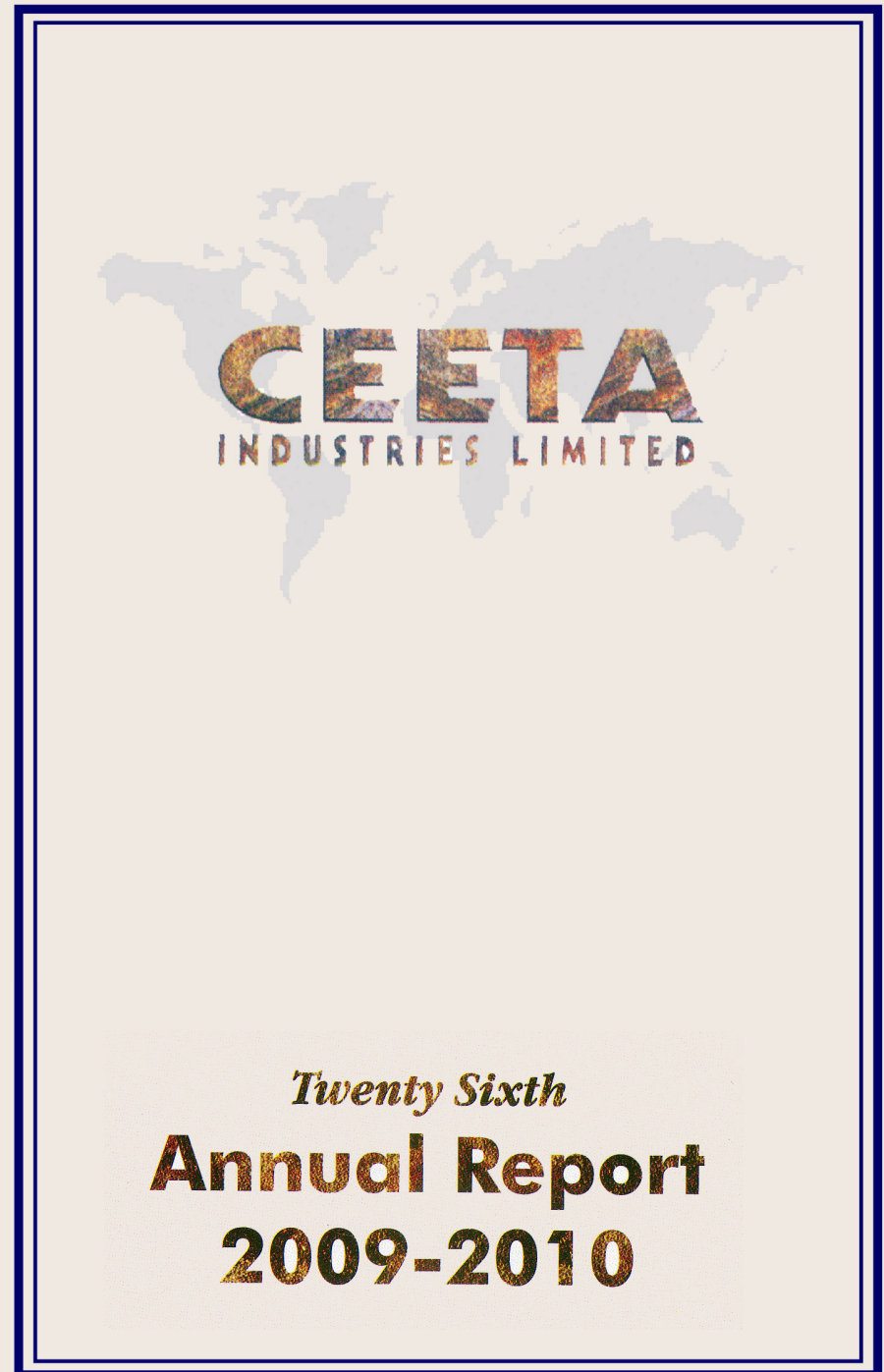


BOOK POST

If undelivered please return to :

Ceeta Industries Limited

240B, A.J.C. Bose Road
2nd Floor, Kolkata - 700 020



NOTICE

NOTICE is hereby given that the 26th 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 Tuesday, the 21st September, 2010 at 3.00 P.M. to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sri Arabinda De, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to statutory approvals, if any, consent be and is hereby accorded for the re-appointment of Sri Anubhav Poddar, as President of the Company on the following terms and conditions :-

1. He will be appointed as President of the Company for a period of three years with effect from 1st December, 2010 to 30th November, 2013.
2. His remuneration shall be subject to the maximum of Rs. 50,000/- per month towards the aggregate of Basic Salary and perquisites as mentioned below :

A. Basic Salary – Rs. 33,000/- p.m. which may be increased at the discretion of the Board and will be subject to maximum ceiling as mentioned above.

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

(I) Housing
Housing – I

Any expenditure, exceeding 15 % of the salary of Sri Anubhav Poddar, incurred by the Company on hiring of unfurnished accommodation for Sri Poddar, subject to maximum 40% of his salary.

Housing – II

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

Housing – III

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

TWENTY SIXTH ANNUAL GENERAL MEETING

Tuesday, the 21st September, 2010, at 3.00 p.m., at Plot No. 34-38, KIADB Industrial Area, Sathyamangala, Tumkur- 572 104, Karnataka

BOARD OF DIRECTORS

Sri K.M. Poddar, Managing Director
Sri A. De
Sri S.K. Chhawchharia
Sri S.L. Singhanian

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

HEAD OFFICE

240B, A.J. C. Bose Road
2nd Floor, Kolkata- 700 020
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

(II) Medical Reimbursement :

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

(III) Leave Travel Concession

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

(IV) Fee of Clubs

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

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

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

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

"RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to statutory approvals, if any, consent be and is hereby accorded for the re- appointment of Smt. Vrinda Poddar as Coordinator – Export Promotion of the Company on the following terms and conditions:-

1. She will be appointed for a period of three years with effect from 1st December, 2010 to 30th November, 2013.

2. Her remuneration shall be subject to the maximum of Rs. 50,000/- per month towards the aggregate of Basic Salary and perquisites as mentioned below :

A. Basic Salary– Rs. 25,000/- p.m. which may be increased at the discretion of the Board and will be subject to maximum ceiling as mentioned above.

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

(I) Housing**Housing – I**

Any expenditure, exceeding 15 % of the salary of Smt. Vrinda Poddar, incurred by the Company on hiring of unfurnished accommodation for Smt. Poddar, subject to maximum 40% of his salary.

Housing – II

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

Housing – III

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

(II) Medical Reimbursement :

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

(III) Leave Travel Concession

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

(IV) Fee of Clubs

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

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

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

By order of the Board

PLACE: KOLKATA

DATE: 30/07/2010

**K. M. PODDAR
MANAGING DIRECTOR**

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

2. **The Register of Members and Share Transfer Books of the Company shall remain closed from 15th September, 2010 to 21st September, 2010 (both days inclusive).**

3. Members are requested to notify immediately change of address, if any, to the registrar and transfer agent of the company.

4. Members who have shareholdings in physical form are requested to submit their shares for dematerialization at your registered depository at the earliest.

ANNEXURE TO NOTICE**Explanatory Statement, Pursuant to Section 173(2) of the Companies Act, 1956 :****Item No. 4**

The terms of our President will expire on 30-11-2010. Our Board in line with the recommendation of the Remuneration Committee at its meeting held on 30-07-2010 reappointed him for a period of three years from 01-12-2010 to 30-11-2013 on the terms and conditions detailed in the resolution.

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

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

Your Directors, therefore, recommend the resolution set out at item No.4 of the Notice for your approval by way of special resolution.

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

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

Item No. 5

The terms of Smt. Vrinda Poddar will expire on 30-11-2010. Our Board in line with the recommendation of the Remuneration Committee at its meeting held on 30-07-2010 reappointed her for a period of three years from 01-12-2010 to 30-11-2013 on the terms and conditions detailed in the resolution.

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

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

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

No other Director except Sri Krishna Murari Poddar, Managing Director, being relatives of Smt. Vrinda Poddar is interested in the resolution.

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

By order of the Board

**K. M. PODDAR
MANAGING DIRECTOR**

**PLACE: KOLKATA
DATE: 30/07/ 2010**

DIRECTORS' REPORT

For the year ended 31st March, 2010

Dear Shareholders,

Your Directors have pleasure in presenting their report on business and operations of your company together with the Audited Accounts of the company for 2009-2010.

FINANCIAL RESULTS

All figures in Rs. lacs.

Particulars	Current Year	Previous Year
Total Income	885.16	1381.70
Profit before Interest & Description	282.74	130.99
Interest	76.04	1.12
Depreciation	33.43	33.82
Profit before taxation	173.27	96.05
Provision for F.B.T.	-	2.45
Profit after tax	173.27	93.60
Prior period adjustments	(1.35)	(0.93)
Net Profit	171.92	92.67

During the year under review the total income of the company was Rs.885.16 lac as against Rs. 1381.70 lac in the previous year. The total income was lower mainly due to fall in export sales of granite products in a continued difficult trading condition in the export market. During the year the company, however, increased its profit after tax to Rs. 173.27 lac from a profit of Rs. 96.05 lac in the previous year mainly due to earning from other activity.

Prospect

The company's continued efforts through frequent visits abroad to build up customer relations have yielded positive results and the company during the current year i.e., 2010-11 obtained some orders from U.S. parties with possibility of getting the same on repetitive basis. In case all these efforts materialise into export order, the company's exports of granite products would increase and the company's profitability will improve.

