.00 p.m. at KIADB Industrial Area, Sathyamangala, Tumkur-572104, 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, Website : www.ceeta.com

Ph.: 91-816-2214 686, Fax : 91-816-2211352

HEAD OFFICE

240B, A.J. C. Bose Road

2nd Floor, Kolkata- 700 020

Ph.- 033-22832925/26, Fax : 033-22832927

E-mail : 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 (CIN: L85110KA1984PLC021494)

Registered Office: Plot No. 34-38, KIADB Industrial Area, Sathyamangala, Tumkur-572104, Karnataka.
Email: accounts@ceeta.com, Website: www.ceeta.com
Phone: 91-816-2212686, Fax: 91-816-2211352

NOTICE

NOTICE is hereby given that the 30th 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 22nd September, 2014 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, 2014 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 O. P. Kedia (DIN 03596892), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors of the Company and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Arabinda De (holding DIN 00028093), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 1st April, 2014, to hold office for five consecutive years for a term up to 31st March, 2019 not liable to retire by rotation."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shanker Lal Singhania (holding DIN 00028023), Director of the Company, who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 1st April, 2014, to hold office for five consecutive years for a term up to 31st March, 2019 not liable to retire by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sushil Kumar Chhawchharia (holding DIN 00007780), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 1st April, 2014, to hold office for five consecutive years for a term up to 31st March, 2019 not liable to retire by rotation."

By order of the Board

Sneha Binani

Company Secretary

PLACE: KOLKATA
DATE: 08-08-2014

CEETA INDUSTRIES LIMITED (CIN: L85110KA1984PLC021494)

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. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

The Proxies can vote on such other items which may be tabled at the meeting by the members present.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 16th September, 2014 to 22nd September, 2014 (both days inclusive).
5. 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.
6. Members who have shareholdings in physical form are requested to submit their shares for dematerialization at your registered depository at the earliest.

7. VOTING THROUGH ELECTRONIC MEANS

- I.) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL)
- II.) Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under. Members are requested to follow the instruction below to cast their vote through e-voting:
 - III.) The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on September 17, 2014 at 10.00 A.M. and ends on September 18, 2014 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
 - (iii) Click on "Shareholders" tab.
 - (iv) Now, select the "Ceeta Industries Limited" from the drop down menu and click on "SUBMIT"
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

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For Members holding shares in Demat Form and Physical Form

| | |
|-----------------------|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr. / Mrs. / Smt. / Miss / Ms. / M/s. etc. <p>(1) Example: Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245 (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p> |
| DOB | <p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none">Please Enter the DOB or Bank Account Number in order to Login.If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut Off date (record date) of August 14, 2014 |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "Ceeta Industries Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cDSLindia.com
8. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at droliapravin@yahoo.co.in with a copy marked to helpdesk.evoting@cDSLindia.com on or before September 18, 2014, upto 6 pm. without which the vote shall not be treated as valid.
 9. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 14-August-2014.
 10. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 14-August-2014.
 11. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 14-August-2014. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
 12. Sri Pravin Kumar Drolia (Prop. Of M/s. DROLIA & COMPANY) of Kolkata, Practicing Company Secretaries (C.P. No. 1362) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 13. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to Bombay Stock Exchange Limited.

ANNEXURE TO NOTICE

Explanatory Statement, Pursuant to Section 102 of the Companies Act, 2013:

Item No. 4

Mr. Arabinda De is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in August, 1998. He is the Chairman of the Audit Committee and the member of Nomination and Remuneration Committee and the Stakeholder Relationship Committee, of the Board of Directors of the Company.

He is a B.com graduate and a qualified Chartered Accountant. He is in practice for last 20 years after retiring from executive position in a leading financial institution. He is a director in one other listed companies and eight other unlisted companies.

Mr. Arabinda De, a non-executive director, whose period of office was liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 not liable to retire by rotation.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, this resolution is proposed in relation to appointment of Mr. Arabinda De as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Arabinda De, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

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Item No. 5

Mr. Shanker Lal Singhania is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September, 2008. He is member of the Audit Committee and Nomination and Remuneration Committee, and the Chairman of the Stakeholder Relationship Committee, of the Board of Directors of the Company.

He is a businessman with over 29 years of experience. He is a director in two other listed companies and five other unlisted companies.

Mr. Shanker Lal Singhania, a non-executive director, whose period of office was liable to retire by rotation at this ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 not liable to retire by rotation.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, this resolution is proposed in relation to appointment of Mr. Shanker Lal Singhania as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Shanker Lal Singhania, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Mr. Sushil Kumar Chhawchharia, a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2009. He is member of the Audit Committee and Stakeholder Relationship Committee and the Chairman of the Nomination and Remuneration Committee, of the Board of Directors of the Company.

After graduating in the year 1963 and completing L.L.B. in the year 1966, he became qualified Chartered Accountant in January 1967. In the year 1967, he became partner in the firm of Chartered Accountants and since then he has been pursuing the career as a chartered accountant and Management Consultant. The clientele of the firm is spread over different industries namely Banking, Cotton Textile and Jute Textile, Iron & Steel, Telecom, Engineering, Construction, Finance, Ferro Alloys etc.

He has been Practicing as a auditor, financial adviser and management consultant with specialization in finance and corporate structuring. He is a director in two other listed companies and three private companies.

Mr. Sushil Kumar Chhawchharia, a non-executive director, whose period of office was liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 not liable to retire by rotation.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, this resolution is proposed in relation to appointment of Mr. Sushil Kumar Chhawchharia as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Sushil Kumar Chhawchharia, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

By order of the Board

Sneha Binani

Company Secretary

PLACE: **KOLKATA**

DATE: 08-08-2014

CEETA INDUSTRIES LIMITED

DIRECTORS' REPORT

For the year ended 31st March, 2014

Dear Shareholders,

Your Directors have pleasure in presenting their report on business and operations together with the Audited Accounts of your company for 2013-2014.

FINANCIAL RESULTS

All figures in Rs. lacs

| Particulars | Current Year | Previous Year |
|---------------------------------------|--------------|---------------|
| Total Income | 684.54 | 920.22 |
| Profit before Interest & Depreciation | 147.24 | 221.61 |
| Interest | 0.10 | 52.72 |
| Depreciation | 20.41 | 34.52 |
| Profit before taxation | 126.73 | 134.37 |
| Provision for Tax | 26.02 | 26.02 |
| Profit after tax | 100.71 | 108.35 |

REVIEW OF OPERATIONS:

The Company's manufacturing activity of granite products in its 100 % Export Oriented Unit (EOU) at Tumkur had to be kept at its lower level due to continued unfavourable trading condition for granite products in the export market. The company, however undertook other activities such as trading, transportation, investments, short term lending of surplus fund etc. Since major part of machineries remains inoperative due to low level of operation in plant and as their life is near to scrap, your board has decided to dispose-off those machines which are in very poor condition. The total revenue of the company was Rs. 684.54 lac in 2013-14 as against Rs. 920.22 lac in the previous year. It earned a Net Profit of Rs. 100.71 lac in 2013-14 as compared to Rs. 108.35 lac in 2012-13.

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 Shanker Lal Singhanian, S/o Sri Radha Kishan Singhanian residing at 4/1, Clyde Row, 75 Hastings, Kolkata- 700022, retires by rotation from directorship at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Independent director pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company. He does not hold any share in his own name.

Further, in terms of the provisions of section 149(4) of the Companies Act, 2013, the company is required to fulfill the requirement of Independent Directors on the board. The board has already four directors in the category of independent directors in terms of the provisions of clause 49 of the listing agreement. Out of the four directors, the company placing proposal for appointment of three directors namely Sri Shanker Lal Singhanian, Sri Sushil Kumar Chhawchharia and Sri Arabinda De as non- executive independent director as per Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under for five consecutive years for a term up to March, 2019.

CEETA INDUSTRIES LIMITED

Sri O.P. Kedia will continue as Non-executive director liable for retire by rotation.

As required under the said Act and the Rules made there under, the same is now put up for approval of members at the ensuing annual general meeting. Necessary details have been annexed to the Notice of the meeting in terms of section 102(1) of the Companies Act, 2013.

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

With the appointment of independent directors, the conditions specified in the Act and Rules made there under as also under new clause 49 of the listing agreement stands complied.

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, 2014, 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, 2014 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.

APPOINTMENT OF COMPANY SECRETARY

Your directors pleased to inform you that your company has appointed Miss Sneha Binani as 'Company Secretary' of the Company with effect from 1st June, 2014 at a remuneration recommended by Nomination and Remuneration Committee and mutually agreed between her and the board.

With the appointment of Company Secretary, the conditions specified in the Act and Rules made there under as also under new clause 49 of the listing agreement stands complied.

APPOINTMENT OF CHIEF FINANCIAL OFFICER (CFO)

Your directors pleased to inform you that your company proposed to re-designated Sri Anubhav Poddar as 'Chief Financial Officer (CFO)' of the Company with effect from 1st September, 2014 in place of President of the Company. Other terms and conditions including remuneration will remain same as earlier.

With the appointment of CFO, the conditions specified in the Act and Rules made there under as also under new clause 49 of the listing agreement stands complied.

APPOINTMENT OF GM -MARKING AND SALES

Your directors pleased to inform you that your company proposed to re-designated Sri Vaibhav Poddar as 'GM- Marketing and Sales' of the Company with effect from 1st September, 2014 in place of Chief Executive Officer (CEO) of the Company. Other terms and conditions including remuneration will remain same as earlier.

RECONSTITUTION OF VARIOUS COMMITTEES AS PER COMPANIES ACT, 2013

The company has reconstituted and renamed all the exiting committees of the board as per the provisions of companies Act, 2013 with proper composition of its members.

CEETA INDUSTRIES LIMITED

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 2013-14.

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. During the year, the Audit committee reviewed the financial statements (in particular, the investments made) of its unlisted subsidiary company, viz., Kingstone Krystals Ltd., to the extent applicable. Minutes of the board meetings of subsidiary company were regularly placed before the Board of the Company.

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. The Directors recommend their reappointment subject to compliance of Section 139 of the Companies Act, 2013 and the rules made there under.

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

Place : Kolkata
Dated : 08/08/2014

K. M. Poddar
Managing Director

S.L. Singhania
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 (2013-14) | Previous Year (2012-13) |
|-----------------------------------|---------------------------|----------------------------|
| 1. Electricity - Purchased | | |
| Units (Kwh) | 52551 | 65,161 |
| Total Amount (Rs.) | 5,14,919 | 6,14,616 |
| Rate/ Unit (Rs.) | 9.80 | 9.43 |
| 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 is looking for new prospects, hence it 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 | 39.87 |
| 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, 2014 comprised five members, out of which four members are Non-Executive Independent Directors 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 | 5 | No |
| 2 | Sri A. De | Independent, Non-Executive Director | 9 | NIL | 3 | Yes |
| 3 | Sri S.K. Chhawchharia | Independent, Non-Executive Director | 5 | 2 | 4 | No |
| 4 | Sri S.L. Singhanian | Independent, Non-Executive Director | 7 | NIL | 4 | No |
| 5 | Sri O. P. Kedia | Independent, Non-Executive Director | NIL | NIL | 3 | No |

Details of Board Meeting during the financial year

During the year ended 31st March, 2014, Five Board Meetings of the Company were held, as follows:

| Sl. No. | Date | Board Strength | No. of Directors Present |
|---------|---------------------|----------------|--------------------------|
| 1 | 2nd April, 2013 | 5 | 3 |
| 2 | 29th May, 2013 | 5 | 4 |
| 3 | 8th August, 2013 | 5 | 3 |
| 4 | 12th November, 2013 | 5 | 5 |
| 5 | 10th February, 2014 | 5 | 4 |

Last Annual General Meeting (AGM) of the Company was held on 16th September, 2013.

