

KINGSTONE KRYSTALS LIMITED
(CIN: U85110KA1990PLC011437)

DIRECTORS' REPORT

Your Directors have the pleasure in submitting their Report and Audited Financial Statements for the financial year ended 31st March, 2016.

FINANCIAL RESULTS:	2015-16	2014-15
	Rs.	Rs.
Profit/(Loss) as per Profit & Loss Statement	208,421	51,616
Less: Provision for Income Tax	41,000	9,076
Profit / (Loss) after taxation	1,67,421	42,540
Balance brought forward from previous year	<u>17,05,007</u>	<u>16,62,467</u>
Balance carried to next year	<u>18,72,428</u>	<u>17,05,007</u>

STATE OF COMPANY'S AFFAIRS

Net Profit of the company during the current financial year is Rs.167,421/- as against net profit of Rs.42,540/- during the previous financial year. There has been no change in the nature of business of Company during the financial year under review. There is no material change affecting the financial position of the Company between the end of year to which financial year relates and the date of this report.

DIVIDEND & RESERVE

In order to conserve its resources towards the growing business of the Company, no dividend is proposed for the Financial Year.

DIRECTORS

Mr. Anubhav Poddar (DIN 00027986), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director, pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company. He holds 200 Equity Shares of the Company in his own name.

MANAGERIAL REMUNERATION

No remuneration is being paid to any of the Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information obtained, directors state -

- (i) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III of the Act have been followed and there are no material departures 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 31st March, 2016 and of the profit of the company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis; and
- (v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RISK MANAGEMENT

The purpose of risk management is to identify, evaluate and mitigate the operational, strategic and external environment risk. The Board has overall responsibility of monitoring and mitigating the risks through regular review of its overall operations.

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INTERNAL FINANCIAL CONTROL

Adequate internal financial controls are in place to manage the business affairs of the Company. Proper procedures are adopted for ensuring the orderly and efficient conduct of the business, including safeguarding of its assets, prevention and detection of errors and frauds, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

In the Financial Year 2015-16, the Company held 5 meetings of the Board of Directors on the following dates – 27th April, 2015, 29th May, 2015, 6th August, 2015, 13th November, 2015 and 12th February, 2016.

PARTICULARS OF LOANS, ADVANCES & INVESTMENTS

Details of loans & investments are given in the notes to Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

For the period under review, all the transactions entered with related parties were on arm's length price and in the ordinary course of business and that the provisions of the Section 188 of the Companies Act, 2013 is not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus disclosure in Form AOC-2 is not required.

AUDITORS & AUDITORS' REPORT:

The Directors recommend to the members in the forthcoming Annual General Meeting the ratification of the appointment of the Statutory Auditors, M/s. G.K. Tulsyan & Co., Chartered Accountants, as per the requirements 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 do not require to be elucidated further.

EXTRACT OF THE ANNUAL RETURN

The extract of annual return as on the financial year ended 31st March, 2016 in Form No. MGT-9, as required under section 92 of the Companies Act, 2013 forms integral part of Board's Report.

DEPOSITS:

The Company did not accept or renew any deposits from the public during the year under review under section 73 of the Companies Act, 2013.

DETAILS OF HOLDING & ASSOCIATE COMPANY

The holding Company, M/s. Ceeta Industries Ltd holds 66,800 Equity Shares of the Company. During the year, M/s. Impact Stoneworks Pvt. Ltd ceased to be an associate company. The Company does not have any Subsidiary or Joint Venture.

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

The information required under section 134(3)(m) of the Companies Act, 2013 read with the rules, is not applicable to the Company as your Company is not carrying any manufacturing activity. Further, there has been no Foreign Exchange earning and outgo for the financial year under review.

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PERSONNEL

During the financial year 2015 – 16, the Company did not have any body in its employment and as such no disclosure under the provisions of the Companies Act, 2013 is necessary.

GENERAL

The other disclosures not commented upon in this report pursuant to Section 134 of the Companies Act, 2013 read with rules are not applicable to the Company for the financial year under review.

ACKNOWLEDGEMENT

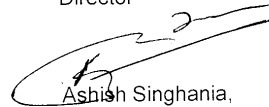
Your Directors wish to express their sincere appreciation to the esteemed shareholders, various customers and their consultants, Company's bankers for their continued support, assistance and co-operation to the Company.