Directors

Sri A. De, Director of the company, is liable to retire by rotation pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company and being eligible, offers himself for re-appointment. He is Non- Executive Independent Director of the Company. He is a practicing Chartered Accountant. He also holds the directorship in six more limited companies. He does not hold any share of Ceeta Industries Ltd either in his own name or as a beneficiary.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis.

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.

Auditors

The Auditors, M/s. G. K. Tulsyan & Co., Chartered Accountants retire at the ensuing Annual General Meeting and offer themselves for reappointment. The Directors recommend their reappointment.

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, which requires disclosure under Section 217(2A) of the Companies Act, 1956.

Corporate Governance

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

On behalf of the Board of Director

K. M. PODDAR
MANAGING DIRECTOR

PLACE: KOLKATA
DATE: 30/07/2010

'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 (2009-10)	Previous Year (2008-09)
1. Electricity - Purchased		
Units (Kwh)	766002	1477380
Total Amount (Rs.)	41,36,823	71,53,994
Rate/ Unit (Rs.)	5.40	4.84
2. Electricity - Owned Generation		
Through Diesel Generator		
Units (Kwh)	NIL	NIL
Units/ Ltrs of Diesel Oil		
Total Amount (Rs.)	NIL	NIL
Cost/ Unit (Rs.)		

B. Technology absorption

a) Research & Development (R & D)

1. Specific areas in which R & D carried out by the Company and benefits derived as a result thereof. No research and development work has been carried out by the Company. Therefore, there is no expenditure on account of R & D.

2. Future plan of action. The Company being a sick Company with financial problem has kept in abeyance its plan on research and development.

b) Technology Absorption, Adaptation and Innovation

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

C. Foreign Exchange Earnings and Outgo (Rs.in lacs)

1. Foreign Exchange Earnings	14.87
2. Foreign Exchange Outgo	
i) CIF Value of Imports of Components & Spare Parts	27.71
ii) Expenditure in Foreign Currency on Foreign Travel & Others	5.88

CEETA INDUSTRIES LIMITED

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, 2010 comprised four members, out of which three members are Non- Executive Independent Directors. Sri K.M. Poddar is the Managing Director.

Sl. No.	Name	Category	No. of Director-ship in other Cos.	No. of Membership(s) / Chairmanship(s) of Board Committees of other Companies	No. of Board Meetings attended	Whether attended last AGM
1.	Sri K. M. Poddar	Promoter & Managing Director	3	2	4	No
2.	Sri A. De	Independent, Non-Executive Director	6	1	4	Yes
3.	Sri S.K. Chhawchharia	Independent, Non-Executive Director	5	NIL	4	No
4.	Sri S.L. Singhania	Independent Non-Executive Director	7	NIL	4	Yes

Details of Board Meeting during the financial year

During the year ended 31st March, 2010, four Board Meetings of the Company were held , as follows:

Sl. No.	Date	Board Strength	No. of Directors Present
1	27 th April, 2009	4	4
3	29 th July, 2009	4	4
5	30 th October, 2009	4	4
6	29 th January, 2010	4	4

Last Annual General Meeting (AGM) of the Company was held on 22nd September, 2009.

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.

CEETA INDUSTRIES LIMITED

The prime objective of the Audit Committee is to effectively supervise the Company's financial reporting process with a view to discharge the responsibility as per the terms of reference.

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

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

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

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

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

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

Sl. No.	Name	Chairman / Member / Others	No. of Meetings attended
1.	Sri A. De	Chairman	4
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, 2010, four meetings of the Audit Committee of the Company were held, as follows :

Sl.No.	Date	Committee Strength	No. of Members Present
1	27 th April, 2009	3	3
2	29 th July, 2009	3	3
3	30 th October, 2009	3	3
4	29 th January, 2010	3	3

CEETA INDUSTRIES LIMITED

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

4. Remuneration Committee

The Board of Directors of the Company at their meeting held on 25th October, 2004 had constituted Remuneration Committee of Directors mainly for the purpose of recommending the Company's policy on Remuneration Package for the Managing Director and other specified management personnel, reviewing the structure, design and implementation of remuneration policy in respect of such persons.

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

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

Details of Remuneration of Directors for the financial year ended on 31st March, 2010.

Director	Consolidated Salary (Rs.)	Perquisites and other Benefits	Performance Bonus/ Commission	Sitting Fees*	Total (Rs.)
Sri K.M Poddar	540000	210649	-	N.A.	750649
Sri A. De	-	-	-	4000	4000
Sri S.K. Chhawchharia	-	-	-	4000	4000
Sri S.L. Singhania	-	-	-	4000	4000

5. Shareholders/Investors Grievance Committee

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

The composition and categories of the Committee are as under:

Sl. No.	Name	Chairman / Member / Others	No. of Meetings attended
1.	Sri S.L. 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, Sri Alok Kumar Yaduka, Manager- Accounts & Finance, is appointed as Compliance Officer w.e.f. 29-01-2009 who oversees matters of redressing investor complaints / grievances.

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

CEETA INDUSTRIES LIMITED

During the year ended 31st March, 2010, sixteen meetings of the sub- committee which were held to consider and approve of transfer/ transmission of shares, are as follows:

Sl. No.	Date	Sub- Committee Strength	No. of Members Present
1	16 th April, 2009	3	2
2	30 th June, 2009	3	2
3	15 th July, 2009	3	2
4	31 st July, 2009	3	2
5	3 rd August, 2009	3	2
6	17 th August, 2009	3	2
7	31 st August, 2009	3	2
8	30 th September, 2009	3	2
9	16 th October, 2009	3	2
10	16 th November, 2009	3	2
11	15 th December, 2009	3	2
12	1 st January, 2010	3	2
13	1 st February, 2010	3	2
14	15 th February, 2010	3	2
15	2 nd March, 2010	3	2
16	31 st March, 2010	3	2

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

6. General Body Meetings

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

Number of AGM	Location	Date & Time
Twenty Third	Registered Office	25 th September, 2007 at 3.00 p.m.
Twenty Fourth	Registered Office	12 th September, 2008 at 3.00 p.m.
Twenty Fifth	Registered Office	22 nd September, 2009 at 3.00 p.m.

Special Resolutions passed at last three Annual General Meetings:

Financial year	Items
2006-2007	Two
2007-2008	None
2008-2009	None

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

No Special Resolution is proposed to be conducted through postal ballot.

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 one month 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 'Vijaya Karnataka', within the stipulated time. The Company also publishes its annual audited results in these newspapers within the stipulated period of three months.
- 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 Tuesday, 21st September, 2010 at 3:00 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 2009 - 2010

Financial Reporting for the quarter ending	30 th June, 2010	30 th July, 2010
Financial Reporting for the quarter ending	30 th September, 2010	Last week of October, 2010
Financial Reporting for the quarter ending	31 st December, 2010	Last week of January, 2011
Financial Reporting for the quarter ending	31 st March, 2011	Last week of April, 2011

c) Date of Book Closure

15th September, 2010 to 21st September, 2010 (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 listed on Bombay Stock Exchange Limited. The Company's shares are presently not being traded.
The stock code with The Stock Exchange, Mumbai- 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 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) Shareholding Pattern as on 31st March, 2010

1 Promoters	10429400	71.915
2 Banks, Mutual Funds and Financial Institutions	32700	0.225
3 Private Corporate Bodies	94400	0.651
4 NRIs / OCBs	35100	0.242
5 Indian Public	3910800	26.967

The Distribution of Shareholding as on 31st March, 2010

No. of Shares Slab	Number of Shareholders	% to Total	Number of Shares	% to Total
1 – 500	20361	95.7263	2800500	19.3106
501 – 1000	635	2.9854	536900	3.7021
1001 – 5000	244	1.1472	514500	3.5478
5001 – 10000	17	0.0799	116300	0.8019
10001 – 50000	7	0.0329	104800	0.7226
50001 – And Above	6	0.0283	10429400	71.9150
TOTAL	21270	100.000	14502400	100.000

Out of 14502400 equity shares, 4030900 shares are in physical form.

i) Dematerialization of Shares and Liquidity

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

j) Plant Location

Granite Division and Registered Office:
Plot No.34-38, KIADB Industrial Area
Sathyamangala, Tumkur – 572 104, Karnataka.

k) Address for Correspondence and Corporate Office

240B, A.J.C.Bose Road, 2nd Floor, Kolkata – 700 020
E.mail : kolkata@ceeta.com

l) 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.

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'2010. 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 four times respectively on 27th April' 09, 29th July' 09, 30th October'09 and 29th January, 10 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 20th September, 2009 to 22nd September, 2009 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March' 2009 was held on 22nd September'09 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 appointed the relative of one of the director of the company in the place of profit under section 314 (1B) with effect from 1st April, 2009 with approval of board of directors.
12. The Company has not issued any duplicate Share Certificate during the financial year under review.
13. The Company has :
 - (a) not allotted any Equity Share or other Securities during the above financial year,

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, 2010 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 as 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: the 30th day of July, 2010

CEETA INDUSTRIES LIMITED

- (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,
- (c) not required to deposit any amount of Dividend in a separate Bank account for Dividend, as no Dividend was declared during the above financial year ,
- (d) not required to post Dividend Warrants to any of its Member, as no Dividend was declared during the above financial year,
- (e) not lying any amount in respect of unpaid Dividend account or under any other head due for transfer to Investor Protection and Education fund u/s 205C of the Companies Act,
- (f) duly complied with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. The board has not appointed any additional director, alternate director or director to fill casual vacancy during the above financial year. However one of the director appointed in casual vacancy previously was appointed as a regular director in the AGM of the Company held on 22-09-2009.
15. The Company has not appointed any Managing Director/Whole time Director/Manager 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 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 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.
30. The Company has not altered its Articles of Association during the above period.