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:

- a) Discuss with the Auditors periodically about the internal control systems and the scope of Audit which will include the observations of the Statutory Auditors;
- b) Review of the quarterly and annual financial statements before submission of the same to the Board;
- c) Ensuring compliance of internal control system; and
- d) 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:

- a) 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;
- b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services;
- c) Reviewing with management the annual financial statements before submission to the Board;
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems;
- e) Reviewing the adequacy of internal audit functions;
- f) Discussion with internal auditors any significant findings and follow up thereon;
- g) 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;
- h) 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;
- i) Reviewing the Company's financial and risk management policies;
- j) 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;
- k) 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 | 2 |
| 2. | Sri S.L. Singhania | Member | 4 |
| 3. | Sri S.K. Chhawchharia | Member | 4 |

Details of Audit Committee Meetings and Attendance

During the year ended 31st March, 2014, four meetings of the Audit Committee of the Company were held, as follows:

| Sl.No. | Date | Committee Strength | No. of Members Present |
|--------|---------------------|--------------------|------------------------|
| 1 | 29th May, 2013 | 3 | 3 |
| 2 | 7th August, 2013 | 3 | 2 |
| 3 | 12th November, 2013 | 3 | 3 |
| 4 | 10th February, 2014 | 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. Nomination and Remuneration Committee

The Remuneration Committee of Directors constituted mainly for the purpose of recommending the Company's policy on Remuneration Package for the Directors, Managing Director, Key Management Personnel 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. Singhania | Member | 1 | 1 |
| 3. | Sri A. De | Member | 1 | 1 |

Details of Remuneration of Directors for the financial year ended on 31st March, 2014.

| Director | Consolidated Salary (Rs.) | Perquisites | Performance and other Benefits | Sitting Fees Bonus/ Commission | Total (Rs.) |
|----------------------|---------------------------|-------------|--------------------------------|--------------------------------|-------------|
| Sri K.M Poddar | 600000 | 276924 | - | N.A. | 876924 |
| Sri A. De | - | - | - | 6000 | 6000 |
| Sri S.K.Chhawchharia | - | - | - | 8000 | 8000 |
| Sri S.L. Singhania | - | - | - | 8000 | 8000 |
| Sri O.P. Kedia | - | - | - | 6000 | 6000 |

5. Stakeholders Relationship Committee

The Board constituted a Committee under the chairmanship of Sri S. L. Singhania (Non-Executive Independent Director) to look into the matters of redressing of the stakeholders/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. Singhania | 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, Miss Sneha Binani, Company Secretary, is appointed as Compliance Officer w.e.f. 01-06-2014 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, 2014, ten meetings of the sub- committee 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 | 16th April, 2013 | 3 | 2 |
| 2 | 24th May, 2013 | 3 | 2 |
| 3 | 10th September, 2013 | 3 | 2 |
| 4 | 30th September, 2013 | 3 | 2 |
| 5 | 10th October, 2013 | 3 | 2 |
| 6 | 21st October, 2013 | 3 | 2 |
| 7 | 20th November, 2013 | 3 | 2 |
| 8 | 10th December, 2013 | 3 | 2 |
| 9 | 31st January, 2014 | 3 | 2 |
| 10 | 20th February, 2014 | 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 |
|----------------|-------------------|------------------------------------|
| 2010-2011 | Registered Office | 29th September, 2011 at 3.00 p.m. |
| 2011-2012 | Registered Office | 28th September, 2012 at 10.30 a.m. |
| 2012-2013 | Registered Office | 16th September, 2013 at 1.00 p.m. |

Special Resolutions passed at last three Annual General Meetings:

| Date of AGM | No. of Special Resolutions | Particulars |
|----------------------|----------------------------|--|
| 29st 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 |
| 28st 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. |
| 16th September, 2013 | One | Re-appointment of a relative of the Managing Director in terms of section 314 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, where it displays financial results and other reports and its e-mail address is 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, 22nd September, 2014 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 2014- 2015

| | | |
|---|----------------------|----------------------------|
| Financial Reporting for the quarter ending | 30th June, 2014 | Within 15th August, 2014 |
| Financial Reporting for the quarter ending | 30th September, 2014 | Within 15th November, 2014 |
| Financial Reporting for the quarter ending | 31st December, 2014 | Within 15th February, 2015 |
| Financial Reporting for the quarter and year ending | 31st March, 2015 | Within 30th May, 2015 |

CEETA INDUSTRIES LIMITED

c) Date of Book Closure

16th September, 2014 to 22nd September, 2014 (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. 2013-14 at - Bombay Stock Exchange Ltd.

| Month | High (Rs.) | Low (Rs.) | Close Price | Volume |
|-----------------|------------|-----------|-------------|--------|
| April, 2013 | - | - | - | - |
| May, 2013 | - | - | - | - |
| June, 2013 | 3.98 | 3.35 | 3.98 | 1100 |
| July, 2013 | 5.00 | 4.17 | 4.80 | 19851 |
| August, 2013 | 4.60 | 4.60 | 4.60 | 200 |
| September, 2013 | 4.70 | 4.50 | 4.50 | 4100 |
| October, 2013 | - | - | - | - |
| November, 2013 | - | - | - | - |
| December, 2013 | - | - | - | - |
| January, 2014 | 4.28 | 4.28 | 4.28 | 10 |
| February, 2014 | 4.07 | 3.17 | 3.17 | 626 |
| March, 2014 | 3.02 | 2.65 | 2.80 | 3724 |

i) Shareholding Pattern (by ownership) as on 31st March, 2014

| 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 | 100650 | 0.694 |
| 4 | NRIs / OCBs | 34300 | 0.237 |
| 5 | Indian Public | 3902575 | 26.910 |
| 6 | Clearing Memb./ Clearing Corp. | 2775 | 0.019 |
| TOTAL | | 14502400 | 100.00 |

CEETA INDUSTRIES LIMITED

j) The Distribution of Shareholding (by size) as on 31st March, 2014

| No. of Shares Slab | Number of Shareholders | % to Total | Number of Shares | % to Total |
|--------------------|------------------------|----------------|--------------------|----------------|
| 1 – 500 | 19989 | 95.6686 | 27,52,534 | 18.9798 |
| 501 – 1000 | 618 | 2.9578 | 5,19,690 | 3.5835 |
| 1001 – 5000 | 250 | 1.1965 | 5,26,425 | 3.6299 |
| 5001 – 10000 | 23 | 0.1101 | 1,55,401 | 1.0716 |
| 10001 – 50000 | 8 | 0.0383 | 1,19,150 | 0.8216 |
| 50001 – And Above | 6 | 0.0287 | 1,04,29,200 | 71.9136 |
| TOTAL | 20930 | 100.000 | 1,45,02,400 | 100.000 |

Out of 14502400 equity shares, 3709600 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) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2014 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, 2014 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
08/08/2014

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, 2014 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: 08/08/2014

CEETA INDUSTRIES LIMITED

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'2014. 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 five times respectively on 2nd April' 13, 29th May' 2013, 8th August' 2013, 12th November' 2013 and 10th February, 2014 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 11th September, 2013 to 16th September, 2013 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March' 2013 was held on 16th September'13 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 re-appointed one of the relative of the director of the company as a President of the company 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 not issued any duplicate Share Certificate and had not received any request for split up or consolidation of share certificates during the financial year under review.

CEETA INDUSTRIES LIMITED

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 ten times during the financial year 2013-14 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. 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.
29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the above period.

CEETA INDUSTRIES LIMITED

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)
(P K DROLIA)
Proprietor
CP: 1362

Place: 9, Crooked Lane,
Kolkata 700 069
Date: 08/08/2014

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 FY. ended on 31st March,13 | 383A | 18/09/2013 | Yes |
| 2. | Balance sheet and P/L A/c as at 31stMarch 2013 in XBRL Format in Form No. 23AC/ 23ACA | 220 | 09/10/2014 | Yes |
| 3. | Annual Return made up to 16/09/13 in e-form 20B | 159 | 06/11/2013 | Yes |
| 4. | Balance sheet and P/L A/c as at 31stMarch 2012 in XBRL Format in Form No. 23AC/ 23ACA | 220 | 12/04/2013 | No |
| 5. | Form-23 dated 16-09-2013 for registration of one Special resolutions U/s 314 | 192 | 08/10/2013 | Yes |
| 6. | Form- A in XBRL Format | 209 (1)(d) | 19/09/2013 | 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 LIMITED** ("The Company") which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year 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, financial performance and Cash Flow of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of the 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, 2014.
- (b) In the case of the Statement of Profit and Loss of the Profit for the year ended on that date; and
- (c) In case of the Cash flow, the Cash Flow Statement for 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 (the order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and sub-section (11) of section 143 of the Companies Act, 2013, 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:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - iii) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - v) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is dis-qualified as on 31st March, 2014 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.

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

G.K. Tulsyan
PARTNER
Membership No. 50511
4, Gangadhar Babu Lane, Kolkata-700012
Dated : the 30th day of May, 2014

CEETA INDUSTRIES LIMITED

Annexure to the Auditor's Report

The Annexure referred to in our report to the members of Ceeta Industries Limited ("THE Company") for the year ended 31st March, 2014. We further report that :-

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) Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its Fixed Assets.
 - (c) Since there is no substantial disposal of fixed assets during the year , the preparation of financial statement on a going concern basis is not affected on this account.
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) According to the information and explanations given to us the Company has granted unsecured loan of Rs. 9150000/- to 2 (two) Companies covered in the register maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 having year end outstanding balance NIL.
 - (b) As informed to us and as per books of accounts , the company has accepted unsecured loan of Rs. 6,00,000/- from 1 (one) related parties mentioned in the register under section 301 of the companies act ,1956 having year end outstanding as on 31/3/2014 balance NIL. The rate of interest and other terms & conditions to which loan have been granted are prima- facies not prejudicial to the interest of the company.
 - (c) The principal amount of loan is repayable on demand
 - (d) There has been no over due amount of more than 6 months outstanding
 - (iv) In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the company and the nature of the business for purchase and disposal of Investment. During the course of our audit no major mistakes has been noticed in the internal control.
 - (v) According to the information and explanations provided, we are of the opinion that there have been no transactions that need to be entered into the register maintained under Section 301 and hence clause (v) (b) is also not applicable.
 - (vi) The Company has not accepted any deposit from public within the meaning of Section 58A and 58AA of the Companies Act, 1956.
 - (vii) In our opinion, the Company has internally designed internal audit System commensurate with the size and nature of the business

CEETA INDUSTRIES LIMITED

- (viii) To the best of our knowledge and as explained, the company is not engaged in production, processing, manufacturing or mining activities. Hence, in our opinion the provision of sec 209 (1) (d) of Companies Act, 1956 is not applicable to the company.
- (ix) (a) According to the records of the company the company is regular in depositing undisputed statutory dues including income tax 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 income tax, wealth tax, service tax, sales tax, customs duty and excise duty which were outstanding at the year end for a period of more than six months from the date they became payable.
(b) There are no dues outstanding of sales tax, custom duty excise duty, income tax and cess on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year. The company has not incurred cash losses in current financial year or in the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanation given by the management the company has no dues to financial institution or bank or debenture holders. There were no debenture holders at any time during the year.
- (xii) According to information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
- (xiv) According to information and explanations given to us and based on the documents and records produced to us, during the year the Company has maintained proper records of the transactions in respect of investments and timely entries have been made therein. The share and other investments have been held by the company in its own name.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not raised any term loans during the year.
- (xvii) In our opinion no short term funds have been utilized for long term purposes
- (xviii) 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.
- (xix) The Company did not have any outstanding debenture during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based on information and explanations furnished by the Management, which have been 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,
Registration No. 323246E

G.K. Tulsyan
PARTNER

Membership No. 50511

4, Gangadhar Babu Lane, Kolkata-700012

Dated : the 30th day of May, 2014.