Place: Kolkata
Dated: 21-05-2016

By order of the Board



A. De,
Director



Ashish Singhania,
Director

KINGSTONE KRYSTALS LIMITED
(CIN: U85110KA1990PLC011437)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) Corporate Identification Number (CIN) : U85110KA1990PLC011437
- ii) Registration Date : 05/12/1990
- iii) Name of the Company : Kingstone Krystals Limited
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered Office & Contact Details : Plot No - 34 - 38, KIADB Industrial Area, Sathyamangalam, Tumakuru- 572 104, Karnataka Ph No:91-816-2212686, Fax:91-816-2211352
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent : N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	Percentage to total turnover of the company
1	Other financial intermediation (Sale of Investments & Dividend Income)	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Ceeta Industries Ltd Plot No - 34 - 38, KIADB Industrial Area, Sathyamangalam, Tumakuru- 572104	L85110KA1984PLC021494	Holding	98.96%	2(46)

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2. Non-Institituns									
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individual									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	NIL	100	100	0.15	NIL	NIL	NIL	NIL	(0.15)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	100	100	0.15	NIL	NIL	NIL	NIL	(0.15)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	100	100	0.15	NIL	NIL	NIL	NIL	(0.15)
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	67500	67500	100	NIL	67500	67500	100	NIL

ii) *Shareholding of Promoter*

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Krishna Murari Poddar	100	0.148	NIL	100	0.148	NIL	NIL
2	Anubhav Poddar	200	0.296	NIL	200	0.296	NIL	NIL
3	Ceeta Industries Ltd	66800	98.962	NIL	66800	98.962	NIL	NIL
4	Vrinda Poddar	100	0.148	NIL	100	0.148	NIL	NIL
5	Pritee Poddar	100	0.148	NIL	100	0.148	NIL	NIL
6	Uma Poddar	100	0.148	NIL	100	0.148	NIL	NIL
7	Vaibhav Poddar	NIL	NIL	NIL	100	0.148	NIL	0.148
	Total	67400	99.852	NIL	67500	100	NIL	0.148

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	67400	99.852	67400	99.852
	Date wise Increase / Decrease in Share holding during the year (Purchase of share) 27/04/2015 Vaibhav Poddar	-	-	100	0.148
	At the End of the year (or on the date of separation, if separated during the year)	67400	99.852	67500	100.00

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(iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sri Nirmal Chand Shetia				
	At the beginning of the year	100	0.148	100	0.148
	Date wise Increase / Decrease in Share holding during the year (Transfer on 27/04/2015 to Mr. Vaibhav Poddar)	(100)	(0.148)	Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

Note – There was only one shareholder in the above-mentioned category.

(v) *Shareholding of Directors and Key Managerial Personnel:*

For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Sri Anubhav Poddar				
At the beginning of the year	200	0.30	200	0.30
Changes During The Year	Nil	Nil	Nil	Nil
At the end of the year	200	0.30	200	0.30

Note – No other director is holding any shares of the Company

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
· Addition	NIL	NIL	NIL	NIL
· Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIA PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of Income- tax Act, 1961	Nil Nil Nil	Nil Nil Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil Nil	Nil Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil

Note – As there is no statutory requirement, no MD/WTD/Manager is appointed for financial year 2014-15

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors				
	· Fee for attending board committee meetings	N.A			Nil
	· Commission	N.A			Nil
	· Others, please specify	N.A			Nil
	Total (1)				Nil
2.	Other Non-Executive Directors	Arabinda De	Anubhav Poddar	Ashish Singhania	
	· Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	· Commission	Nil	Nil	Nil	Nil
	· Others, please specify	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Ceiling as per Act	-	-	-	-

Note – Mr. S. L. Singhania, Director of the Company, expired on 16.04.2015 and he neither got any fee for attending board / committee meetings nor got any commission or any other payment from the Company in the financial year 2015 – 16. As no remuneration, fee, commission or any payment is given to any director of the Company so ceiling limit is not calculated.