CEETA INDUSTRIES LIMITED

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)

Place: 9, Crooked Lane,
Kolkata 700 069
Date : 30/07/2010

Proprietor
CP: 1362

ANNEXURE: A
Register as maintained by the Company

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

ANNEXURE: B

SL No.	From No./Return	Filed under Section	Date of Filing	Whether filed within Statutory Time Period
1.	Compliance Report in in e-form- 66 for the F.Y. ended on 31st March,09	383A	29/09/09	Yes
2.	Balance sheet and P/L A/c as at 31stMarch 2009 in e-form 23AC/ 23ACA	220	16/10/09	Yes
3.	Annual Return made up to 22/09/09 in e-form 20B	159	17/11/09	Yes
4.	Form - 32 dated 30/03/09 for Resignation of director	303(1)	08/04/09	Yes
5.	Form - 32 dated 22/09/09 for appointment of director	262	08/10/09	Yes

Auditors' Report to the Members of Messrs. Ceeta Industries Limited.

We have audited the attached Balance Sheet of Ceeta Industries Limited as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In accordance with the provisions of Section 227 of the Companies Act, 1956, we report that:

01. As required by the Companies (Auditors' Report) Order, 2003, issued by the Government of India under Sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in Paragraph 4 and 5 of the said order.
02. Further to our comments in the Annexure referred to above, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as they appear from our examination of those books.
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representation received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010, from being appointed as a director in the terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) in the case of Balance sheet, of the state of affairs of the Company as at 31st March, 2010, and
 - (ii) in the case of the Profit and Loss Account of the Profit for the year ended on that date.
 - (iii) in the case of the Cash Flow Statement, the cash flows of the company for the year ended on that date.

For G.K. Tulsyan & Company
Chartered Accountants
Firm's Registration No. 323246E
G.K. Tulsyan
Partner
Membership No.50511

4, Gangadhar Babu Lane
 Kolkata - 700 012
 Dated: the 30th day of July, 2010

Annexure referred to in Paragraph No. (1) to our report of even date on the basis of such checks as we consider appropriate and in terms of information and explanations given to us, we state as follows :

01. (a) The Company maintains proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Fixed Assets are physically verified by the management at reasonable intervals and no material discrepancies between the books of records and the physical inventory have been noticed.
 - (c) The company has not disposed off a substantial part of fixed assets during the year which would not affect the going concern of the company.
02. (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) As per the information given to us, the procedures of physical verification of inventory followed by management are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company maintains proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the books of records.
03. (a) According to the information and explanations given to us, the company has not given any unsecured loans to any company covered in the register maintained u/s.301 of the Companies Act, 1956 during the year. Therefore Point (b), (c) & (d) is not applicable.
 - (e) As informed to us and as per books of accounts, the company has taken unsecured loan from Eight (8) group companies, mentioned in the register maintained under Section 301 of the Companies Act, 1956 and the balance out standing as at 31.03.2010 is amounting Rs.83837323.
 - (f) In our opinion, the rate of interest and other terms and conditions of the loan taken, are prima facie not prejudicial to the interest of the company
04. 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 the purchase of inventory, fixed assets and for the sale of goods. Further on the basis of our examination of the books and records of the company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
05. (a) According to the information and explanations, in our opinion, the transactions that need to be entered in to the Register maintained under Section 301 of the Act, have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
06. The company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
07. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
08. As informed to us, the Central Government has not prescribed the maintenance of cost records u/s. 209(1)(d) of the Companies Act, 1956 .
09. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues as applicable with appropriate authorities and there were no such outstandings as on 31st March, 2010 for a period of six months from the date they became payable.
 - (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of sales tax, excise duty as at 31st March, 2010, which have not been deposited on account of disputes pending are as follows :

CEETA INDUSTRIES LIMITED

Name of the Statute	Nature of disputed dues	Amount Rs.	Forum where dispute is pending
Various Sales Tax & Central Sales Tax Act, 1961	Demand of Sales Tax	9821910	Orissa Sales Tax Tribunal, Cuttack
Rajasthan Sales Tax & Central Sales Tax	Demand of Sales Tax	R.S.T. Rs. 791025/- and CST Rs.2496/-	The Rajasthan Tax Board, Ajmer
Central Sales Tax	Demand of Sales Tax	C.S.T. of Rs. 1,73,06,671/-	The Commercial Tax (Recovery) Dept., Tumkur

10. The company's accumulated losses at the end of the financial year were more than 50% of its net worth. The company did not incur any cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
11. The Company has not taken any secured loan from Bank or Financial Institution during the year, and has not defaulted in repayment of the instalments of its secured loan taken in earlier years, as applicable.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
13. 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.
14. According to the information and explanations given to us, the company is not dealing or trading in shares, debentures or other investments and hence paragraph 4(xiv) of the Order is not applicable.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the company has not taken any term loans during the year and hence requirement of reporting regarding application of term loans does not arise.
17. In our opinion and according to the information and explanations given to us and shown by the records examined by us, no fund raised on short term basis have been used for long term investment and vice versa during the year.
18. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. According to the information and explanations given to us, the company has not issued any debenture.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by management.

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: the 30th day of July, 2010

CEETA INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

SOURCES OF FUNDS	Schedule	As at		As at
		(Rs.)	31/03/2010 (Rs.)	31/03/2009 (Rs.)
1. SHAREHOLDERS' FUND				
a) Share Capital	1	14,502,400	14,502,400	
b) Reserves and Surplus	2	146,386,444	146,386,444	160,888,844
2. LOAN FUND				
Secured Loan	3	419,697	979,293	
Unsecured Loan	4	83,837,323	84,257,020	979,293
			245,145,864	161,868,137
APPLICATION OF FUNDS				
1. FIXED ASSETS	5			
Gross Block		43,745,033	43,559,826	
Less : Depreciation		18,183,299	14,840,118	
Net Block			25,561,734	28,719,708
2. CONSTRUCTION WORK-IN-PROGRESS			15,777,199	8,275,099
3. INVESTMENTS	6		3,160,226	679,038
4. CURRENT ASSETS, LOAN AND ADVANCES	7			
a) Inventories		60,671,855	57,898,617	
b) Sundry Debtors		14,124,978	11,451,689	
c) Cash and Bank Balances		918,091	11,279,823	
d) Loans and Advances		94,980,484	14,455,792	
		170,695,408	95,085,921	
Less : Current Liabilities and Provisions	8			
Current Liabilities		17,154,727	34,863,484	
Provisions		510,973	836,833	
		17,665,700	35,700,317	
NET CURRENT ASSETS			153,029,708	59,385,604
5. Profit and Loss Account				
Balance Carried forward			47,616,997	64,808,688
			245,145,864	161,868,137
NOTES ON ACCOUNTS	14			

This is the Balance sheet referred to in our annexed report of even date.

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

G.K. Tulsyan
Partner
Membership No.50511

On behalf of the Board

K.M. Poddar,
Managing Director

4, Gangadhar Babu Lane
Kolkata - 700012
Dated : 30/07/2010

A. De,
Director

CEETA INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Current Year ended 31/03/2010 (Rs.)	Previous Year ended 31/03/2009 (Rs.)
INCOME			
Sales		25,353,765	65,855,116
Income from Contract Work		13,748,654	56,729,375
Service charges		6,000,000	6,000,000
Other Income	9	31,642,379	20,518,544
Increase/(Decrease) in Stock	10	11,771,697	(10,932,667)
		88,516,495	138,170,368
Manufacturing Expenses	11	30,165,948	60,115,221
Expenditure on Sub-contract Work		9,186,082	42,088,230
Selling, Administration and other Exp.	12	20,889,148	22,867,479
Interest		7,604,896	112,133
Depreciation		3,343,181	3,381,676
		71,189,255	128,564,739
Profit/(Loss) before provision for taxation		17,327,240	9,605,629
Provision for F.B.T.		-	245,313
Profit after Tax		17,327,240	9,360,316
Prior period adjustment		(135,549)	(93,559)
Net Profit		17,191,691	9,266,757
Balance brought forward from previous year		(64,808,688)	(74,075,445)
Balance carried to Balance sheet		(47,616,997)	(64,808,688)
Earning per Equity Share :	13		
(Face value of Re.1/- per share)			
Basic		1.19	0.64
Diluted		1.19	0.64
NOTES ON ACCOUNTS	14		

This is the Profit and Loss Account referred to in our annexed 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 : 30/07/2010

On behalf of the Board

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	As on 31/03/2010 Rs.	As on 31/03/2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before interest, tax and extraordinary items	24,932,136	9,717,762
Adjustment for :		
Depreciation	3,343,181	3,381,676
Loss on sale of fixed assets (Net)	-	571,299
Interest received	(14,821,371)	(207,052)
Dividend	(1,094)	-
Operating profit before working capital charges	13,452,852	13,463,685
Adjustments for Increase/ decrease in :		
Trade and Other receivables	(2,673,289)	(1,389,383)
Inventories	(2,773,238)	15,303,114
Trade Payables	(18,034,617)	(9,757,842)
Loans & Advances	(80,524,692)	2,470,708
Cash Generated from Operation	(90,552,984)	20,090,282
Direct Tax Paid	-	-
Cash Flow before extraordinary items	(90,552,984)	20,090,282
Extraordinary items	(135,549)	(93,559)
Net cash flow from operating activities (A)	(90,688,533)	19,996,723
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including Capital W.I.P.	(7,687,307)	(3,544,066)
Sale of fixed assets	-	200,000
Sale of Investment	(2,481,188)	6,000
Interest Received	14,821,371	207,052
Dividend received	1,094	-
Net cash used in investing activities (B)	4,653,970	(3,131,014)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed / Redemption of Equity / Pref. Shares	-	(13,300,000)
Interest Paid	(7,604,896)	(112,133)
Proceeds from long term borrowings	83,277,727	(954,092)
Net Cash Flow from Financing Activities (C)	75,672,831	(14,366,225)
Net Increase in cash and Cash equivalent (A+B+C)	(10,361,732)	2,499,484
Cash and Cash equivalent as at beginning of the year	11,279,823	8,780,339
Cash and Cash equivalent as at end of the year	918,091	11,279,823