CEETA INDUSTRIES LIMITED**Balance Sheet as at 31st March 2014**

| Particulars | Note No. | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|---|----------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 2 | 14,502,400 | 14,502,400 |
| (b) Reserves and surplus | 3 | 162,223,203 | 152,151,906 |
| 2 Current liabilities | | | |
| (a) Short-term borrowings | 4 | - | 90,246 |
| (b) Trade payables | | 4,196,907 | 5,758,055 |
| (c) Other current liabilities | 5 | 653,013 | 733,380 |
| (d) Short-term provisions | 6 | 1,059,651 | 628,065 |
| TOTAL | | 182,635,174 | 173,864,052 |
| II. ASSETS | | | |
| Non-current assets | | | |
| 1 (a) Fixed assets | | | |
| (i) Tangible assets | 7 | 14,242,772 | 16,505,960 |
| (ii) Capital work-in-progress | | - | - |
| (b) Non-current investments | 8 | 679,038 | 679,038 |
| (c) Long-term loans and advances | 9 | 102,857,841 | 55,953,726 |
| (d) Other non-current assets | | - | - |
| 2 Current assets | | | |
| (a) Current investments | 10 | 1,930,321 | 2,502,818 |
| (b) Inventories | 11 | 39,481,928 | 56,024,375 |
| (c) Trade Receivables | 12 | 6,566,561 | 6,914,529 |
| (d) Cash and cash equivalents | 13 | 11,350,825 | 7,765,433 |
| (e) Short-term loans and advances | 14 | 5,525,888 | 27,484,614 |
| (f) Other current assets | 15 | - | 33,559 |
| TOTAL | | 182,635,174 | 173,864,052 |
| Notes to Balance Sheet and Statement of Profit and Loss | | 1-29 | |

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: 30-05-2014

On behalf of the Board

K.M. Poddar
Managing Director

A. De
Director

CEETA INDUSTRIES LIMITED**Statement of Profit and Loss for the year ended 31st March 2014**

| Particulars | Note No. | 2013-14 | 2012-13 |
|---|----------|-------------------|-------------------|
| | | Amount (Rs.) | Amount (Rs.) |
| I. Revenue from operations | 16 | 52,364,362 | 71,695,324 |
| II. Other income | 17 | 16,089,659 | 20,326,427 |
| III. Total Revenue (I + II) | | 68,454,021 | 92,021,751 |
| IV. Expenses: | | | |
| Cost of materials consumed | 18 | 2,537,238 | - |
| Purchase of Stock-in Trade | 19 | 2,685,313 | 2,181,983 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 20 | 14,005,209 | 4,024,759 |
| Other Operating Expenses | | 19,832,335 | 44,144,742 |
| Employee benefits expense | 21 | 4,423,025 | 5,021,906 |
| Finance costs | 22 | 27,249 | 5,286,535 |
| Depreciation and amortization expense | | 2,041,308 | 3,452,195 |
| Other expenses | 23 | 10,229,047 | 14,472,821 |
| Total expenses | | 55,780,724 | 78,584,941 |
| V. Profit before exceptional and extraordinary items and tax (III-IV) | | 12,673,297 | 13,436,810 |
| VI. Exceptional / Extraordinary items | | - | - |
| VII. Profit before tax (VII- VIII) | | 12,673,297 | 13,436,810 |
| VIII. Provision for Taxation | | 2,602,000 | 2,601,853 |
| IX. Profit/ (Loss) for the Period | | 10,071,297 | 10,834,957 |
| X. Earnings per equity share: | 24 | | |
| (1) Basic | | 0.69 | 0.75 |
| (2) Diluted | | 0.69 | 0.75 |

Notes to Balance Sheet and Statement of Profit and Loss 1-29

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: 30-05-2014

A. De
Director

CEETA INDUSTRIES LIMITED**Cash Flow Statement for the year ended 31st March, 2014**

| Particulars | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|---|-------------------------|-------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | Rs. | Rs. |
| Net profit before interest, tax and extraordinary items | 12,683,079 | 18,708,977 |
| Adjustment for: | | |
| Income from Investment | (496,878) | (382,721) |
| Loss on Sale of Fixed Assets | 227,366 | - |
| Depreciation | 2,041,308 | 3,452,195 |
| Interest received | (15,550,464) | (19,499,073) |
| Operating profit before working capital charges | (1,095,589) | 2,279,378 |
| Adjustments for Increase/ decrease in : | | |
| Trade and Other receivables | 347,968 | (2,402,139) |
| Inventories | 16,542,447 | 5,634,914 |
| Trade Payables | (1,561,148) | 2,734,709 |
| Other Current Liabilities & Provisions | 351,219 | (53,043,016) |
| Long Term Loans & Advances | (46,904,115) | 25,448,239 |
| Short Term Loans & Advances | 22,412,805 | (3,652,151) |
| Other Current Assets | 33,559 | (15,000) |
| Cash Generated from Operation | (9,872,854) | (23,015,066) |
| Direct Tax Paid | 3,056,079 | 1,678,092 |
| Cash Flow before extraordinary items | (12,928,933) | (24,693,158) |
| Extraordinary items | - | - |
| Net cash flow from operating activities(A) | (12,928,933) | (24,693,158) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets including Capital W.I.P. | (130,486) | (305,411) |
| Purchase of Investment | (15,699,700) | (54,299,100) |
| Sale of fixed assets | 125,000 | - |
| Sale of Investment | 16,769,075 | 52,204,196 |
| Interest Received | 15,550,464 | 19,499,073 |
| Net cash used in investing activities (B) | 16,614,353 | 17,098,758 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest Paid | (9,782) | (5,272,167) |
| Proceeds from short term borrowings | (90,246) | 90,246 |
| Net Cash Flow from Financing Activities(C) | (100,028) | (5,181,921) |
| Net Increase in cash and Cash equivalent(A+B+C) | 3,585,392 | (12,776,321) |
| Cash and Cash equivalent as at beginning of the year | 7,765,433 | 20,541,754 |
| Cash and Cash equivalent as at end of the year | 11,350,825 | 7,765,433 |
| Note: - Figures in brackets represent cash outflows | | |

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: 30-05-2014

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, 2014

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 is applicable to the company in the current year for preparation and presentation of its financial statements. There is no change in accounting policy of the company during the current year except charging depreciation on Plan and Machinery on single shift basis instead of triple shift basis charged in previous years. 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. 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

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 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, 2014

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, 2014 (Contd.....)

Note 2

Share capital

| Share Capital | 2013-14 | | 2012-13 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | Number | Amount | Number | Amount |
| a) Authorised | | Rs. | | Rs. |
| 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) Issued | | | | |
| 14502400 Equity Shares of Re. 1/- each | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |
| c) Subscribed & Paid up | | | | |
| 14502400 Equity Shares of Re. 1/- each | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |
| Total | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |

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

| Particulars | 2013-14 | | 2012-13 | |
|---|------------|-------------|------------|-------------|
| | 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, 2014. 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 | 2013-14 | | 2012-13 | |
|--|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Coronation Refrigeration Industries Ltd. | 2250000 | 15.515 | 2250000 | 15.515 |
| 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 | 3107000 | 21.424 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 3

Reserves and surplus

| Particulars | 2013-14 | 2012-13 |
|---|---------------------|--------------------|
| a. Capital Reserves- Restructuring of Debt. | Amount (Rs.) | Amount |
| (Rs.)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. Capital Redemption Reserve | | |
| Opening Balance | 13,300,000 | 13,300,000 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 13,300,000 | 13,300,000 |
| c. Other Reserves (Capital Reserve on Forfeiture of Shares) | | |
| Opening Balance | 91,000 | 91,000 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 91,000 | 91,000 |
| d. Surplus | | |
| Opening balance | 5,765,462 | (5,069,495) |
| (+) Net Profit/(Net Loss) For the current year | 10,071,297 | 10,834,957 |
| (+) Transfer from Reserves | - | - |
| (-) Transfer to Reserves | - | - |
| Closing Balance | 15,836,759 | 5,765,462 |
| Total | 162,223,203 | 152,151,906 |

Note 4

Short Term Borrowings

| Particulars | 2013-14 | 2012-13 |
|---|----------|---------------|
| Unsecured | | |
| (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 | - | - |
| Total | - | 90,246 |

Note 5

Other Current Liabilities

| Particulars | 2013-14 | 2012-13 |
|------------------------|----------------|----------------|
| Other payables | | |
| TDS Payable | 42,876 | 67,246 |
| Service Tax Payable | 5,903 | 111,014 |
| Liability for Expenses | 253,979 | 310,244 |
| Other liabilities | 350,255 | 244,876 |
| Total | 653,013 | 733,380 |

Note 6

Short Term Provisions

| Particulars | 2013-14 | 2012-13 |
|---|------------------|----------------|
| (a) Provision for employee benefits | | |
| Gratuity (Funded) | 1,059,651 | 489,713 |
| (b) Others | | |
| Provisions for Taxation (Net of advance Tax and TDS) | - | 138,352 |
| Total | 1,059,651 | 628,065 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 7

(Figs. in Rs.)

| Fixed Assets | Gross Block | | Accumulated Depreciation | | | Net Block | | |
|---------------------------------|----------------------------|------------------------|-----------------------------|----------------------------|----------------------------------|----------------|----------------------------|--------------------------|
| | Balance as at 1 April 2013 | Additions/ (Disposals) | Balance as at 31 March 2014 | Balance as at 1 April 2013 | Depreciation charge for the year | On disposals | Balance as at 1 April 2013 | Balance as at March 2014 |
| a Tangible Assets | | | | | | | | |
| 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 | 2,860,142 | 291,280 | - | 5,860,821 | 5,569,541 |
| Non Factory building | 1,541,813 | - | 1,541,813 | 156,313 | 25,131 | - | 1,385,500 | 1,360,369 |
| Plant and Equipment | 23,232,817 | - | 23,232,817 | 20,583,143 | 1,103,559 | - | 2,649,674 | 1,546,115 |
| Furniture and Fixtures | 751,640 | - | 751,640 | 358,437 | 56,245 | - | 393,203 | 336,958 |
| Electrical Installation | 2,675,239 | - | 2,675,239 | 1,228,076 | 127,074 | - | 1,447,163 | 1,320,089 |
| Vehicles | 2,934,916 | (888,861) | 2,046,055 | 1,520,041 | 208,950 | 536,495 | 1,414,875 | 853,559 |
| Office equipment | 1,098,290 | 88,486 | 1,186,776 | 321,549 | 52,550 | - | 776,741 | 812,677 |
| Computer | 1,417,751 | 42,000 | 1,459,751 | 1,147,765 | 176,519 | - | 269,986 | 135,467 |
| Total | 44,681,426 | (758,375) | 43,923,051 | 28,175,466 | 2,041,308 | 536,495 | 16,505,960 | 14,242,772 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 8 Non-current investments

| Particulars | 2013-14 | 2012-13 |
|--|----------------|----------------|
| | Rs. | Rs. |
| A Non-Trade Investments (Refer A below) | | |
| (a) Investment in Equity instruments | 674,038 | 674,038 |
| (b) Investments in Government or Trust securities | 5,000 | 5,000 |
| Total (A) | 679,038 | 679,038 |
| Less: Provision for diminution in the value of Investments | - | - |
| Total | 679,038 | 679,038 |

| Particulars | 2013-14 | 2012-13 |
|--|---------|---------|
| | Rs. | Rs. |
| Aggregate amount of quoted investments (Market value of Rs.3450/- (Previous Year: Rs 3370/-) | 3538 | 3538 |
| Aggregate amount of unquoted investments | 675500 | 675500 |

A. Details of Trade Investments

| Sr. No. is | 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) 'No' - Basis of Valuation* | |
|------------|---|---|-----------------------|---------|-------------------|--------------------------|-----------------------|-------|-----------------|----------------|-----------------------------------|---|-----|
| | | | 2013-14 | 2012-13 | | | (4) | (5) | (7) | (8) | | | (9) |
| (1) | (2) | (3) | | | (6) | | | | | | | | |
| (a) | Investment in Equity Instruments | | | | | | | | | | | | |
| | Himalaya Granite Ltd | N.A. | 100 | 100 | Quoted | Fully Paid | - | - | 3538 | 3538 | Yes | - | |
| | Kingstone Krystals Ltd. | Subsidiary | 66,800 | 66,800 | Unquoted | Fully Paid | 98.96 | 98.96 | 670500 | 670500 | Yes | - | |
| | | | | | | | | | 674,038 | 674,038 | | | |
| (b) | Investments in Government or Trust securities | | | | | | | | | | | | |
| | NSC VIII Issue | - | - | - | Unquoted | - | - | - | 5000 | 5000 | Yes | - | |
| | Total | | | | | | | | 679,038 | 679,038 | | | |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 9