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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel (KMP)			
		CEO	CS	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act. 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) of Income-tax Act. 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act. 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil Nil	Nil Nil	Nil Nil	Nil Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

Note – Section 203 of the Companies Act, 2013 is not applicable to the Company so no KMP is appointed.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Independent Auditor's Report

To the Members of

Kingstone Krystals Limited

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of *Kingstone Krystals Limited* ("the company") which comprise the Balance Sheet as at 31st March, 2016, the statement of Profit and Loss, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 (standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the (Standalone) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 169(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

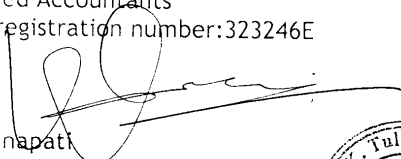
g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
G.K. Tulsyan & Co.
Chartered Accountants
Firm's registration number:323246E


U.K. Senapati
Partner
Membership number: 058084
Place: Kolkata
Date: 21st day of May, 2016



"Annexure A" to the Independent Auditors' Report

The Annexure referred to in our report to the members of *Kingstone Krystals Limited* ("the Company") for the year ended 31st March, 2016. We further report that :-

- 1) (a) The Company have no fixed assets.
- 2) The Company does not have any inventory.
- 3) The Company has not granted any loan to body corporate covered in the Finance maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.



9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) The Company has not paid or provided any managerial remuneration.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, the company has not entered into transactions with the related parties under section 177 and 188 of Companies Act, 2013.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 however no such registration has been obtained by the company.

For and on behalf of

G.K. Tulsyan & Co.
Chartered Accountants
Firm's registration number:323246E

U.K. Senapati
Partner
Membership number: 058084
Place: Kolkata
Date: 21st day of May, 2016



“Annexure B” to the Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of *Kingstone Krystals Limited* (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

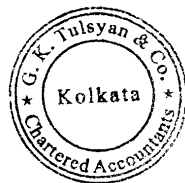
Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over



financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles; and (3) provide reasonable assurance that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (4) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



KINGSTONE KRYSTALS LIMITEDBalance Sheet as at 31st March 2016

Particulars	Note No.	2015-16	2014-15
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	675,000	675,000
(b) Reserves and surplus	3	1,872,428	1,705,007
4 Current liabilities			
(a) Other current liabilities	4	12,023	8,427
(b) Short-term provisions	5	41,000	5,300
TOTAL		2,600,451	2,393,734
II. ASSETS			
1 Non-current assets			
(a) Non-current investments	6	1,178,469	1,444,765
2 Current assets			
(a) Current investments	7	800,000	800,000
(b) Trade Receivables		-	-
(c) Cash and cash equivalents	8	621,982	123,669
(d) Short-term loans and advances	9	-	-
(e) Other current assets	10	-	25,300
TOTAL		2,600,451	2,393,734

Notes to Balance Sheet and Statement of Profit and Loss 1-15

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

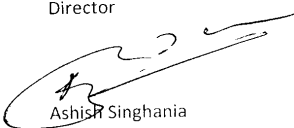
For G.K. Tulsyan & Company
Chartered Accountants
Firm's Registration No. 323246E

U.K. Senapati
Partner
Membership No. 58084
Kolkata- 700012
Dated: 21-05-2016



On behalf of the Board


A. De
Director


Ashish Singhania
Director

KINGSTONE KRYSTALS LIMITED
Profit and Loss Statement for the year ended 31st March 2016

Particulars	Refer Note No.	2015-16	2014-15
		Rs.	Rs.
I. Revenue from operations		-	-
II. Other income	11	255,576	94,147
III. Total Revenue (I + II)		255,576	94,147
IV. Expenses:			
Other expenses	12	47,155	42,531
Total expenses		47,155	42,531
V. Profit before tax (III- IV)		208,421	51,616
VI Tax expenses:			
Current tax		41,000	9,076
VII Profit (Loss) for the period (V - VI)		167,421	42,540
VIII Earnings per equity share:	13		
(1) Basic		2.48	0.63
(2) Diluted		2.48	0.63
Notes to Balance Sheet and Statement of Profit and Loss		1-15	

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

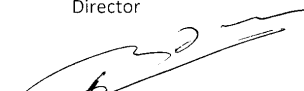
For G.K. Tulsyan & Company
Chartered Accountants
Firm's Registration No. 323246E