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 : 30/07/2010

On behalf of the Board

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED AS ON THAT DATE

	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED :		
75,000,000 Equity Shares of face value Re 1/- each (Previous Year 75,000,000 Equity Shares of Re.1/-each)	75,000,000	75,000,000
1,50,000 - 15% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	15,000,000	15,000,000
	<u>90,000,000</u>	<u>90,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP :		
14,502,400 Equity Shares of Re 1/- each (Previous Year 14,502,400 Equity Shares of Re. 1/- each) fully paid up in cash	14,502,400	14,502,400
	<u>14,502,400</u>	<u>14,502,400</u>
SCHEDULE - 2		
RESERVES AND SURPLUS		
Capital Reserve on forfeiture of shares	91,000	91,000
Capital Reserve on account of Restructuring of Debt	132,995,444	132,995,444
Capital Redemption Reserve	13,300,000	13,300,000
	<u>146,386,444</u>	<u>146,386,444</u>
SCHEDULE - 3		
SECURED LOAN		
Auto Loan from ICICI Bank	419,697	979,293
(against hypothecation of specific motor vehicles)	<u>419,697</u>	<u>979,293</u>
SCHEDULE - 4		
UNSECURED LOAN		
From Bodies Corporate	83,837,323	-
	<u>83,837,323</u>	<u>-</u>

CEETA INDUSTRIES LIMITED

SCHEDULE - 5 FIXED ASSETS

Sl. No.	Particulars	Gross Block			Depreciation			Net Block	
		Cost as on 01/04/09 (Rs.)	Addition during the period (Rs.)	Sales/ Adjustment (Rs.)	Cost as on 31/03/10 (Rs.)	For the period (Rs.)	Sales/ Adjustment (Rs.)	As on 31/03/10 (Rs.)	As on 31/03/09 (Rs.)
1	Land	2,307,997	-	-	2,307,997	-	-	2,307,997	2,307,997
2	Building	10,262,776	-	-	10,262,776	316,411	-	8,195,554	8,511,965
3	Plant & Machinery	23,232,817	-	-	23,232,817	2,399,241	-	9,847,397	12,246,638
4	Electrical Installation	2,668,686	-	-	2,668,686	126,763	-	1,821,446	1,948,209
5	Office Equipment	659,572	77,431	-	736,003	33,384	-	549,494	505,447
6	Furniture & Fixtures	592,515	31,154	-	623,669	44,633	-	417,877	431,356
7	Cars & Vehicles	2,955,254	-	-	2,955,254	280,749	-	2,035,248	2,315,997
8	Fire Fighting Equipment	22,069	-	-	22,069	1,048	-	17,242	18,290
9	Computer Equipment	859,140	76,622	-	935,762	140,953	-	369,478	433,809
	Total	43,559,826	185,207	-	43,745,033	3,343,181	-	25,561,734	28,719,708
	Previous Year's Figures	44,395,450	205,280	1,040,904	43,559,826	3,381,676	269,605	28,719,708	32,667,403

CEETA INDUSTRIES LIMITED

SCHEDULE - 6	No. of Equity Shares Fully Paid up	Face Value Per share (Rs.)	As at	As at
			31/03/2010 (Rs.)	31/03/2009 (Rs.)
INVESTMENTS				
(at cost)				
LONG TERM TRADE INVESTMENTS :				
A. QUOTED SHARES				
Himalaya Granites Ltd.	100 (100)	10	3,538	3,538
UNQUOTED INVESTMENTS :				
P.R. Vyapaar Ltd.	100,000 (NIL)	10	1328313	-
Bhillai Holdings Pvt. Ltd.	100,000 (NIL)	10	1152875	-
National Savings Certificate VIIIth issue (pledged with govt.depts)	-	-	5,000	5,000
SHARES IN A SUBSIDIARY COMPANY				
Kingstone Krystals Ltd.	66,800 (66,800)	10	670,500	670,500
			<u>3,160,226</u>	<u>679,038</u>

(Number of shares in brackets represents last year's figures.)

	BOOK VALUE		MARKET VALUE	
	As at 31/03/2010	As at 31/03/2009	As at 31/03/2010	As at 31/03/2009
Quoted Investments	3,538	3,538	1,160	1,037

SCHEDULE - 7	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
--------------	------------------------	------------------------

CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS :

a. Inventories (As taken, valued and certified by the Management)				
Raw Materials (at cost or net realisable value whichever is less)	16,813,991		27,524,182	
Stores & Spares (at lower of cost or net realisable value)	4,802,470		9,090,738	
Finished Goods (at cost or net realisable value whichever is less)	39,055,394	60,671,855	27,283,697	57,898,617

b. Sundry Debtors :

(unsecured, considered good)				
- Outstanding for a period exceeding six months	6,251,401		2,016,928	
- Other Debts	7,873,577	14,124,978	9,434,761	11,451,689

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CEETA INDUSTRIES LIMITED

	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
c. Cash & Bank Balances :		
Cash in Hand (as certified by management)	115,992	282,882
Balances with Scheduled Banks		
- In Current A/c	590,271	10,717,784
- In Fixed Deposit	184,650	277,895
- Cheque in Hand	27,178	1,262
	<u>918,091</u>	<u>11,279,823</u>
B. LOANS AND ADVANCES :		
Loans (Unsecured, considered Good)	71,095,069	-
Advances Recoverable in Cash or in kind or for value to be received	17,304,326	6,894,199
Prepaid Expenses	65,811	129,005
Security Deposit	2,043,263	3,934,825
CST Claim Receivable	11,415	-
Accrued Interest	18,559	-
Interest accrued & not due	16,658	82,843
Advance Tax (including T.D.S)	4,425,383	94,980,484
	<u>170,695,408</u>	<u>95,085,921</u>

SCHEDULE - 8

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

Sundry Creditors :			
For goods, services, etc.	6,015,078	10,458,721	
Advance from Customers	5,419,873	9,964,133	
Sales Tax Deferment Scheme	-	385,930	
Mark to Market Margin (Derivative)	75,718	7,184	
Other Liabilities	5,644,058	17,154,727	14,047,516
		<u>17,154,727</u>	<u>34,863,484</u>

B. PROVISIONS

Provision for F.B.T.	510,973	836,833
	<u>17,665,700</u>	<u>35,700,317</u>

SCHEDULE - 9

OTHER INCOME

Processing Charges	5,858,403	7,284,531
Gain/ (Loss) on Foreign Exchange Fluctuation(net)	(13,190)	128,241
Miscellaneous Receipt	278,946	581,312
Quality defective Claim	2,807,412	11,895,211
Short Term Capital Gain (M.F.)	-	422,197
Dividend	1,094	-
Liabilities Written Back	7,888,343	-
Interest Received (TDS Rs. 1574766/-;		
Previous Year Rs. 13605/-	14,821,371	31,642,379
	<u>31,642,379</u>	<u>20,518,544</u>

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CEETA INDUSTRIES LIMITED

	As at		As at	
	31/03/2010		31/03/2009	
SCHEDULE - 10	(Rs.)	(Rs.)	(Rs.)	(Rs.)
INCREASE/DECREASE IN FINISHED GOODS, WORK-IN-PROGRESS.				
<u>OPENING STOCK :</u>				
Finished goods	27,283,697		38,216,364	
<u>CLOSING STOCK :</u>				
Finished goods	39,055,394		27,283,697	
Increase / (Decrease) in Stock	<u>11,771,697</u>		<u>(10,932,667)</u>	
SCHEDULE - 11				
MANUFACTURING EXPENSES				
Raw material consumed	9,470,543		31,186,617	
Stores & Spares parts consumed	13,709,583		16,765,238	
Power & Fuel	18,746		476,826	
Repairs and Maintenance :				
Plant and Machinery	999,313		884,323	
Packing Material Consumed	211,507		963,978	
Electricity & Water Charges	4,410,617		7,403,424	
Other Manufacturing Expenses	1,345,639		2,434,815	
	<u>30,165,948</u>		<u>60,115,221</u>	
SCHEDULE - 12				
SELLING, ADMINISTRATION & OTHER EXPENSES				
Salary,Wages,Gratuity, Allowances and Amenities	8,041,930		9,478,663	
Employer's Contribution to Provident Fund	524,564		602,555	
Staff Welfare Expenses	715,336		814,447	
Rent	695,220		564,000	
Rates & Taxes	98,536		100,715	
Insurance charges	242,138		311,750	
Vehicle Maintenance Expenses	386,932		480,909	
Travelling & conveyance	2,544,846		1,793,466	
Electricity Charges	322,408		249,358	
Printing & Stationery	247,161		269,377	
Communication charges	817,098		900,194	
Advertisement & Publicity	484,619		173,029	
Legal & Professional Charges	723,978		508,780	
Bank charges	65,284		103,906	
Repairs & Maintenance: (others)	510,434		704,889	
Remuneration to Statutory Auditor				
As Audit Fees	40,000		40,000	
For Tax Audit	6,000		6,000	
For certification work & I.T.Matter	5,000		5,000	
Service Tax thereof	5,253	56,253	5,253	56,253
Remuneration to Internal Auditor				
As Internal Audit Fees	40,502		80,000	
In other capacity	-	40,502	22,500	102,500
Remuneration to Managing Director	685,849		642,245	
Loss on Sale of Fixed Assets	-		571,299	
Packing & Forwarding Expenses	696,015		1,448,728	
Business Promotion Expenses	434,609		-	
Miscellaneous Expenses	2,543,436		2,969,416	
Directors Sitting fees	12,000		21,000	
	<u>20,889,148</u>		<u>22,867,479</u>	

CEETA INDUSTRIES LIMITED

SCHEDULE - 13

EARNINGS PER EQUITY SHARE

Annualised earnings per Equity share have been calculated based on the net profit/(loss) after taxation of Rs. 171.92 lacs, previous year Rs. 92.67 lacs and the weighted average number of equity shares in issue during the year of 14502400 shares, (previous year 14502400 shares).