Long Term Loans and Advances

| Particulars | 2013-14 | 2012-13 |
|---|---------------------|---------------------|
| a. Security Deposits | Amount (Rs.) | Amount (Rs.) |
| Unsecured, considered good | 1,448,130 | 1,228,636 |
| | 1,448,130 | 1,228,636 |
| d. Other loans and advances (specify nature) | | |
| Unsecured, considered good | | |
| Loans | 98,972,392 | 52,250,000 |
| Advances to Govt. Authorities | 2,148,215 | 2,120,712 |
| Advances to others | 289,104 | 354,378 |
| | 101,409,711 | 54,725,090 |
| Total | 102,857,841 | 55,953,726 |

Note 10

Current Investments

| Particulars | 2013-14 | 2012-13 |
|---|------------------|------------------|
| Investment in Equity instruments | - | - |
| (a) Investments in preference shares | - | - |
| (b) Investments in Debentures or Bonds | - | - |
| (c) Investments in Debentures or Bonds | - | - |
| (d) Investments in Mutual Funds - Fully Paid, Quoted | | |
| ICICI Prudential Saving Fund- 10302.172 units; (Previous Year - 14483.776 units) | 1,930,321 | 2,502,818 |
| (e) Other non-current investments | - | - |
| Total | 1,930,321 | 2,502,818 |
| Less : Provision for dimunition in the value of Investments | - | - |
| Total | 1,930,321 | 2,502,818 |

| Particulars | 2013-14 | 2012-13 |
|---|-----------|-----------|
| Aggregate amount of quoted investments (Market value of Rs.19,62,668/-; (Previous Year Rs.25,20,129/-) | 1,930,321 | 2,502,818 |
| Aggregate amount of unquoted investments (Previous Year ` __) | - | - |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 11

Inventories

| Particulars | 2013-14 | | 2012-13 | |
|--|--------------|-------------------|--------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| a. Raw Materials and components (Valued at Cost) | 5,669,622 | | 8,206,860 | |
| | | 5,669,622 | | 8,206,860 |
| b. Finished goods (Valued at Cost or net realisable value, whichever is low) | 30,454,526 | | 44,459,735 | |
| | | 30,454,526 | | 44,459,735 |
| c. Stores and spares (Valued at Cost) | 3,357,780 | | 3,357,780 | |
| | | 3,357,780 | | 3,357,780 |
| Total | | 39,481,928 | | 56,024,375 |

Note 12

Trade Receivables

| Particulars | 2013-14 | 2012-13 |
|---|------------------|------------------|
| | 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 | 8,124 | - |
| | 8,124 | - |
| b) Trade Receivable outstanding for a period not exceeding six months from the due of payment | 6,537,603 | 6,883,125 |
| | 6,537,603 | 6,883,125 |
| c) Debts due by related parties Unsecured, considered good | 20,834 | 31,404 |
| | 20,834 | 31,404 |
| Total | 6,566,561 | 6,914,529 |

Trade Receivable stated above include debts due by:

| Particulars | 2013-14 | 2012-13 |
|---------------------------------|---------------|---------------|
| Directors and their relatives * | 20,834 | 28,978 |
| Other officers of the Company * | - | 2,426 |
| | 20,834 | 31,404 |

Note 13

Cash and cash equivalents

| Particulars | 2013-14 | | 2012-13 | |
|---|--------------|-------------------|--------------|------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| Cash and Cash equivalents | | | | |
| Balance With Bank | | | | |
| -On Currnet Account | 10,917,136 | | 7,078,174 | |
| Cash on hand | 195,730 | 11,112,866 | 465,247 | 7,543,421 |
| Other Bank Balances | | | | |
| Earmarked Balances (i.e.; unpaid dividend account) | - | | - | |
| Fixed deposit with Bank (Pleased against security) | 237,959 | | 222,012 | |
| Security against borrowings | - | 237,959 | - | 222,012 |
| | | 11,350,825 | | 7,765,433 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 14

Short-term loans and advances

| Particulars | 2013-14 | | 2012-13 | |
|---|--------------|------------------|--------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| "a. Loans and advances to related parties " Unsecured, considered good | | - | - | - |
| | | - | | - |
| b. Others (specify nature) Unsecured, considered good - | | | | |
| Loans | 5,104,828 | | 27,372,090 | |
| Advance Against Purchase | - | | 7,500 | |
| Prepaid Expenses | 77,476 | | 88,556 | |
| Advance Tax and TDS (net of Provision for Tax | 315,727 | | - | |
| Advance Against Expenses | 27,857 | | 16,468 | |
| | | 5,525,888 | | 27,484,614 |
| | | 5,525,888 | | 27,484,614 |

Note 15

Other Current Assets

| Particulars | 2013-14 | | 2012-13 | |
|---------------------------------|--------------|--------------|--------------|--------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| Interest accrued on Investments | - | | 18,559 | |
| Other receivables | - | | 15,000 | |
| - | | - | | 33,559 |

Note 16

Revenue from operations

| Particulars | 2013-14 | 2012-13 |
|--------------------------|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Sale of products | 20,196,595 | 6,207,358 |
| Sale of services | 7,200,000 | 7,200,000 |
| Other operating revenues | 24,967,767 | 58,287,966 |
| Total | 52,364,362 | 71,695,324 |

Note 17

Other income

| Particulars | 2013-14 | 2012-13 |
|--|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| a) Interest Income (in case of a company other than a finance company) | 15,550,464 | 19,499,073 |
| b) Net gain/loss on sale of investments | 496,878 | 382,721 |
| c) Other non-operating income (net of expenses directly attributable to such income) | 46,644 | 357,988 |
| d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost) | (4,327) | 86,645 |
| Total | 16,089,659 | 20,326,427 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 18

Cost of materials consumed

| Particulars | 2013-14 | 2012-13 |
|---------------------|------------------|-----------|
| | Amount (Rs.) | Amount |
| Opening Stock | 8,206,860 | 8,206,860 |
| Add: Purchase | - | - |
| less: Closing Stock | 5,669,622 | 8,206,860 |
| Total | 2,537,238 | - |

Note 19

Purchase of Stock-in - Trade

| Particulars | 2013-14 | 2012-13 |
|---------------------|------------------|------------------|
| | Amount (Rs.) | Amount |
| Opening Stock | - | - |
| Add: Purchase | 2,685,313 | 2,181,983 |
| Less: Closing Stock | - | - |
| Total | 2,685,313 | 2,181,983 |

Note 20

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

| Particulars | 2013-14 | 2012-13 |
|---|-------------------|------------------|
| | Amount (Rs.) | Amount |
| Opening Stock : | | |
| Finished Goods | 44,459,735 | 48,484,494 |
| | 44,459,735 | 48,484,494 |
| Closing Stock : | | |
| Finished Goods | 30,454,526 | 44,459,735 |
| | 30,454,526 | 44,459,735 |
| Net Decrease / (increase) in Finished Goods | 14,005,209 | 4,024,759 |

Note 21

Employee Benefits Expense

| Particulars | 2013-14 | 2012-13 |
|--|------------------|------------------|
| | Amount (Rs.) | Amount(Rs) |
| (a) Salaries and incentives | 3,195,974 | 4,280,444 |
| "(b) Contributions to Provident fund" | 223,791 | 240,828 |
| c) Gratuity Fund Contributions | 666,116 | - |
| (c) Social security and other benefit plans for overseas employees | 88,360 | 128,030 |
| (d) Staff welfare expenses | 248,784 | 372,604 |
| Total | 4,423,025 | 5,021,906 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 22**Finance costs**

| Particulars | 2013-14 | 2012-13 |
|------------------|---------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest expense | 9,782 | 5,272,167 |
| Bank Charges | 17,467 | 14,368 |
| Total | 27,249 | 5,286,535 |

Note 23**Other expenses**

| Particulars | 2013-14 | 2012-13 |
|---|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Consumption of stores and spare parts. | - | 1,596,493 |
| Other Manufacturing Expenses | 14,700 | 363,030 |
| Power and fuel. | 514,919 | 628,279 |
| Packing & Forwarding Charges | 233,112 | 183,516 |
| Electricity Charges | 455,624 | 557,107 |
| Advertisement and Publicity | 74,400 | |
| Rent. | 1,447,342 | 1,566,426 |
| Repairs and Maintenance - Office & others | 482,291 | 724,200 |
| Repairs to machinery - Factory | 332,077 | 471,559 |
| Insurance . | 161,364 | 125,758 |
| Rates and taxes, excluding, taxes on income. | 38,493 | 74,113 |
| Travelling and Conveyance Expenses | 2,110,460 | 2,681,051 |
| Vehicle Running and Maintenance Expenses | 599,699 | 612,969 |
| Printing & Stationary | 296,626 | 257,392 |
| Communication Charges(Postage & Telephone) | 753,392 | 759,064 |
| Legal & Professional Charges | 275,817 | 574,686 |
| Managerial Remuneration | 804,924 | 795,877 |
| Service Charges | 36,000 | 126,000 |
| Security Charges | 867,913 | 712,995 |
| Charity and Donation | 13,000 | - |
| Vehicle Hire Charges | 102,383 | 288,178 |
| Miscellaneous Expenditure | 323,324 | 370,035 |
| Payments to the auditor as | | |
| a. Statutory Audit fees | 40,000 | 40,000 |
| b. for Tax Audit and other taxation matters | 11,000 | 11,000 |
| c. for reimbursement of expenses/ Service Tax | 6,304 | 6,304 |
| Sundry Balance written off | - | 929,632 |
| Loss on Sale of Fixed Assets | 233,883 | - |
| Prior Period Items | - | 17,157 |
| Total | 10,229,047 | 14,472,821 |

Note 24**Earning Per Share**

| Particulars | 31.03.2014 | 31.03.2013 |
|--|--------------|--------------|
| | Amount (Rs.) | Amount (Rs.) |
| Profit After Tax | 10,071,297 | 10,834,957 |
| No of Equity Shares | 14,502,400 | 14,502,400 |
| Basic and diluted earning per equity share | 0.69 | 0.75 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 25

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

| Particulars | 2013-14 | 2012-13 |
|--|------------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| (i) Contingent Liabilities | | |
| (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, 2015) | 170,700 | 170,700 |
| | 3,013,270 | 3,013,270 |
| (ii) Commitments | | |
| | - | - |
| | 3,013,270 | 3,013,270 |

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

2 6

Depreciation on Plan and Machinery charged to single shift basis in the current financial year instead of triple shift basis charged in previous year.

Note 27

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: | 201.96 | 482.58 | 684.54 |
| TOTAL REVENUE | 201.96 | 482.58 | 684.54 |
| Segment Result : | (91.26) | 49.42 | (41.84) |
| (before interest and tax) | | | |
| Unallocated Corporate Expenses net of unallocable income | - | - | 13.16 |
| Operating Profit/(Loss) | - | - | (28.68) |
| Interest Income | 0.60 | 154.90 | 155.50 |
| Interest Expenses | 0.00 | 0.09 | 0.09 |
| Net Profit / (Loss) before Tax | - | - | 126.73 |
| OTHER INFORMATION | | | |
| CAPITAL EMPLOYED: | | | |
| Net Segment Assets | 592.10 | 1140.82 | 1732.92 |
| Unallocated Assets / (Liabilities) | - | - | 34.33 |
| Net Capital Employed | - | - | 1767.25 |
| Capital Expenditure | 0.73 | 0.57 | 1.30 |
| Depreciation | 18.49 | 1.92 | 20.41 |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.....)