U.K. Sehapati
Partner
Membership No. 58084
Kolkata- 700012
Dated: 21-05-2016



On behalf of the Board


A. De
Director


Ashish Singhania
Director

KINGSTONE KRYSTALS LIMITED

Cash Flow Statement for the year ended 31st March, 2016

Particulars	2015-16 Amount (Rs.)	2014-15 Amount (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	208,421	51,616
Adjustment for:		
Income from Investment	(240,526)	(82,935)
Dividend Received	(14,750)	(11,212)
Income Tax for earlier Year	3,919	93
Interest Paid	-	-
Operating profit before working capital charges	(42,936)	(42,438)
Adjustments for Increase/ decrease in :		
Trade and Other receivables	-	-
Other Current Liabilities	3,596	-
Other Current Assets	25,300	24,434
Long Term Loans & Advances	-	-
Short Term Loans & Advances	-	-
Cash Generated from Operation	(14,040)	(18,004)
Direct Tax Paid (Net of Refund)	(9,219)	-
Cash Flow before extraordinary items	(23,259)	(18,004)
Extraordinary items	-	-
Net cash flow from operating activities(A)	(23,259)	(18,004)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/ Decrease in Investments	266,296	(100,000)
Profit/ (Loss) on Investments	240,526	82,935
Dividend Received	14,750	11,212
Net cash Flow in investing activities (B)	521,572	(5,853)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	-	-
Proceeds from Long term borrowings	-	-
Net Cash Flow from Financing Activities(C)	-	-
Net Increase in cash and Cash equivalent(A+B+C)	498,313	(23,857)
Cash and Cash equivalent as at beginning of the year	123,669	147,526
Cash and Cash equivalent as at end of the year	621,982	123,669

Note: - Figures in brackets represent cash outflows

For G.K.TULSYAN & COMPANY
Chartered Accountants
Firm's Registration No. 323246E

U.K. Senapati
Partner
Membership No. 58084
Kolkata- 700012
Dated: 21-05-2016



On behalf of the Board

A. De
Director

Ashish Singhania
Director

KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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 Companies Act 2013 is applicable to the company for preparation and presentation of its 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.



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(f) 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.

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.

Minimum alternate tax (MAT), if paid in a year, charged to Profit and Loss Statement as current tax. The Company does not recognise MAT credit as an asset and net tax payable after set off of carry forward MAT credit consider as current tax.

(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.



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 2

Share capital

Share Capital	2015-16		2014-15	
	Number	Amount Rs.	Number	Amount Rs.
a) Authorised 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

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, 2016
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**

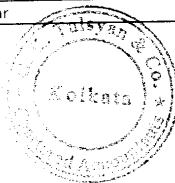
Name of Shareholder	2015-16		2014-15	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
Ceeta Industries Limited (Holding Company)	66800	668,000	66800	668,000

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

Name of Shareholder	2015-16		2014-15	
	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	2015-16		2014-15	
	Number	Amount	Number	Amount
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



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 3

Reserves and Surplus

Particulars	2015-16	2014-15
	Rs.	Rs.
a. Surplus		
Opening balance	1,705,007	1,662,467
(+) Net Profit/(Net Loss) For the current year	167,421	42,540
(+) Transfer from Reserves	-	-
(-) Transfer to Reserves	-	-
Closing Balance	1,872,428	1,705,007
Total	1,872,428	1,705,007

Note 4

Other Current Liabilities

Particulars	2015-16	2014-15
	Rs.	Rs.
(a) Other Payables :		
Liabilities for Expenses	12,023	8,427
	12,023	8,427

Note 5

Short Term Provisions

Particulars	2015-16	2014-15
	Rs.	Rs.
(a) Provision for employee benefits	-	-
(b) Others (Specify nature)		
Provisions for Taxation (Net of Advance Tax)	41,000	5,300
Total	41,000	5,300



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 6

Non-current investments

Particulars	2015-16 Rs.	2014-15 Rs.
A Non-Trade Investments (Refer A below)		
(a) Investment Properties	1,178,469	1,444,765
(b) Investment in Equity Instruments	1,178,469	1,444,765
Total	1,178,469	1,444,765
Less : Provision for diminution in the value of investments		
Total	1,178,469	1,444,765

Particulars	2015-16	2014-15
Aggregate amount of quoted investments (Market value of Rs.7,22,664/- (Previous Year Rs.827611/-))	540,021	993,890
Aggregate amount of unquoted investments	425,713	450,775



A. Sr. No.	Details of Non-Trade Investments 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
			2015-16 (4)	2014-15 (5)			2015-16 (8)	2014-15 (9)	2015-16 (10)	2014-15 (11)	
(1)	(2)	(3)			(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment Properties										
(b)	Investment in Equity Instruments										
	Ceeta Synthetics & Turfs Ltd.	Controlled	555000		Unquoted	Fully Paid	18.50	18.50	350,525	350,525	Yes
	Impact Stoneworks Pvt. Ltd.	Controlled	7500	10000	Unquoted	Fully Paid	18.75	25.00	75,188	100,250	Yes
	Gujrat NRE Coke Ltd.	N.A.	42	42	Quoted	Fully Paid	-	-	-	-	Yes
	NIIT Ltd.	N.A.	0	898	Quoted	Fully Paid	-	-	-	17,687	Yes
	VIP Industries Ltd.	N.A.	0	1000	Quoted	Fully Paid	-	-	-	47,008	Yes
	Nagarjuna Agrichem Ltd	N.A.	10100	0	Quoted	Fully Paid	-	-	212,735	212,735	Yes
	Reliance Industries Limited	N.A.	500	850	Quoted	Fully Paid	-	-	540,021	540,021	Yes
	Total								1,178,469	1,444,765	