Following is the reconciliation between basic and diluted earnings per equity share)

	As at 31/03/2010	As at 31/03/2009
Basic earning per share (in Rs.)	1.19	0.64
Effect of dilutive potential Equity shares on conversion.	NIL	NIL
Dilutive Earnings per share (in Rs.)	1.19	0.64
Weighted average number of equity shares used in computing basic earnings per share.	14502400	14502400
Weighted average number of equity shares used in computing diluted earnings per equity shares.	14502400	14502400

SCHEDULE – 14**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES**

- (i) **General :**
The company follows accrual system of accounting and recognizes income and expenditure on accrual basis unless otherwise stated. The accounts are prepared on historical cost convention.
- (ii) **Fixed Assets :**
Fixed assets as on 01/06/2003 are stated at the book value and any addition to fixed assets subsequent to that date are stated at cost prevailing on the date of acquisition.
- (iii) **Depreciation :**
Depreciation on fixed assets has been provided on straight line method; in case of plant & machinery for granite division the 'triple shift basis' has been taken. The rates and manner for depreciation provision are as per schedule XIV to the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.
- (iv) **Investments :**
Quoted Investments are stated at cost less diminution in the market value which are permanent in nature. The decline in market value of investment in current year has been considered to be temporary in nature and hence no provision is made in the books.
- (v) **Inventories :**
Inventories of the company are stated at lower of cost or net realisable value.
- (vi) **Revenue Recognition :**
The company's sales are net of sales returns and duties and levies.
- (vii) **Foreign Exchange Transaction :**
The transactions in foreign currencies remaining outstanding at the end of the year are translated at the exchange rates prevailing on the date of the Balance sheet. Exchange rate gain/loss on transactions relating to liabilities incurred to acquire fixed assets is treated as an adjustment to the cost of fixed assets. Exchange gains and losses on foreign exchange transactions, other than those relating to fixed assets are recognized in the profit and loss account in accordance with the Accounting standard 11 of the Institute of Chartered Accountants of India.
- (viii) **Employee Retirement Benefits :**
Company's contributions to Provident fund are charged to Profit and Loss a/c. For retirement benefit of the employee, Gratuity is provided on accrual basis taking into account the actuarial valuation.
- (ix) **Contingent Liabilities :**
Contingent liability has been disclosed separately by way of notes on accounts in the Schedule and no provision has been made in the accounts.
- (x) **Earning 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.

(xi) Segment Information - Basis of preparation

The Company at present has two segments viz. granite division engaged in manufacturing granite products and other operations which comprises trading transactions including brokerage, commission, mining, transportation 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.

(xii) Taxation

No provision for income tax has been made since the company has no tax liability in accordance with the provision of the Income Tax Act.

B. NOTES ON ACCOUNTS :

- Depreciation on the fixed assets of Udaipur has been provided on Straight Line Method (SLM) as per the Company's uniform policy though these assets remained in-operative through out the year.
- Consequent upon one time settlement with SBI Capital Market on dispute on leased equipments at Udaipur, the Company written back the liability of Rs. 59,90,224/- after adjustment of Security Deposit of Rs. 23,30,000/- and payment of Rs.12,37,500/-
- Contingent Liability not provided for in respect of :-
 - Bank Guarantees in favour of Customs department issued by bank on behalf of the Company is Rs. 1,70,700/- which is valid up to 27.03.2011.
 - Claims against the company not acknowledged as debt is Sales Tax Demand under dispute Rs.98,21,910/- (Previous year Rs. 98,21,910/-).
 - The Commercial Tax Department of Udaipur have raised a demand of Rs 791025/- as R.S.T. and Rs 2496/- as C.S.T. for earlier years pending under appeal before the Rajasthan Tax Board, Ajmer.
 - The Commercial Tax Recovery Department of Tumkur raised a demand of Rs. 1,73,06,671/- against C.S.T. for 2003-04 and 2004-05 and the same is under dispute and matter is under sub-judice. The debt has not been acknowledged.
- The company claims reimbursement of Central Sales Tax paid on purchase of indigenous goods in term of Excise Policy 2002-2007.
- Some of the debit and credit balances are subject to confirmation.
- As per the information available with the company, Sundry Creditors do not include any amount payable to micro, small & medium enterprises under the provisions of Micro, Small and Medium Enterprises Development Act, 2006.
- Previous year's figures have been regrouped / rearranged wherever necessary.
- The company pays an annual premium in terms of the comprehensive group gratuity scheme policy with TATA AIG Life Insurance Company Limited covering eligible employees. The premium is based on actuarial valuation. The Company reinstated the total amount paid for gratuity fund in the asset side and liability based on actuarial valuation on the liabilities side,
- As the company is having deferred tax asset by concept of prudence, no provision has been made in the books.

CEETA INDUSTRIES LIMITED

	31/03/2010 (Rs. In lakhs)	31/03/2009 (Rs. In Lakhs)
10. Expenditure in foreign currency		
Travelling	3.00	1.30
Advertisement	2.88	-
Imported Consumables	14.87	39.03
11. FOB Value of exports/earnings in foreign currency	214.94	596.05
Other earnings in Foreign Currency	(0.13)	1.28
12. Value of imports on CIF basis		
Components & spare parts	27.71	146.44
13. Additional information pursuant to Part-II of the schedule VI of the companies Act of 1956.		

a) Particulars of Capacity	Unit	Annual		Annual	
		Licensed Current Year	Capacity Previous Year	Installed** Current Year	Capacity Previous Year
Granite Tiles	Sq. Mtrs	100500	100500	100500	100500
Granite Slabs/ Monuments	Sq. Mtrs	23000	23000	23000	23000

** As certified by the management and relied upon by the auditors, being a technical matter.

b) Particulars of Production:

Goods manufactured	Unit	Current Year	Previous Year
Granite Slabs, CTS			
Granite, Tiles & Monuments	Sq.mtr	20436.903	32492.880

c) Particulars of Opening Stock, Purchase, Sales and Closing Stock

Class of Goods	Unit	Opening Stock		Sales/Adjustments		Closing Stock	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Granite Slabs etc.	Sq.mt. Rs. in lac	15618.364 272.84	20199.700 382.16	15071.400 253.54	37074.216 658.55	20983.867 390.55	15618.364 272.84

d) Particulars of Raw materials consumed (100% indigenous)

Description	Unit	Current Year	Previous Year
	CBM	313.763	1629.685
Rough Block	Rs. In lac	94.71	311.87

14. Stores Consumed

	Amount in lacs	Percentage
Indigenous (Previous Year)	63.46 (46.83)	46% (28%)
Imported (Previous Year)	73.63 (120.82)	54% (72%)

CEETA INDUSTRIES LIMITED

15. Segment Reporting

The Company has the two segments - Granite Division and Other Operations.

Summary of operating segments of the Company area:-

	Granite	Other Operations	Total (Rs.in lac)
Segmental Revenue :	477.11	408.05	885.16
TOTAL REVENUE	477.11	408.05	885.16
Segment Result : (before interest and tax)	(9.48)	45.74	36.26
Unallocated Corporate Expenses net of unallocable income	-	-	(13.99)
Operating Profit/(Loss)	-	-	22.27
Interest and other income	19.87	205.82	225.69
Interest Expenses	0.66	75.39	76.05
Net Profit / (Loss) before Tax	-	-	171.91

OTHER INFORMATION

CAPITAL EMPLOYED

	Granite	Other Operations	Total
Segment Assets	1313.14	52.05	1365.19
TOTAL ASSETS	1313.14	52.05	1365.19
Segment Liabilities	155.56	20.19	175.75
TOTAL LIABILITIES	155.56	20.19	175.75
Net Segment Assets	1157.58	31.86	1189.44
Unallocated Assets / (Liabilities)	-	-	(56.73)
Net Capital Employed	-	-	1132.71
Capital Expenditure	0.77	1.08	1.85
Depreciation	31.88	1.55	33.43

16. Related Party Disclosures

As per AS 18 issued by The Institute of Chartered Accountants of India, the Company's related parties disclosed below:-

List of related Parties

- Likhami Trading & Mfg. Co.Ltd
- Rashmi Properties & Investments Ltd.
- Vaibhav Heavy Vehicles Ltd.
- Coronation Refrigeration Industries Ltd
- Nouveau Metal Industries Ltd.
- Ceeta Synthetics & Turfs Ltd.
- Impact Stoneworks Pvt. Ltd.
- Shree Fincap Ltd.
- Smt.Vrinda Poddar
- Sri. Vaibhav Poddar