Note 28

| Foreign Exchange earning / Outgo | 31/03/2014 (Rs. In lakhs) | 31/03/2013 (Rs. In Lakhs) |
|--|--------------------------------------|--------------------------------------|
| a) Expenditure in foreign currency | | |
| Traveling | NIL | NIL |
| Advertisement | NIL | NIL |
| Imported Consumables | NIL | Nil |
| b) FOB Value of exports/earnings in foreign currency | 39.87 | 33.35 |
| Other earnings in Foreign Currency | NIL | NIL |
| c) Value of imports on CIF basis | | |
| Components & spare parts | NIL | 1.31 |

Note 29

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, Managing Director
 Sri Vaibhav Poddar, CEO
 Sri Arabinda De, Director
 Sri Anubhav Poddar, President

Associate Persons:

Rashmi Properties & Investments Ltd.
 Coronation Refrigeration Industries Ltd.
 Tetron Commercial Limited
 Likhani Trading & Mfg. Co. Ltd.
 Nouveau Metal Industries Ltd.
 Uma Poddar
 Vrinda 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.2,04,924/- |
| Sri Arabinda De | Paid Director Sitting Fee Rs.6,000/-. |
| Sri Vaibhav Poddar | Paid Remuneration Rs.5,16,000/-, Employers contribution to Provident Fund Rs.36,000/- and other perquisites Rs.51,636/-. |
| Sri Anubhav Poddar | Paid Remuneration Rs.7,20,000/-, Employers contribution to Provident Fund Rs.9,360/-. |
| Uma Poddar | The Company incurred expenses Rs.20,834/- on her behalf during the year. Closing balance as on 31-03-2014 was Rs.20,834/-. |
| Vrinda Poddar | Paid Rent of Rs.80,000/- during the year to her. |

CEETA INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Rashmi Properties & Investments Ltd.(RPIL) The Company given unsecured loan of Rs. 24,00,000 to RPIL and received the entire amount with interest of Rs.10001/- as refund on loan during the year after TDS of Rs.1046/-. Further Company taken loan from RPIL of Rs.6,00,000/- and repaid entire amount with interest of Rs.2,762/-. Closing balance as on 31-03-2014 is NIL. The Company paid Rs.3,00,000/- as rent and Rs.1,36,449/- as electricity to RPIL.

Coronation Refrigeration Ind. Ltd.(CRIL) The Company paid rent of Rs.8,40,000/- to CRIL. Closing Balance as on 31-03-2014 was NIL. The Company given Rs.5,00,000/- as Security deposit to CRIL towards house rent.

Tetron Commercial Limited (TCL) The Company given unsecured loan to TCL of Rs.67,50,000/- during the year and total interest due was Rs. 2,30,975/-. The Company received entire amount as refund of loan and interest due after deduction of TDS. Closing balance as on 31-03-2014 was NIL.

Likhami Trading & Mfg. Co. Ltd.(LTML) The Company received unsecured loan of Rs.5,00,000/- during the year and repaid the entire amount with interest of Rs.7562/-. Closing Balance as on 31-03-2014 is NIL. The Company paid Rs.1,68,000/- as rent and Rs.1,43,316/- as electricity to LTML.

Nouveau Metal Industries Ltd. (NMIL) The Company paid Rs.1,20,000/- as rent and Rs.1,26,252/- as electricity to NMIL for residence of M.D.

Signature of Notes 1 to 29 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: 30/05/2014

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, 2014

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 | 31/03/2014 |
| 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, 2014 | Nil |
| b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2014. | (Rs.91,301/-) |
| 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, 2013 | Nil |
| b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2013 | Rs. 17,36,528/- |

On behalf of the Board

K.M. Poddar
Managing Director

A.De
Director

Place: Kolkata
Date: 30-05- 2014

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, 2014.

FINANCIAL RESULTS:

| | <u>2013-14</u> | <u>2012-13</u> |
|--|------------------|------------------|
| | Rs. | Rs. |
| Profit/(Loss) as per Profit & Loss Statement | (92,258) | 3,43,486 |
| Less: Provision for Income Tax | - | 64,618 |
| Profit / (Loss) after taxation | (92,258) | 2,78,868 |
| Balance brought forward from previous year | 17,54,725 | 14,75,857 |
| Balance carried to next year | <u>16,62,467</u> | <u>17,54,725</u> |

DIVIDEND:

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

DIRECTORS:

Sri Anubhav Poddar 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 & Co., Chartered Accountants retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Directors recommend their reappointment subject to compliance of Section 139 of the Companies Act, 2013 and the rules made there under.

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.

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 throughout 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, 2014, 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, 2014 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: 08-08-2014

KINGSTONE KRYSTALS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSTONE CRYSTALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of KINGSTONE KRYSTALS LIMITED ("The Company") which comprise the Balance Sheet as at 31st March, 2014 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, financial performance and Cash Flow of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of the 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, 2014.
- (b) In the case of the Statement of Profit and Loss of the Loss for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and sub-section (11) of section 143 of the Companies Act, 2013, 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:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

KINGSTONE KRYSTALS LIMITED

- ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- iii) The Balance Sheet and Statement of Profit & Loss with this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies act, 2013.
- v) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is dis-qualified as on 31st March, 2014 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.

For 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 the 30th day of May, 2014

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 the 30th day of May,2014

KINGSTONE KRYSTALS LIMITED**Balance Sheet as at 31st March 2014**

| Particulars | | Note No. | 2013-14 | 2012-13 |
|--|-----------------------------------|----------|------------------|------------------|
| | | | Rs. | Rs. |
| I. | EQUITY AND LIABILITIES | | | |
| | 1 Shareholders' funds | | | |
| | (a) Share capital | 2 | 675,000 | 675,000 |
| | (b) Reserves and surplus | 3 | 1,662,467 | 1,754,725 |
| 2 | Current liabilities | | | |
| | (a) Other current liabilities | 4 | 8,427 | 12,427 |
| | (b) Short-term provisions | 5 | - | 49,525 |
| | TOTAL | | 2,345,894 | 2,491,677 |
| II. | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Non-current investments | 6 | 1,444,765 | 1,620,288 |
| 2 | Current assets | | | |
| | (a) Current investments | 7 | 700,000 | 250,000 |
| | (b) Trade Receivables | | - | 276,365 |
| | (c) Cash and cash equivalents | 8 | 147,526 | 344,524 |
| | (d) Short-term loans and advances | 9 | 3,869 | - |
| | (e) Other current assets | 10 | 49,734 | 500 |
| | TOTAL | | 2,345,894 | 2,491,677 |
| 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: 30-05-2014

S.L. Singhania
Director

KINGSTONE KRYSTALS LIMITED**Profit and Loss Statement for the year ended 31st March 2014**

| | Particulars | Note No. | 2013-14 | 2012-13 |
|-------------|--|----------|-----------------|----------------|
| | | | Rs. | Rs. |
| I. | Revenue from operations | | - | - |
| II. | Other income | 11 | (55,072) | 377246 |
| III. | Total Revenue (I + II) | | (55,072) | 377,246 |
| IV. | Expenses: | | | |
| | Other expenses | 12 | 37,186 | 33,760 |
| | Total expenses | | 37,186 | 33,760 |
| V. | Profit before tax (III- IV) | | (92,258) | 343,486 |
| VI. | Tax expense: | | | |
| | Current tax | | - | 64618 |
| VII | Profit (Loss) for the period (V - VI) | | (92,258) | 278,868 |
| VIII | Earnings per equity share: | 13 | | |
| | (1) Basic | | -1.37 | 4.13 |
| | (2) Diluted | | -1.37 | 4.13 |

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: 30-05-2014

KINGSTONE KRYSALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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, as extended to Companies Act, 2013. 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, as extended to Companies Act, 2013. 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. 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. 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

Revenue is recognized to the extent that it is probable that the economic benefits will

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 | 2013-14 | | 2012-13 | |
|---|---------------|----------------|---------------|----------------|
| | Number | Amount Rs. | Number | Amount Rs. |
| a) Authorized Equity Shares of Rs.10 each | 250,000 | 2,500,000 | 250,000 | 2,500,000 |
| b) Issued Equity Shares of Rs. 10 each | 67,500 | 675,000 | 67,500 | 675,000 |
| c) Subscribed & Paid up Equity Shares of Rs.10 each fully paid in cash | 67,500 | 675,000 | 67,500 | 675,000 |
| Total | 67,500 | 675,000 | 67,500 | 675,000 |

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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, 2014

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 | 2013-14 | | 2012-13 | |
|---|--------------------|--------------|--------------------|--------------|
| | 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 | 2013-14 | | 2012-13 | |
|--------------------------|--------------------|--------------|--------------------|--------------|
| | 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 | 2013-14 | | 2012-13 | |
|---|---------|-------------|---------|-------------|
| | 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

| | 2013-14 | | 2012-13 | |
|--|------------------|-----|------------------|-----|
| | Rs. | Rs. | Rs. | Rs. |
| a. Surplus | | | | |
| Opening balance | 1,754,725 | | 1,475,857 | |
| (+) Net Profit/(Net Loss) For the current year | (92,258) | | 278,868 | |
| (+) Transfer from Reserves | - | | - | |
| (-) Transfer to Reserves | - | | - | |
| Closing Balance | 1,662,467 | | 1,754,725 | |
| Total | 1,662,467 | | 1,754,725 | |

Note 4

Other Current Liabilities

| | 2013-14 | 2012-13 |
|--|--------------|---------------|
| | Rs. | Rs. |
| (a) Other Payables : Liabilities for Expenses | 8,427 | 12,427 |
| | 8,427 | 12,427 |

Note 5

Short Term Provisions

| | 2013-14 | 2012-13 |
|--|----------|---------------|
| | Rs. | Rs. |
| (a) Provision for employee benefits | - | - |
| (b) Others (Specify nature) | - | - |
| Provisions for Taxation (net of advance tax) | - | 49,525 |
| Total | - | 49,525 |

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

| Note 6 | | |
|---|------------------|------------------|
| Non-current investments | 2013-14 | 2012-13 |
| Particulars | 2013-14 | 2012-13 |
| A Non-Trade Investments (Refer A below) | | |
| (a) Investment Properties | - | - |
| (b) Investment in Equity instruments | 1,444,765 | 1,620,288 |
| Total | 1,444,765 | 1,620,288 |
| Less : Provision for diminution in the value of Investments | - | - |
| Total | 1,444,765 | 1,620,288 |

| Particulars | 2013-14 | 2012-13 |
|---|---------|-----------|
| Aggregate amount of quoted investments (Market value of Rs.919949/- (Previous Year Rs 860828/-) | 993,990 | 1,169,513 |
| Aggregate amount of unquoted investments | 450,775 | 450,775 |

| 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" |
| | | | 2013-14 | 2012-13 | | | 2013-14 | 2012-13 | 2013-14 | 2011-12 | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| (a) Investment in Properties | | | | | | | | | | | | |
| (b) Investment in Equity Instruments | | | | | | | | | | | | |
| | Ceeta Synthetics & Turfs Ltd. | Controlled | 555000 | 555000 | Unquoted | Fully Paid | 18.50 | 18.50 | 350,525 | 350,525 | Yes | N.A. |
| | Impact Stoneworks Pvt. Ltd. | Controlled | 10000 | 10000 | Unquoted | Fully Paid | 25.00 | 25.00 | 100,250 | 100,250 | Yes | N.A. |
| | Gujrat NRE Coke Ltd. | N.A. | - | 462 | Quoted | Fully Paid | - | - | - | 47,360 | Yes | N.A. |
| | Karnataka Bank Ltd. | N.A. | - | 1500 | Quoted | Fully Paid | - | - | - | 192,858 | Yes | N.A. |
| | NIIT Ltd. | N.A. | 898 | - | Quoted | Fully Paid | - | - | 17,687 | - | Yes | N.A. |
| | VIP Industries Ltd. | N.A. | 1000 | - | Quoted | Fully Paid | - | - | 47,008 | - | Yes | N.A. |
| | Reliance Industries Limited | N.A. | 850 | 850 | Quoted | Fully Paid | - | - | 929,295 | 929,295 | Yes | N.A. |
| Total | | | | | | | | | 1,444,765 | 1,620,288 | | |

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 7

Current Investments

| Sl.No. | Particulars | 2013-14 Rs. | 2012-13 Rs. |
|--------|---|----------------|----------------|
| (a) | Investments in Mutual Funds | 700,000 | 250,000 |
| | Less : Provision for diminution in the value of Investments | - | - |
| | Total | 700,000 | 250,000 |

| Sl.No. | Particulars | 2013-14 | 2012-13 |
|--------|--|---------|---------|
| (1) | Aggregate amount of quoted investments (Market Value Rs.7,35,372/- Previous Year Rs. 2,86,123/-) | 700,000 | 250,000 |