Note : 42 Shares of Gujrat NRE Coke Ltd are bonus shares

KINGSTONE KRYSSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

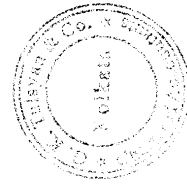
Note 7

Current Investments

Sr. No.	Particulars	2015-16 Rs.	2014-15 Rs.
(a)	Investments in Mutual Funds	800,000	800,000
	Less: Provision for diminution in the value of Investments		
	Total	800,000	800,000

Sr. No.	Particulars	2015-16	2014-15
(i)	Aggregate amount of quoted investments (Market Value Rs.816598/- ; Previous Year Rs.8,19,765/-)	800,000	800,000

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.)	Amount (in Rs.)	Basis of Valuation	
(1)	(2)	(3)	2015-16 (4)	2014-15 (5)	(6)	2015-16 (7)	2014-15 (8)	(9)	
(a)	Investments in Mutual Funds								
	ICICI Prudential Savings Fund- Growth	Others	3640.327	3943.871		N.A.	800000	800000	
	Total					800,000	800,000	Cost Price	



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 8

Cash and cash equivalents

Particulars	2015-16		2014-15	
	Rs.	Rs.	Rs.	Rs.
Cash and Cash equivalents				
Balance With Bank				
-On Current Account	563,387		70,824	
Cash on hand	58,595	621,982	52,845	123,669
Other Bank Balances				
Margin Money	-		-	
Security against borrowings	-		-	
		621,982		123,669

Note 9

Short-term loans and advances

Particulars	2015-16		2014-15	
	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)	-		-	

Note 10

Other Current Assets

Particulars	2015-16	2014-15
	Rs.	Rs.
Other receivables	-	25,300
	-	25,300



KINGSTONE KRYSTALS LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 11

Other income

Particulars	2015-16	2014-15
	Rs.	Rs.
a) Interest Income	-	-
b) (i) Dividend from Subsidiary Companies	-	-
(ii) Dividend Income	14,750	11,212
c) Net gain/loss on sale of investments	240,526	82,935
d) Other non-operating income (net of expenses directly attributable to such income)	300	-
Total	255,576	94,147

Note 12

Other expenses

Particulars	2015-16	2014-15
	Rs.	Rs.
Rent	12,000	12,000
Printing & Stationery	-	2,785
Filing Fee	3,000	3,000
Demat Charges	1,000	1,000
Rates and taxes, excluding, taxes on income.	6,750	6,750
Repair & Maintenance	-	1,050
Legal & Professional Charges	8,000	6,000
Miscellaneous Expenditure	340	1,426
Payments to the auditor as		
a. auditor	8,000	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	1,646	927
Income Tax for earlier year	3,919	93
Total	47,155	42,531

Note 13

Earning Per Share

	31.03.2016	31.03.2015
Profit After Tax (in Rs.)	167,421	42,540
No of Equity Shares	67,500	67,500
Basic and diluted earning per equity share	2.48	0.63



KINGSTONE KRYSTALS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 14

The total MAT credit available to the company is Rs.60726/-.

Note 15

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 Ashish Singhanian
Sri Anubhav Poddar

Other Related Parties:

Likhami Trading & Mfg. Co. Ltd.
Vaibhav Heavy Vehicles Ltd.

Name of the Company

Nature of Transactions

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

Vaibhav Heavy Vehicles Ltd. (VHVL) The company sold 2500 equity shares of Impact Stoneworks Pvt. Ltd. at Rs.2,12,500/- to VHVL.

Signature of Notes 1 to 15 as per our annexed report of even date.

For G.K. Tulsyan & Company

Chartered Accountants

Firm's Registration No. 323246E

U.K. Senapati

Partner

Membership No. 58084

Kolkata- 700012

Dated: 21-05-2016



On behalf of the Board

A. De

Director

Ashish Singhanian

Director