Enterprise under Common Control

Kingstone Krystals Ltd.. - Subsidiary Company

Key Management Personnel

- | | | |
|-----------------------|---|-------------------|
| Sri K. M. Poddar | - | Managing Director |
| Sri Arabinda De | - | Director |
| Sri S.K. Chhawchharia | - | Director |
| Sri. S.L. Singhania | - | Director |
| Sri Anubhav Poddar | - | President |

CEETA INDUSTRIES LIMITED

The Company's related party balances and transactions are summarised below:-

Name of Related Party	Nature of Transactions during the year
Likhmi Trading & Mfg. Co. Ltd.	(i)- The Company received unsecured loan of Rs. 80,00,000/- and interest paid / payable thereon is Rs 7,69,316/-. (ii) The Company Paid rent of Rs.1,20,000/-, electricity charges of Rs.1,15,227/- and car hire charges Rs. 18,000/-.
Rashmi Properties & Investments Ltd.	(i) The Company received unsecured loan of Rs 3,50,00,000/- and refunded Rs. 75,00,000/- during the year. Interest paid / payable thereon is of Rs 28,08,297/-. (ii) Paid Rent of Rs 3,00,000/- and electricity of Rs.1,36,368/-.
Vaibhav Heavy Vehicles Ltd.,	(i) The Company received unsecured loan of Rs. 62,00,000/- and refunded Rs. 12,00,000/- during the year. Interest paid / payable thereon is of Rs 4,93,869/-. (ii) Payment of rent for Rs.1,44,000/-.
Coronation Refrigeration Industries Ltd.	The Company received unsecured loan of Rs 1,90,00,000/- and interest paid / payable thereon is of Rs 17,09,951/-. Paid rent of Rs 1,20,000/-and electricity of Rs.61,866/-
Nouveau Metal Industries Ltd Ceeta Synthetics & Turfs Ltd.	The Company received unsecured loan of Rs. 1,55,00,000/- and refunded Rs. 10,00,000/- during the year. Interest paid / payable thereon is of Rs 6,93,420/-.
Impact Stoneworks Pvt. Ltd.	The Company received unsecured loan of Rs. 20,00,000/- and refunded Rs.1,00,000/- during the year. Interest paid / payable thereon is of Rs 64,474/-.
Shree Fincap Ltd.	The Company received unsecured loan of Rs. 59,00,000/- and interest paid /payable thereon is of Rs.1,07,527/-.
Smt. Vrinda Poddar	Remuneration includes Rs.240000/- as basic salary, Rs.96000/- as HRA, Provident Fund. Rs. 28800/- and Medical reimbursement Rs.18,455/- Paid Professional Fee of Rs.1,20,000/-
Sri Vaibhav Poddar Sri K.M. Poddar	Remuneration paid Rs.5,40,000/-and other perquisites Rs.1,45,849/- and Provident fund Rs.64800/-.
Sri Arabinda De Sri S.K. Chhawchharia Sri S.L. Singhania Sri Anubhav Poddar	Paid directors' sitting fee Rs. 4,000/- Paid directors' sitting fee Rs. 4,000/- Paid directors' sitting fee Rs. 4,000/- Remuneration includes Rs.396000/- as basic salary, Rs.158400/- as H.R.A., Provident Fund Rs.47520/- and Medical expenses for Rs 31,355/-.

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

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

G.K.Tulsiyan
Partner
Membership No.50511
4, Gangadhar Babu Lane
Kolkata - 700012
Dated : 30/07/2010

On behalf of the Board

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

Balance Sheet abstract and company's general business profile:
(Additional Information as required under Part IV of the Companies Act, 1956)

I. Registration details			
Registration no. :	21494	State Code	08
Balance Sheet date	31/03/2010		
II. Capital Raised during the year (Amount in Rs.)			
Public Issue	NIL	Right issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of mobilisation and deployment of funds (Amount in Rs.)			
Total liabilities	26,28,11,564	Total Assets	26,28,11,564
Sources of Funds			
Paid-up capital	1,45,02,400	Reserve & surplus	14,63,86,444
Secured loan	4,19,697	Unsecured loan	8,38,37,323
Application of funds			
Net fixed assets	255,61,734	Investments	31,60,226
Net current assets	15,30,29,708	Misc. Expenditure	NIL
Construction W.I.P.	1,57,77,199	Accumulated loss	4,76,16,997
IV. Performance of the company (Amount in Rs.)			
Turnover including other Income	8,85,16,495	Total Expenditure	7,13,24,804
Profit/(Loss) before tax	1,71,91,691	Profit/(Loss) after tax	1,71,91,691
Earning per share in Rs.	1.19	Dividend rate	NIL
V. Generic name of two principal products /service of the company			
Item Code no. (ITC Code)		680233	
Product description		Granite Slabs & Tiles	

On behalf of the Board

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

G.K.Tulsiyan
Partner
Membership No.50511
4, Gangadhar Babu Lane
Kolkata - 700012
Dated : 30/07/2010

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

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	31/03/2010
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, 2009	Nil
b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2009.	(Rs. 43485.94)
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, 2008	Nil
b) Not dealt with in the accounts of Ceeta Industries Limited for the year ended 31st March, 2008	Rs. 1297898.75

Place : Kolkata
Dated the 30th day of July, 2010

By order of the Board
K.M. Poddar
Managing Director
A. De
Director

KINGSTONE KRYSTALS LIMITED

DIRECTOR'S REPORT

Your Directors have the pleasure in submitting their Report and Audited Accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS:

	As on 31/03/2010 Rs.	As on 31/03/2009 Rs.
Profit/(Loss) as per Profit & Loss Account	52,816	(2,60,667)
Less: Provision for Income Tax	8,874	3,783
Profit / (Loss) after taxation	43,942	(2,64,450)
Income Tax for earlier year	-	1,929
Balance brought forward from previous year	13,11,500	15,77,879
Balance carried to next year	13,55,442	13,11,500

DIVIDEND:

In order to preserve cash resources, no dividend for the year recommended.

DIRECTORS :

Sri S.L. Singhania, who was appointed as director in casual vacancy, 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.

PERSONNEL:

The Company has no employees in receipt of the remuneration in aggregate of Rs.2,00,000/- or more per month, if employed for the part of the year and Rs.24,00,000/- per annum if employed through out the year.

DEPOSITS:

The Company has no outstanding deposits and 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.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act 1956 the Directors confirm that :

- I. that in preparation of the Annual Accounts, the applicable Accounting Standard have been followed and there has been no material departure;
- II. that the selected Accounting Policies were applied consistently and the directors 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, 2010 and of the Profit of the Company for the year ended on that date;
- III. that 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. that the Annual Accounts have been prepared on a going concern basis.

Place : Kolkata
Dated : 30/07/2010

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

Auditors' Report**TO THE MEMBERS OF MESSRS. KINGSTONE KRYSTALS LIMITED.**

We have audited the attached Balance Sheet of MESSRS. KINGSTONE KRYSTALS LIMITED as at 31st March, 2010 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditors' Report) Order 2003, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we annex here to a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- (d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
- (e) On the basis of written representation received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31.03.2010 from being appointed as Director in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said statement of accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

01. in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010 and

02. in the case of the Profit & Loss Account of the Profit of the Company for the year ended on that date.

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 July, 2010.

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 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 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 :
 - (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. However, there was 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.

KINGSTONE KRYSTALS LIMITED

- (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 July, 2010.

KINGSTONE KRYSTALS LIMITED**Balance Sheet as at 31st March, 2010**

	Schedule	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
SOURCES OF FUNDS			
Shareholder's Fund			
Share Capital	1	675,000.00	675,000.00
Reserve & Surplus	2	1,355,441.12	1,311,499.49
		<u>2,030,441.12</u>	<u>1,986,499.49</u>
APPLICATION OF FUNDS			
Investments	3	655,058.65	1,648,081.53
Current Assets, Loans & Advances			
Sundry Debtors	4	1,133,297.58	—
Cash & Bank Balances	5	248,111.89	140,473.96
Loans & Advances	6	88,108.00	83,108.00
		<u>1,469,517.47</u>	<u>223,581.96</u>
Less : Current Liabilities & Provisions	7	94,135.00	85,164.00
		<u>1,375,382.47</u>	<u>138,417.96</u>
Net Current Assets		<u>2,030,441.12</u>	<u>1,986,499.49</u>
Notes on Accounts	9		

This is the Balance sheet referred to in 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

4, Gangadhar Babu Lane
Kolkata - 700 012
Dated the 30th day of July, 2010

On behalf of the Board

A. De,
Director

S.L. Singhania,
Director

KINGSTONE KRYSTALS LIMITED

Profit & Loss Account for the year ended 31st March, 2010

	Schedule	Year Ended 31.3.2010 Rs.	Year Ended 31.3.2009 Rs.
Income			
Dividend Income		10,374.00	20,050.00
Profit on Sales of Investments		19,979.93	-
Speculative Profit (Shares / Commodity)		50,369.56	49,136.63
		80,723.49	69,186.63
 Expenditures			
Loss on Sales of Investments		-	290,446.79
Administrative & Other Expenses	8	27,907.86	39,407.00
		27,907.86	329,853.79
Profit / (Loss) before Taxation		52,815.63	(260,667.16)
Less : Provision for Taxation		8,874.00	3,783.00
Profit / (Loss) after Taxation		43,941.63	(264,450.16)
Balance brought forward from Last year		1,311,499.49	1,577,878.65
Less : Income Tax for earlier years		-	1,929.00
Transfer to Balance Sheet		1,355,441.12	1,311,499.49
Earning per Share		(0.65)	(3.92)
Notes on Accounts	9		

This is the Profit & Loss Account referred to in 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
4, Gangadhar Babu Lane
Kolkata - 700 012
Dated the 30th day of July, 2010

On behalf of the Board

A. De,
Director

S.L. Singhania,
Director

KINGSTONE KRYSTALS LIMITED

Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date.