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 |
|---------|---------------------------------------|---|-----------------------|----------------|-------------------|--------------------------|-----------------|-----------------|--------------------|
| | | | 2013-14 (4) | 2012-13 (5) | | | 2013-14 (10) | 2012-13 (11) | |
| (1) | (2) | (3) | | | (6) | (7) | | | (12) |
| (a) | Investments in Mutual Funds | | | | | | | | |
| | ICICI Prudential Liquid Plan- Growth | Others | - | 1033.908 | Quoted | N.A. | - | 250000 | Cost Price |
| | ICICI Prudential Savings Fund- Growth | Others | 3865.077 | - | Quoted | N.A. | 700000 | - | Cost Price |
| | Total | | | | | | 700,000 | 250,000 | |

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 8

Cash and cash equivalents

| | 2013-14 | | 2012-13 | |
|--|---------|---------|---------|---------|
| | Rs. | Rs. | Rs. | Rs. |
| Cash and Cash equivalents | | | | |
| Balance With Bank | | | | |
| -On Currnet Account | 93,381 | | 291,129 | |
| Cash on hand | 54,145 | 147,526 | 53,395 | 344,524 |
| Other Bank Balances | | | | |
| Earmarked Balances (i.e.; unpaid dividend account) | - | | - | |
| Margin Money | - | | - | |
| Security against borrowings | - | - | - | - |
| | | 147,526 | | 344,524 |

Note 9

Short-term loans and advances

| | 2013-14 | | 2012-13 | |
|--|---------|--------------|---------|-----|
| | Rs. | Rs. | Rs. | Rs. |
| a. Loans and advances to related parties | | | | |
| | - | | - | |
| | | - | | - |
| b. Others (specify nature) | | | | |
| Unsecured, considered good | | | | |
| Advance Tax & Self Asst. Tax (Net of Provisions) | 3,869 | | - | |
| | | 3,869 | | - |
| | | 3,869 | | - |

Note 10

Other Current Assets

| Particulars | 2013-14 | 2012-13 |
|--|---------------|------------|
| Incorporates current assets that do not fit into any other asset category. | 49,734 | 500 |
| | 49,734 | 500 |

Note 11

Other income

| Particulars | 2013-14 | 2012-13 |
|--|-----------------|----------------|
| a) Interest Income (in case of a company other than a finance company) | - | - |
| b) (i) Dividend from Subsidiary Companies | - | - |
| (ii) Dividend Income | 14,150 | 12,475 |
| c) Net gain/loss on sale of investments | (69,297) | 265,337 |
| d) Other non-operating income (net of expenses directly attributable to such income) | 75 | 99,434 |
| Total | (55,072) | 377,246 |

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 12

Other expenses

| Particulars | 2013-14 | 2012-13 |
|--|---------------|---------------|
| | Rs. | Rs. |
| Rent | 12,000 | 12,000 |
| Bank Charges | - | 339 |
| Filing Fee | 2,124 | 1,000 |
| Demat Charges | 1,000 | 400 |
| Rates and taxes, excluding, taxes on income. | 6,750 | 6,750 |
| Legal & Professional Charges | 6,685 | 4,000 |
| Miscellaneous Expenditure | 200 | 654 |
| 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 | 927 |
| Income Tax for earlier year | - | 190 |
| Total | 37,186 | 33,760 |

Note 13

Earning Per Share

| | 31.03.2014 | 31.03.2013 |
|--|------------|------------|
| Profit After Tax (in Rs.) | (92,258) | 278,868 |
| No of Equity Shares | 67,500 | 67,500 |
| Basic and diluted earning per equity share | (1.37) | 4.13 |

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. Singhania
Sri Anubhav Poddar

Associate Persons:

Likhami Trading & Mfg. Co. Ltd.

Name of the Company

Likhami Trading & Mfg. Co. Ltd.(LTML)

Nature of Transactions

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

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

Dated: 30-05-2014

A. De

Director

S.L. Singhania

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.** ("The Company") which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then 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 flow of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of the 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, 2014.
- (b) In the case of the Consolidated Statement of Profit and Loss of the Profit for the year ended on that date.
- (c) In the case of the Consolidated Cash Flow Statement, of the Cash Flow for the year ended on that 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 - 700 012
Dated the 30th May, 2014

CEETA INDUSTRIES LIMITED

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and sub-section (11) of section 143 of the Companies Act, 2013, 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:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - iii) The Consolidated Balance Sheet and Consolidated Statement of Profit & Loss with by this report are in agreement with the books of account.
 - iv) In our opinion, the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss comply with the accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies act, 2013.
 - v) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is dis-qualified as on 31st March, 2014 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.

For G.K. Tulsyan & Co.

Chartered Accountants

Firm's Registration No.-323246E

G.K. Tulsyan

Partner

Membership No.50511

4, Gangadhar Babu Lane

Kolkata - 700 012

Dated the 30th May, 2014

Annexure to the Auditor's Report

The Annexure referred to in our report of even date to the members of **CEETA INDUSTRIES LTD** for the year ended 31st March, 2014. We further report that:

- 1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
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.

CEETA INDUSTRIES LIMITED

- (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. According to the information and explanations given to us the Company has accepted unsecured loan amounting to Rs. 5 lacs from one (one) Companies covered in the register maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013.
- a) The rate of interest and other terms & conditions to which loan have been accepted are prima- facies not prejudicial to the interest of the company.
- b) The principal amount of loan is repayable on demand
- c) There has been no over due amount of more than 6 months outstanding.
- As informed to us and as per books of accounts , the company has granted unsecured loan of Rs.91.5 lacs to 2 (two) companies mentioned in the register under section 301 of the companies act ,1956 and Section 189 of the Companies Act, 2013
- a) The rate of interest and other terms & conditions to which loan have been granted are prima- facies not prejudicial to the interest of the company.
- b) The principal amount of loan is repayable on demand
- c) There has been no over due amount of more than 6 months outstanding
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 the nature of its business for purchase of shares, expenses incurred and sale of shares. During the course of our audit, no major weakness has been noticed in the internal control.
5. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees five lacs only) or more in respect of any party.
6. The Company has not accepted any deposit from public within the meaning of Section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with size and nature of its business during the year.
8. 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.
9. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including income tax and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us there are undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty which were outstanding at the year end for a period of more than six months from the date they became payable.
- (b) There are no dues outstanding of sales tax, wealth tax, service tax, income tax, excise duty and cess on account of any dispute.
10. The Company has neither accumulated losses nor incurred any cash losses during the financial year covered by our audit and in the immediate preceding financial year.
11. 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 financial institutions and banks. The Company has not issued any debentures during the year.

CEETA INDUSTRIES LIMITED

12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
13. 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.
14. As informed and explained to us in respect of the company's investment in shares and securities the Company has maintained proper records of the transactions in respect of investment and timely entries have been made therein. The share and other investments have been held by the Company in its own name.
15. According to information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. According to the records of the Company and the information given to us, the Company did not take any term loan during the year, hence clause (xiv) is not applicable.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company, we report that funds raised on short terms basis have not been used for long term investment and vice-versa.
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. Since no debentures have been issued during the year, question of creating securities does not arise.
20. Since there were no public issue of securities during the year by the company, verification of end use of the money does not arise.
21. Based on the audit procedures performed and representation obtained from the management, we report that no fraud on or by the company has been noticed or reported during the year under audit.

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

G.K. Tulsyan
Partner
Membership No.50511
4, Gangadhar Babu Lane
Kolkata - 700 012
Dated the 30th May,2014

CEETA INDUSTRIES LIMITED

Consolidated Balance Sheet as at 31st March 2014

| Particulars | Note No. | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|---|----------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 2 | 14,502,400 | 14,502,400 |
| (b) Reserves and surplus | 3 | 163,868,430 | 153,888,433 |
| 2 Minority Interest | | 24,240 | 25,198 |
| 3 Current liabilities | | | |
| (a) Short-term borrowings | 4 | - | 90,246 |
| (b) Trade payables | | 4,196,907 | 5,758,055 |
| (c) Other current liabilities | 5 | 661,440 | 745,807 |
| (d) Short-term provisions | 6 | 1,059,651 | 677,590 |
| TOTAL | | 184,313,068 | 175,687,729 |
| II. ASSETS | | | |
| Non-current assets | | | |
| 1 (a) Fixed assets | | | |
| (i) Tangible assets | 7 | 14,242,772 | 16,505,960 |
| (ii) Intangible assets | | 2,500 | 2,500 |
| (iii) Capital work-in-progress | | - | - |
| (b) Non-current investments | 8 | 1,453,303 | 1,628,826 |
| (c) Long-term loans and advances | 9 | 102,857,841 | 55,953,726 |
| (d) Other non-current assets | | - | - |
| 2 Current assets | | | |
| (a) Current investments | 10 | 2,630,321 | 2,752,818 |
| (b) Inventories | 11 | 39,481,928 | 56,024,375 |
| (c) Trade Receivables | 12 | 6,566,561 | 7,190,894 |
| (d) Cash and cash equivalents | 13 | 11,498,351 | 8,109,957 |
| (e) Short-term loans and advances | 14 | 5,529,757 | 27,484,614 |
| (f) Other current assets | 15 | 49,734 | 34,059 |
| TOTAL | | 184,313,068 | 175,687,729 |
| Notes to Balance Sheet and Statement of Profit and Loss | | 1-29 | |

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: 30-05-2014

A. De
Director

CEETA INDUSTRIES LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March 2014

| | Particulars | Note No | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|-------|---|---------|-------------------------|-------------------------|
| I. | Revenue from operations | 16 | 52,364,362 | 71,695,324 |
| II. | Other income | 17 | 16,034,587 | 20,703,673 |
| III. | Total Revenue (I + II) | | 68,398,949 | 92,398,997 |
| IV. | Expenses: | | | |
| | Cost of materials consumed | 18 | 2,537,238 | - |
| | Purchase of Stock-in Trade | 19 | 2,685,313 | 2,181,983 |
| | Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 20 | 14,005,209 | 4,024,759 |
| | Other Operating Expenses | | 19,832,335 | 44,144,742 |
| | Employee benefits expense | 21 | 4,423,025 | 5,021,906 |
| | Finance costs | 22 | 27,249 | 5,286,535 |
| | Depreciation and amortization expense | | 2,041,308 | 3,452,195 |
| | Other expenses | 23 | 10,266,233 | 14,506,581 |
| | Total expenses | | 55,817,910 | 78,618,701 |
| V. | Profit before exceptional and extraordinary items and tax (III-IV) | | 12,581,039 | 13,780,296 |
| VI. | Exceptional / Extraordinary items | | - | - |
| VII. | Profit before tax (VII- VIII) | | 12,581,039 | 13,780,296 |
| VIII. | Provision for Taxation | | 2,602,000 | 2,666,471 |
| IX. | Profit/ (Loss) for the Period | | 9,979,039 | 11,113,825 |
| X. | Earnings per equity share: | 24 | | |
| | (1) Basic | | 0.69 | 0.77 |
| | (2) Diluted | | 0.69 | 0.77 |