	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
Schedule - 1		
SHARE CAPITAL		
Authorised		
2,50,000 Equity Shares of Rs.10/- each	2,500,000.00	2,500,000.00
	2,500,000.00	2,500,000.00
Issued, Subscribed and Paid up		
67,500 Equity Shares of Rs.10/- each fully paid up in cash	675,000.00	675,000.00
<i>(Out of which 66,800 Shares are held by holding company Messrs. Ceeta Industries Limited)</i>	675,000.00	675,000.00
Schedule - 2		
RESERVES & SURPLUS		
Profit & Loss Account	1,355,441.12	1,311,499.49
	1,355,441.12	1,311,499.49

Schedule - 3					
INVESTMENTS					
Name of the Company	Face	Current Year		Previous Year	
	Value	No. of	Cost	No. of	Cost
	Rs.	Shares	Rs.	Shares	Rs.
Equity Share (Quoted)					
(Long Term - Non Traded)					
Revathi Equipments Ltd.	10	-	-	541	216,419.33
Ashiana Housing Ltd.*	10	-	-	8000	911,118.32
Pokarna Ltd.	10	100	6,694.77	-	-
Gujarat NRE Coke Ltd.#	10	420	47,360.69	420	47,360.69
Reliance Industries Ltd.**	10	106	138,020.36	850	138,020.36
Karnataka Bank Ltd.	10	1,500	112,457.83	1,500	112,457.83
Total (A)		2,126	304,533.65	11,311	1,425,376.53
Equity Share (Un -quoted)					
Ceeta Synthetics & Turfs Ltd.	10	555,000	350,525.00	555,000	350,525.00
Murti Housing & Finance Pvt. Ltd. 10		-	-	72,000	72,180.00
Total (B)		555,000	350,525.00	627,000	422,705.00
TOTAL INVESTMENTS (A+B)		557,126	655,058.65	638,311	1,848,081.53

* Ashiana Housing Ltd. includes 5000 Bonus Shares

Gujarat NRE Coke includes 120 Bonus shares

** Reliance Industries Ltd. includes 53 Bonus Shares after conversion from Reliance Petroleum Ltd.

	Book Value		Market Value	
	Current Year	Previous Year	Current Year	Previous Year
Quoted Shares	304,533.65	1,425,376.53	338,929.50	646,837.40
	304,533.65	1,425,376.53	338,929.50	646,837.40

KINGSTONE KRYSTALS LIMITED

	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
Schedule - 4		
Sundry Debtors		
(Unsecured Considered good)		
Outstanding for a period not exceeding six months	1,133,297.58	-
Other debts	-	-
	1,133,297.58	-
Schedule - 5		
Cash & Bank Balance		
Cash-in-hands (As certified by the management)	57,573.00	58,313.00
Balance with Schedule Banks (in Current Account)	190,538.89	82,160.96
	248,111.89	140,473.96
Schedule - 6		
LOANS & ADVANCES		
(a) Loans		
<i>(Unsecured considered good)</i>		
	-	-
(b) Advances		
<i>(Recoverable in cash or in kind or for the value to be received)</i>		
Income Tax & T.D.S. including Advance Tax	88,108.00	83,108.00
	88,108.00	83,108.00
Schedule - 7		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Liabilities for Expenses	8,370.00	8,273.00
Provisions		
Provision for Income Tax (2007 - 08)	32,033.00	32,033.00
Provision for Income Tax (2008 - 09)	41,075.00	41,075.00
Provision for Income Tax (2009 - 10)	3,783.00	3,783.00
Provision for Income Tax (2010 - 11)	8,874.00	-
	94,135.00	85,164.00
Schedule - 8		
ADMINISTRATIVE & OTHER EXPENSES		
Demat Charges	881.86	-
Bank Charges	253.00	380.00
Filing Fees	1,250.00	2,234.00
Service Charges	-	2,000.00
Miscellaneous Expenses	-	1,250.00
Professional Charges	-	4,000.00
Professional Tax	2,500.00	2,500.00
License Fees	10,250.00	13,500.00
Printing & Stationery	-	270.00
Director's Sitting Fee	4,500.00	5,000.00
<i>Auditor's Remuneration</i>		
Audit Fees	5,000	5,000
For Company Law Matters	1,500	1,500
For Income Tax Matters	1,000	1,000
Service Tax	773	773
	27,907.86	39,407.00

KINGSTONE KRYSTALS LIMITED

Schedule - 9

NOTES ON ACCOUNTS

Notes annexed to and forming part of the Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date.

01. Accounting Policies

(a) General

The books of accounts have been maintained on accrual basis and in the accounting principles of going concern and are in consistent with the general accounting policies.

(b) Revenue Recognition

All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise, are accounted for on mercantile basis.

(c) Investments

Investments are stated at cost of acquisition.

(d) Taxes on Income

Income tax comprises the current tax provision and the net change in the deferred tax asset or liability in the year. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax base and operating loss carry forwards. Deferred tax assets if any are recognized subject to management's judgement that realization is more likely or not. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be received or settled. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in the income statement in the period of enactment of the change.

(e) Earning per Share

The company reports basic and diluted earning per shares in accordance with Accounting Standard - 20. Basic earning per share has been computed by dividing net profit/(Loss) after tax by weighted average number of equity shares outstanding for the period.

(f) Other accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting principle.

Signature to Schedules 1 to 9 forming part of the Balance Sheet and Profit & Loss Account.

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 July, 2010

On behalf of the Board

A. De,
Director

S.L. Singhania,
Director

KINGSTONE KRYSTALS LIMITED

Additional Information as required under Part IV to the Companies Act, 1956
Balance Sheet abstract and Company's General Business Profile.

(a) Registration Details	
Registration Number	11437
State Code	08
Balance Sheet Date	31.03.2010
(b) Capital raised during the year (Amount in '000)	
Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
(c) Position of Mobilisation & Deployment of Funds (Amount in '000)	
Total Liabilities	2,124.58
Total Assets	2,124.58
Sources of Funds (Amount in '000)	
Paid-up Capital	675.00
Reserves & Surplus	1,355.44
Secured Loans	Nil
Unsecured Loans	Nil
Deferred Tax	Nil
Application of Funds (Amount in '000)	
Net Fixed Assets	Nil
Investments	655.06
Net Current Assets	1,375.38
Miscellaneous Expenditures	Nil
Profit & Loss Account	Nil
(d) Performance of Company (Amount in '000)	
Turnover / Income	80.72
Total Expenditure	27.91
Profit / (Loss) before Tax	52.82
Profit / (Loss) after Tax	43.94
Earning per Share (Rs.)	0.65
Dividend Rate	Nil
(e) Generic Names of principal products, services of the Company	
Item Code	Not Applicable
Product Description	Not Applicable

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 July, 2010

On behalf of the Board

A. De,
Director

S.L. Singhania,
Director

CEETA INDUSTRIES LIMITED

Report of the Auditors to the Board of Directors of Ceeta Industries Limited on the consolidated Financial Statements of Ceeta Industries Limited and its subsidiary Company.

We have audited the attached consolidated balance sheet of Ceeta Industries Limited and its subsidiary as at 31st March, 2010 and also the consolidated profit & loss account and the consolidated cash flow statement for the year ended on that date, annexed thereto. These consolidated financial statements are the responsibility of the management of Ceeta Industries Limited and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

We report that the consolidated financial statements have been prepared by the management of Ceeta Industries Limited in accordance with the requirements of Accounting Standard 21, consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

Based on our audit on separate financial statements and on the other financial information of the components, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- in the case of the consolidated balance sheet of the state of affairs of Ceeta Industries Limited and its subsidiary as at 31st March, 2010
- in the case of consolidated profit & loss account of the profit for the period / year ended on that date, and
- in the case of the consolidated cash flow statement, of the cash flows for the period / year ended on that date.