Notes to Balance Sheet and Statement of Profit and Loss 1-29

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: 30-05-2014

A. De
Director

CEETA INDUSTRIES LIMITED

Consolidated Cash Flow Statement for the year ended 31st March, 2014

| Particulars | | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|-------------|---|-------------------------|-------------------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES: | Rs. | Rs. |
| | Net profit before interest, tax and extraordinary items | 12,590,821 | 19,052,463 |
| | Adjustment for: | | |
| | Income from Investment | (427,581) | (648,058) |
| | Loss on Sale of Fixed Assets | 227,366 | - |
| | Depreciation | 2,041,308 | 3,452,195 |
| | Interest received | (15,550,464) | (19,499,073) |
| | Dividend | - | (12,475) |
| | Operating profit before working capital charges | (1,118,550) | 2,345,052 |
| | Adjustments for Increase/ decrease in : | | |
| | Trade and Other receivables | 624,333 | (2,678,504) |
| | Inventories | 16,542,447 | 5,634,914 |
| | Trade Payables | (1,561,148) | 2,734,709 |
| | Other Current Liabilities & Provisions | 297,694 | (53,073,304) |
| | Long Term Loans & Advances | (46,904,115) | 25,448,239 |
| | Short Term Loans & Advances | 22,408,936 | (3,618,109) |
| | Other Current Assets | (15,675) | 133,498 |
| | Cash Generated from Operation | (9,726,078) | (23,073,505) |
| | Direct Tax Paid | 3,056,079 | 1,695,290 |
| | Cash Flow before extraordinary items | (12,782,157) | (24,768,795) |
| | Extraordinary items | - | - |
| | Net cash flow from operating activities(A) | (12,782,157) | (24,768,795) |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of fixed assets including Capital W.I.P. | (130,486) | (305,411) |
| | Purchase of Investment | (16,464,395) | (54,310,128) |
| | Sale of fixed assets | 125,000 | - |
| | Sale of Investment | 17,189,996 | 52,480,561 |
| | Interest Received | 15,550,464 | 19,499,073 |
| | Dividend Received | - | 12,475 |
| | Net cash used in investing activities (B) | 16,270,579 | 17,376,570 |
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Interest Paid | (9,782) | (5,272,167) |
| | Proceeds from short term borrowings | (90,246) | 90,246 |
| | Net Cash Flow from Financing Activities(C) | (100,028) | (5,181,921) |
| | Net Increase in cash and Cash equivalent(A+B+C) | 3,388,394 | (12,574,146) |
| | Cash and Cash equivalent as at beginning of the year | 8,109,957 | 20,684,103 |
| | Cash and Cash equivalent as at end of the year | 11,498,351 | 8,109,957 |

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: 30-05-2014

K.M. Poddar
Managing Director

A. De
Director

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 31/03/14 |
|-------------------------|--------------------------|-------------------------------|
| 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 is applicable to the company in the current year for preparation and presentation of its financial statements. There is no change in accounting policy of the company during the current year except charging depreciation on Plan and Machinery on single shift basis instead of triple shift basis charged in previous years. 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, 2014

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. 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, 2014

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, 2014

Note 2

Share capital

| Share Capital | 2013-14 | | 2012-13 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | Number | Amount | Number | Amount |
| a) Authorised | | | | |
| 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) Issued | | | | |
| 14502400 Equity Shares of Re. 1/- each | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |
| c) Subscribed & Paid up | | | | |
| 14502400 Equity Shares of Re. 1/- each | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |
| Total | 14,502,400 | 14,502,400 | 14,502,400 | 14,502,400 |

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

| Particulars | 2013-14 | | 2012-13 | |
|---|------------|-------------|------------|-------------|
| | 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 |

e) 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, 2014. 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

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

| Name of Shareholder | 2013-14 | | 2012-13 | |
|--|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Coronation Refrigeration Industries Ltd. | 2250000 | 15.515 | 2250000 | 15.515 |
| Likhani 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 | 3107000 | 21.424 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 3

Reserves and surplus

| Particulars | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|---|-------------------------|-------------------------|
| a. Capital Reserves- Restructuring of Debt. | | |
| 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. Capital Redemption Reserve | | |
| Opening Balance | 13,300,000 | 13,300,000 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 13,300,000 | 13,300,000 |
| c. Other Reserves (Capital Reserve on Forfeiture of Shares) | | |
| Opening Balance | 91,000 | 91,000 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | 91,000 | 91,000 |
| d. Surplus | | |
| Opening balance | 7,501,989 | (3,608,944) |
| (+) Net Profit/(Net Loss) For the current year | 9,979,997 | 11,110,933 |
| (+) Transfer from Reserves | - | - |
| (-) Transfer to Reserves | - | - |
| Closing Balance | 17,481,986 | 7,501,989 |
| Total | 163,868,430 | 153,888,433 |

Note 4

Short Term Borrowings

| Particulars | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|--|-------------------------|-------------------------|
| Unsecured | | |
| Loans and advances from related parties | - | 90,246 |
| | - | 90,246 |
| In case of continuing default as on the balance sheet date | | |
| 1. Period of default | - | - |
| 2. Amount | - | - |
| Total | - | 90,246 |

Note 5

Other Current Liabilities

| Particulars | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|-------------------------|-------------------------|-------------------------|
| Other payables : | | |
| TDS Payable | 42,876 | 67,246 |
| Service Tax Payable | 5,903 | 111,014 |
| Liability for Expenses | 262,406 | 322,671 |
| Other liabilities | 350,255 | 244,876 |
| Total | 661,440 | 745,807 |

Note 6

Short Term Provisions

| Particulars | 2013-14 Amount (Rs.) | 2012-13 Amount (Rs.) |
|--|-------------------------|-------------------------|
| (a) Provision for employee benefits | | |
| Gratuity (Funded) | 1,059,651 | 489,713 |
| (b) Others | | |
| Provisions for Taxation (Net of advance Tax and TDS) | - | 187,877 |
| Total | 1,059,651 | 677,590 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 7

(Figs. in Rs.)

| Fixed Assets | Gross Block | | Accumulated Depreciation | | | Net Block | |
|----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------------|----------------|----------------------------|--------------------------|
| | Balance as at 1 April 2013 | Balance as at 31 March 2014 | Balance as at 1 April 2013 | Depreciation charge for the year | On disposals | Balance as at 1 April 2013 | Balance as at March 2014 |
| a Tangible Assets | | | | | | | |
| 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 | 2,860,142 | 291,280 | - | 5,860,821 | 5,569,541 |
| Non Factory building | 1,541,813 | 1,541,813 | 156,313 | 25,131 | - | 1,385,500 | 1,360,369 |
| Plant and Equipment | 23,232,817 | 23,232,817 | 20,583,143 | 1,103,559 | - | 2,649,674 | 1,546,115 |
| Furniture and Fixtures | 751,640 | 751,640 | 358,437 | 56,245 | - | 393,203 | 336,958 |
| Electrical Installation | 2,675,239 | 2,675,239 | 1,228,076 | 127,074 | - | 1,447,163 | 1,320,089 |
| Vehicles | 2,934,916 | 2,046,055 | 1,520,041 | 208,950 | 536,495 | 1,414,875 | 853,559 |
| Office equipment | 1,098,290 | 1,186,776 | 321,549 | 52,550 | - | 776,741 | 812,677 |
| Computer | 1,417,751 | 1,459,751 | 1,147,765 | 176,519 | - | 269,986 | 135,467 |
| Total | 44,681,426 | 43,923,051 | 28,175,466 | 2,041,308 | 536,495 | 16,505,960 | 14,242,772 |
| b Intangible Assets | | | | | | | |
| Goodwill | 2,500 | 2,500 | - | - | - | 2,500 | 2,500 |
| Total | 2,500 | 2,500 | - | - | - | 2,500 | 2,500 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 8

Non-current investments

| Particulars | 2013-14 | 2012-13 |
|--|------------------|------------------|
| | Rs. | Rs. |
| A Non-Trade Investments (Refer A below) | | |
| (a) Investment in Equity Instruments | 1,448,303 | 1,623,826 |
| (b) Investments in Government or Trust securities | 5,000 | 5,000 |
| Total (A) | 1,453,303 | 1,628,826 |
| Less: Provision for diminution in the value of Invsts. | - | - |
| Total | 1,453,303 | 1,628,826 |

| Particulars | 2013-14 | 2012-13 |
|---|---------|---------|
| Aggregate amount of quoted investments (Market value of Rs.3450/- (Previous Year 'Rs 3370/-) | 3538 | 3538 |
| Aggregate amount of unquoted investments | 675500 | 675500 |

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" |
|--------------|---|---|-----------------------|---------|-------------------|--------------------------|-----------------------|-------|------------------|------------------|-----------------------------------|--|
| | | | 2013-14 | 2012-13 | | | (5) | (6) | (7) | | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| (a) | Investment in Equity Instruments | | | | | | | | | | | |
| | Ceeta Synthetics & Turfs Ltd. | Controlled | 555000 | 10000 | Unquoted | Fully Paid | 18.50 | 18.50 | 350,525 | 350,525 | Yes | N.A. |
| | Impact Stoneworks Pvt. Ltd. | Controlled | 10000 | 10000 | Unquoted | Fully Paid | 25.00 | 25.00 | 100,250 | 100,250 | Yes | N.A. |
| | Gujrat NRE Coke Ltd. | N.A. | - | 462 | Quoted | Fully Paid | - | - | - | 47,360 | Yes | N.A. |
| | Karnataka Bank Ltd. | N.A. | - | 1500 | Quoted | Fully Paid | - | - | - | 192,858 | Yes | N.A. |
| | NIIT Ltd. | N.A. | 898 | - | Quoted | Fully Paid | - | - | 17,687 | - | Yes | N.A. |
| | VIP Industries Ltd. | N.A. | 1000 | - | Quoted | Fully Paid | - | - | 47,008 | - | Yes | N.A. |
| | Reliance Industries Limited | N.A. | 850 | 850 | Quoted | Fully Paid | - | - | 929,295 | 929,295 | Yes | N.A. |
| Total | | | | | | | | | 1,448,303 | 1,623,826 | | |
| (b) | Investments in Government or Trust securities | | | | | | | | | | | |
| | NSC VIII Issue | - | - | - | Unquoted | - | - | - | 5000 | 5000 | Yes | - |
| Total | | | | | | | | | 1,453,303 | 1,628,826 | | |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 9

Long Term Loans and Advances

| Particulars | 2013-14 | 2012-13 |
|---|--------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| a. Security Deposits | | |
| Unsecured, considered good | 1,448,130 | 1,228,636 |
| | 1,448,130 | 1,228,636 |
| d. Other loans and advances (specify nature) | | |
| Unsecured, considered good | | |
| Loans | 98,972,392 | 52,250,000 |
| Advances to Govt. Authorities | 2,148,215 | 2,120,712 |
| Advances to others | 289,104 | 354,378 |
| | 101,409,711 | 54,725,090 |
| Total | 102,857,841 | 55,953,726 |

Note 10

Current Investments

| Particulars | 2013-14 | 2012-13 |
|--|------------------|------------------|
| | 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 - Fully Paid, Quoted ICICI prudential shaving Fund- 14167.249 units; (P. Year - 15517.684 units) | 2,630,321 | 2,752,818 |
| (e) Other non-current investments | - | - |
| Total | 2,630,321 | 2,752,818 |
| Less : Provision for diminution in the value of Investments | - | - |
| Total | 2,630,321 | 2,752,818 |

| Particulars | 2013-14 | 2012-13 |
|--|-----------|-----------|
| Aggregate amount of quoted investments (Market value of Rs.26,98,540/-; Previous Year Rs.28,06,252/-) | 2,630,321 | 2,752,818 |
| Aggregate amount of unquoted investments | - | - |

Note 11

Inventories

| Particulars | 2013-14 | | 2012-13 | |
|---|--------------|-------------------|--------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| a. Raw Materials and components (Valued at Cost) | | | | |
| | 5,669,622 | | 8,206,860 | |
| | | 5,669,622 | | 8,206,860 |
| b. Finished goods (Valued at Cost or net realisable value, whichever is low) | | | | |
| | 30,454,526 | | 44,459,735 | |
| | | 30,454,526 | | 44,459,735 |
| c. Stores and spares (Valued at Cost) | | | | |
| | 3,357,780 | | 3,357,780 | |
| | | 3,357,780 | | 3,357,780 |
| Total | | 39,481,928 | | 56,024,375 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 12

Trade Receivables

| Particulars | 2013-14 | 2012-13 |
|---|------------------|------------------|
| | 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 | 8,124 | - |
| | 8,124 | - |
| b) Trade Receivable outstanding for a period not exceeding six months from the due of payment | 6,537,603 | 7,159,490 |
| | 6,537,603 | 7,159,490 |
| c) Debts due by related parties Unsecured, considered good | 20,834 | 31,404 |
| | 20,834 | 31,404 |
| Total | 6,566,561 | 7,190,894 |

Trade Receivable stated above include debts due by:

| Particulars | 2013-14 | 2012-13 |
|-------------------------------|---------|---------|
| Directors and their relatives | 20,834 | 28,978 |
| Other officers of the Company | - | 2,426 |
| | 20,834 | 31,404 |

Note 13

Cash and cash equivalents

| Particulars | 2013-14 | | 2012-13 | |
|--|--------------|-------------------|--------------|------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| Cash and Cash equivalents | | | | |
| Balance With Bank | | | | |
| -On Current Account | 11,010,517 | | 7,369,303 | |
| Cash on hand | 249,875 | 11,260,392 | 518,642 | 7,887,945 |
| Other Bank Balances | | | | |
| Earmarked Balances (i.e.; unpaid dividend account) | - | | - | |
| Fixed deposit with Bank (Pleased against security) | 237,959 | | 222,012 | |
| Security against borrowings | - | 237,959 | - | 222,012 |
| | | 11,498,351 | | 8,109,957 |

Note 14

Short-term loans and advances

| Particulars | 2013-14 | | 2012-13 | |
|---|--------------|------------------|--------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| a. Loans and advances to related parties | | | | |
| Unsecured, considered good | - | | - | |
| - | | | - | |
| b. Others (specify nature) | | | | |
| Unsecured, considered good - | | | | |
| Loans | 5,104,828 | | 27,372,090 | |
| Advance Against Purchase | - | | 7,500 | |
| Prepaid Expenses | 77,476 | | 88,556 | |
| Advance Tax and TDS (net of Provision for Tax) | 319,596 | | - | |
| Advance Against Expenses | 27,857 | | 16,468 | |
| | | 5,529,757 | | 27,484,614 |
| | | 5,529,757 | | 27,484,614 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 15

Other Current Assets

| Particulars | 2013-14 | | 2012-13 | |
|---------------------------------|--------------|--------------|--------------|--------------|
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| Interest accrued on Investments | - | | 18,559 | |
| Other receivables | 49,734 | | 15,500 | |
| | | 49,734 | | 34,059 |

Note 16

Revenue from operations

| Particulars | 2013-14 | 2012-13 |
|--------------------------|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Sale of products | 20,196,595 | 6,207,358 |
| Sale of services | 7,200,000 | 7,200,000 |
| Other operating revenues | 24,967,767 | 58,287,966 |
| Total | 52,364,362 | 71,695,324 |

Note 17

Other income

| Particulars | 2013-14 | 2012-13 |
|--|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| a) Interest Income (in case of a company other than a finance company) | 15,550,464 | 19,499,073 |
| b) Net gain/loss on sale of investments | 427,581 | 648,058 |
| c) Dividend Income | 14,150 | 12,475 |
| c) Other non-operating income (net of expenses directly attributable to such income) | 46,719 | 457,422 |
| d) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost) | (4,327) | 86,645 |
| Total | 16,034,587 | 20,703,673 |

Note 18

Cost of materials consumed

| Particulars | 2013-14 | 2012-13 |
|---------------------|------------------|--------------|
| | Amount (Rs.) | Amount (Rs.) |
| Opening Stock | 8,206,860 | 8,206,860 |
| Add: Purchase | - | - |
| less: Closing Stock | 5,669,622 | 8,206,860 |
| Total | 2,537,238 | - |

Note 19

Purchase of Stock-in - Trade

| Particulars | 2013-14 | 2012-13 |
|----------------------|------------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Opening Stock | - | - |
| Add: Purchase | 2,685,313 | 2,181,983 |
| Less: Closing Stock | - | - |
| Total | 2,685,313 | 2,181,983 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 20

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

| Particulars | 2013-14 | 2012-13 |
|---|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Opening Stock : | | |
| Finished Goods | 44,459,735 | 48,484,494 |
| | 44,459,735 | 48,484,494 |
| Closing Stock : | | |
| Finished Goods | 30,454,526 | 44,459,735 |
| | 30,454,526 | 44,459,735 |
| Net Decrease / (increase) in Finished Goods | 14,005,209 | 4,024,759 |

Note 21

Employee Benefits Expense

| Particulars | 2013-14 | 2012-13 |
|---|------------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| (a) Salaries and incentives | 3,195,974 | 4,280,444 |
| b) Contributions to Provident fund" | 223,791 | 240,828 |
| c) Gratuity Fund Contributions | 666,116 | - |
| d) Social security and other benefit plans for overseas employees | 88,360 | 128,030 |
| (e) Staff welfare expenses | 248,784 | 372,604 |
| Total | 4,423,025 | 5,021,906 |

Note 22

Finance costs

| Particulars | 2013-14 | 2012-13 |
|------------------|---------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest expense | 9,782 | 5,272,167 |
| Bank Charges | 17,467 | 14,368 |
| Total | 27,249 | 5,286,535 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 23

Other expenses

| Particulars | 2013-14 | 2012-13 |
|---|-------------------|-------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Consumption of stores and spare parts. | - | 1,596,493 |
| Other Manufacturing Expenses | 14,700 | 363,030 |
| Power and fuel. | 514,919 | 628,279 |
| Packing & Forwarding Charges | 233,112 | 183,516 |
| Electricity Charges | 455,624 | 557,107 |
| Advertisement and Publicity | 74,400 | - |
| Rent. | 1,459,342 | 1,578,426 |
| Repairs and Maintenance - Office & others | 482,291 | 724,200 |
| Repairs to machinery - Factory | 332,077 | 471,559 |
| Insurance . | 161,364 | 125,758 |
| Rates and taxes, excluding, taxes on income. | 45,243 | 80,863 |
| Travelling and Conveyance Expenses | 2,110,460 | 2,681,051 |
| Vehicle Running and Maintenance Expenses | 599,699 | 612,969 |
| Printing & Stationary | 296,626 | 257,392 |
| Communication Charges(Postage & Telephone) | 753,392 | 759,064 |
| Legal & Professional Charges | 282,502 | 578,686 |
| Managerial Remuneration | 804,924 | 795,877 |
| Service Charges | 36,000 | 126,000 |
| Security Charges | 867,913 | 712,995 |
| Charity and Donation | 13,000 | - |
| Vehicle Hire Charges | 102,383 | 288,178 |
| Miscellaneous Expenditure | 326,648 | 372,428 |
| Payments to the auditor as | | |
| a. Statutory Audit fees | 45,000 | 45,000 |
| b. for Tax Audit and other taxation matters | 12,000 | 12,000 |
| c. Company Law Matter | 1,500 | 1,500 |
| c. for reimbursement of expenses/ Service Tax | 7,231 | 7,231 |
| Sundry Balance written off | - | 929,632 |
| Loss on Sale of Fixed Assets | 233,883 | - |
| Prior Period Items | - | 17,347 |
| Total | 10,266,233 | 14,506,581 |

Note 24

Earning Per Share

| Particulars | 31.03.2014 | 31.03.2013 |
|--|--------------|--------------|
| | Amount (Rs.) | Amount (Rs.) |
| Profit After Tax | 9,979,039 | 11,113,825 |
| No of Equity Shares | 14,502,400 | 14,502,400 |
| Basic and diluted earning per equity share | 0.69 | 0.77 |

CEETA INDUSTRIES LIMITED

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

Note 25

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

| Particulars | 2013-14 | 2012-13 |
|---|------------------|------------------|
| | Amount (Rs.) | Amount (Rs.) |
| (i) Contingent Liabilities | | |
| (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, 2015) | 170,700 | 170,700 |
| | 3,013,270 | 3,013,270 |
| (ii) Commitments | - | - |
| TOTAL | 3,013,270 | 3,013,270 |

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

Depreciation on Plant and Machinery charged to single shift basis in the current financial year instead of triple shift basis charged in previous year.

Note 27

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: | 201.96 | 482.58 | 684.54 |
| TOTAL REVENUE | 201.96 | 482.58 | 684.54 |
| Segment Result : | (91.26) | 49.42 | (41.84) |
| (before interest and tax) | | | |
| Unallocated Corporate Expenses net of unallocable income | - | - | 13.16 |
| Operating Profit/(Loss) | - | - | (28.68) |
| Interest Income | 0.60 | 154.90 | 155.50 |
| Interest Expenses | 0.00 | 0.09 | 0.09 |
| Net Profit / (Loss) before Tax | - | - | 126.73 |
| OTHER INFORMATION | | | |
| CAPITAL EMPLOYED: | | | |
| Net Segment Assets | 592.10 | 1140.82 | 1732.92 |
| Unallocated Assets / (Liabilities) | - | - | 34.33 |
| Net Capital Employed | - | - | 1767.25 |
| Capital Expenditure | 0.73 | 0.57 | 1.30 |
| Depreciation | 18.49 | 1.92 | 20.41 |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 28

| Foreign Exchange earning / Outgo | 31/03/2014 (Rs. In lakhs) | 31/03/2013 (Rs. In Lakhs) |
|--|------------------------------|------------------------------|
| a) Expenditure in foreign currency | | |
| Traveling | NIL | NIL |
| Advertisement | NIL | NIL |
| Imported Consumables | NIL | NIL |
| b) FOB Value of exports/earnings in foreign currency | 39.87 | 33.35 |
| Other earnings in Foreign Currency | NIL | NIL |
| c) Value of imports on CIF basis | | |
| Components & spare parts | NIL | 1.31 |

Note 29

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, Managing Director
Sri Vaibhav Poddar, CEO
Sri Arabinda De, Director
Sri Anubhav Poddar, President

Associate Persons:

Rashmi Properties & Investments Ltd.
Coronation Refrigeration Industries Ltd.
Tetron Commercial Limited
Likhmi Trading & Mfg. Co. Ltd.
Nouveau Metal Industries Ltd.
Uma Poddar
Vrinda 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.2,04,924/- |
| Sri Arabinda De | Paid Director Sitting Fee Rs.6,000/-. |
| Sri Vaibhav Poddar | Paid Remuneration Rs.5,16,000/-, Employers contribution to Provident Fund Rs.36,000/- and other perquisites Rs.51,636/-. |
| Sri Anubhav Poddar | Paid Remuneration Rs.7,20,000/-, Employers contribution to Provident Fund Rs.9,360/-. |

CEETA INDUSTRIES LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Uma Poddar The Company incurred expenses Rs.20,834/- on her behalf during the year. Closing balance as on 31-03-2014 was Rs.20,834/-.

Vrinda Poddar Paid Rent of Rs.80,000/- during the year to her.

Rashmi Properties & Investments Ltd.(RPIL) The Company given unsecured loan of Rs. 24,00,000 to RPIL and received the entire amount with interest of Rs.10001/- as refund on loan during the year after TDS of Rs.1046/-. Further Company taken loan from RPIL of Rs.6,00,000/- and repaid entire amount with interest of Rs.2,762/-. Closing balance as on 31-03-2014 is NIL. The Company paid Rs.3,00,000/- as rent and Rs.1,36,449/- as electricity to RPIL.

Coronation Refrigeration Ind. Ltd.(CRIL)The Company paid rent of Rs.8,40,000/- to CRIL. Closing Balance as on 31-03-2014 was NIL. The Company given Rs.5,00,000/- as Security deposit to CRIL towards house rent.

Tetron Commercial Limited (TCL)The Company given unsecured loan to TCL of Rs.67,50,000/- during the year and total interest due was Rs. 2,30,975/-. The Company received entire amount as refund of loan and interest due after deduction of TDS. Closing balance as on 31-03-2014 was NIL.

Likhami Trading & Mfg. Co. Ltd.(LTML) The Company received unsecured loan of Rs.5,00,000/- during the year and repaid the entire amount with interest of Rs.7562/-. Closing Balance as on 31-03-2014 is NIL. The Company and its subsidiary paid Rs.1,80,000/- as rent and Rs.1,43,316/- as electricity to LTML.

Nouveau Metal Industries Ltd. (NMIL) The Company paid Rs.1,20,000/- as rent and Rs.1,26,252/- as electricity to NMIL for residence of M.D.

Signature of Notes 1 to 29 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: 30-05-2014

On behalf of the board

K.M. Poddar
Managing Director

A. De
Director