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

4, Gangadhar Babu Lane
Kolkata - 700 012
Dated: the 30th day of July, 2010

G.K. Tulsyan
Partner
Membership No.50511

CEETA INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET OF CEETA INDUSTRIES LIMITED AND ITS SUBSIDIARY COMPANY AS AT 31ST MARCH, 2010

	Schedule	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
SOURCES OF FUNDS			
1. SHAREHOLDERS' FUND			
a) Share Capital	1	14,502,400	14,502,400
b) Reserves and Surplus	2	146,386,444	146,386,444
2. Minority Interest		21,057	20,601
3. LOAN FUND			
Secured Loan	3	419,697	979,293
Unsecured Loans	4	83,837,323	—
		<u>245,166,921</u>	<u>161,888,738</u>
APPLICATION OF FUNDS			
1. GOODWILL ON CONSOLIDATION		2,500	2,500
2. FIXED ASSETS			
Gross Block	5	43,745,033	43,559,826
Less : Depreciation		18,183,299	14,840,118
Net Block		<u>25,561,734</u>	<u>28,719,708</u>
3. CONSTRUCTION WORK IN PROGRESS		15,777,199	8,275,099
4. INVESTMENTS	6	3,144,786	1,856,620
5. CURRENT ASSETS, LOANS AND ADVANCES			
a) Inventories	7	60,671,855	57,898,617
b) Sundry Debtors		15,258,275	11,451,689
c) Cash and Bank Balances		1,166,203	11,420,297
d) Loans and Advances		95,068,592	14,538,900
		<u>172,164,925</u>	<u>95,309,503</u>
Less: Current Liabilities And Provisions	8		
Current Liabilities		17,163,097	34,871,757
Provisions		596,738	913,724
		<u>17,759,835</u>	<u>35,785,481</u>
NET CURRENT ASSETS		154,405,090	59,524,022
6. PROFIT & LOSS ACCOUNT			
Balance carried forward		46,275,612	63,510,789
		<u>245,166,921</u>	<u>161,888,738</u>

NOTES ON ACCOUNTS

14

This is the Balance sheet referred to in our annexed 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 : 30/07/2010

On behalf of the Board

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

CONSOLIDATED PROFIT & LOSS ACCOUNT OF CEETA INDUSTRIES LIMITED AND ITS SUBSIDIARY COMPANY AS AT 31ST MARCH, 2010

	Schedule	Current Year ended 31/03/2010 (Rs.)	Previous Year ended 31/03/2009 (Rs.)
INCOME			
Sales		25,353,765	65,855,116
Income from Contract Work		13,748,654	56,729,375
Service charges		6,000,000	6,000,000
Other Income	9	31,723,103	20,587,731
Increase/(Decrease) in Stock	10	11,771,697	(10,932,667)
		<u>88,597,219</u>	<u>138,239,555</u>
EXPENDITURE			
Manufacturing Expenses	11	30,165,948	60,115,221
Expenditure on Sub- contract Work		9,186,082	42,088,230
Loss on Sale of Investment		—	290,447
Selling, Administration and other Exp.	12	20,917,056	22,906,886
Interest		7,604,896	112,133
Depreciation		3,343,181	3,381,676
		<u>71,217,163</u>	<u>128,894,593</u>
Profit/(Loss) before provision for taxation		17,380,056	9,344,962
Provision for Income Tax and F.B.T.		8,874	249,096
Profit after Tax (before prior period adjustment)		17,371,182	9,095,866
Prior period adjustment		(135,549)	(95,488)
Profit after Tax (before adjustment for Minority Interest)		17,235,633	9,000,378
Less : Share of profit transferred to Minority		456	(2,762)
Profit after Tax (after adjustment for Minority Interest)		17,235,177	9,003,140
Balance brought forward from previous year		(63,510,789)	(72,513,929)
		<u>(46,275,612)</u>	<u>(63,510,789)</u>
Balance carried to Balance sheet			
Earning per Equity Share :	13		
(Face value of Re.1/- per share)			
Basic		1.19	0.62
Diluted		1.19	0.62

NOTES ON ACCOUNTS

14

This is the Profit and Loss Account referred to in our annexed 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 : 30/07/2010

On behalf of the Board

K.M.Poddar,
Managing Director

A.De,
Director

CEETA INDUSTRIES LIMITED

CEETA INDUSTRIES LIMITED & ITS SUBSIDIARY COMPANY
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	As on 31/03/2010 (Rs.)	As on 31/03/2009 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before interest, tax and extraordinary items	24,984,496	9,459,857
<i>Adjustment for :</i>		
Depreciation	3,343,181	3,381,676
Profit on Sale of Investments	(19,980)	-
Loss on sale of fixed assets (Net)	-	571,299
Interest received	(14,821,371)	(207,052)
Dividend	(1,094)	(20,050)
Operating profit before working capital charges	13,485,232	13,185,730
<i>Adjustments for :</i>		
Trading and other receivables	(3,806,586)	(1,389,383)
Inventories	(2,773,238)	15,303,114
Trade Payables	(18,034,520)	(9,771,035)
Loans & Advances	(80,524,692)	2,534,634
Cash Generated from Operation	(91,653,804)	19,863,060
Direct Tax Paid	(5,000)	(10,000)
Cash Flow before extraordinary items	(91,658,804)	19,853,060
Extraordinary items	(135,549)	(95,488)
Net cash flow from operating activities (A)	<u>(91,794,353)</u>	<u>19,757,572</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investment	(2,481,188)	(936,939)
Sale of Investment	1,119,717	1,146,872
Purchase of fixed assets	(7,694,002)	(3,544,066)
Sale of fixed assets	-	200,000
Interest Received	14,821,371	207,052
Profit on Sale of Investments	19,980	-
Minority Interest	456	(2,762)
Dividend received	1,094	20,050
Net cash used in investing activities (B)	<u>5,867,428</u>	<u>(2,909,793)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed / Redemption of Equity / Pref.Share	-	(13,300,000)
Interest Paid	(7,604,896)	(112,133)
Proceeds long term borrowings	83,277,727	(954,092)
Net Cash Flow from Financing Activities (C)	<u>75,672,831</u>	<u>(14,366,225)</u>
Net Increase in cash and Cash equivalent (A+B+C)	(10,254,094)	2,481,554
Cash and Cash equivalent as at beginning of the year	11,420,297	8,938,743
Cash and Cash equivalent as at end of the year	1,166,203	11,420,297

NOTE : Figures in brackets represent cash outflows

On behalf of the Board

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

K.M.Poddar,
Managing Director

G.K.Tulsiyan
Partner
Membership No.50511
4, Gangadhar Babu Lane
Kolkata - 700012
Dated : 30/07/2010

A.De,
Director

CEETA INDUSTRIES LIMITED

CEETA INDUSTRIES LIMITED & ITS SUBSIDIARY COMPANY
SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010
AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

	As on 31/03/2010 (Rs.)	As on 31/03/2009 (Rs.)
SCHEDULE - 1 SHARE CAPITAL AUTHORISED :		
75,000,000 Equity Shares of face value of Re.1/-each. (Previous Year 75,000,000 Equity Shares of Re. 1/- each)	75,000,000	75,000,000
1,50,000 - 15% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	15,000,000	15,000,000
	<u>90,000,000</u>	<u>90,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP :		
14,502,400 Equity shares of Re.1/- each (Previous Year 14,502,400 Equity Shares of Re. 1/- each) fully paid up in cash	14,502,400	14,502,400
	<u>14,502,400</u>	<u>14,502,400</u>
SCHEDULE - 2 RESERVES AND SURPLUS		
Capital Reserve on forfeiture of shares	91,000	91,000
Capital Reserve on account of Restructuring of Debt	132,995,444	132,995,444
Capital Redemption Reserve	13,300,000	13,300,000
	<u>146,386,444</u>	<u>146,386,444</u>
SCHEDULE - 3 SECURED LOAN		
Auto Loan from ICICI Bank (against hypothecation of specific motor vehicles)	419,697	979,293
	<u>419,697</u>	<u>979,293</u>
SCHEDULE - 4 UNSECURED LOAN		
From Bodies Corporate	83,837,323	-
	<u>83,837,323</u>	<u>-</u>

CEETA INDUSTRIES LIMITED

SCHEDULE - 5 FIXED ASSETS

Sl. No.	Particulars	Gross Block			Depreciation			Net Block	
		Cost as on 01/04/09 (Rs.)	Addition during the period (Rs.)	Sales/Adjustment (Rs.)	Cost as on 31/03/10 (Rs.)	For the period (Rs.)	Sales/Adjustment (Rs.)	As on 31/03/10 (Rs.)	As on 31/03/09 (Rs.)
1	Land	2,307,997	-	-	2,307,997	-	-	2,307,997	2,307,997
2	Building	10,262,776	-	-	10,262,776	316,411	-	8,195,554	8,511,965
3	Plant & Machinery	23,232,817	-	-	23,232,817	2,399,241	-	9,847,397	12,246,638
4	Electrical Installation	2,668,686	-	-	2,668,686	126,763	-	1,821,446	1,948,209
5	Office Equipment	668,572	77,431	-	736,003	33,384	-	549,494	505,447
6	Furniture & Fixtures	592,515	31,154	-	623,669	44,633	-	417,877	431,356
7	Cars & Vehicles	2,955,254	-	-	2,955,254	280,749	-	2,035,248	2,315,997
8	Fire Fighting Equipment	22,069	-	-	22,069	1,048	-	17,242	18,290
9	Computer Equipment	859,140	76,622	-	935,762	140,953	-	369,478	433,809
	Total	43,559,826	185,207	-	43,745,033	3,343,181	-	25,561,734	28,719,708
	Previous Year's Figures	44,395,450	205,280	1,040,904	43,559,826	3,381,676	269,605	28,719,708	32,667,403

CEETA INDUSTRIES LIMITED

SCHEDULE - 6

INVESTMENTS

(at cost)

LONG TERM TRADE INVESTMENTS :

A. QUOTED SHARES

	No. of Equity Shares Fully Paid up	Face Value Per share (Rs.)	As on 31/03/2010 (Rs.)	As on 31/03/2009 (Rs.)
Pokarna Ltd.	100	10	6695	-
Revathi Equipments Ltd	NIL	10	-	216,419
	(541)			
Ashiana Housing Ltd	NIL	10	-	911,118
	(8,000)			
Himalaya Granites Ltd.	100	10	3,538	3,538
	(100)			
Gujarat NRE Coke Ltd.	420#	10	47,361	47,361
	(420)			
Reliance Industries Limited	106**	10	138,021	138,021
(Before merger-Reliance Petroleum Ltd.)	(850)			
Karnataka Bank	1,500	10	112,458	112,458
			<u>2,126</u>	<u>308,073</u>
				<u>1,428,915</u>

B. UNQUOTED INVESTMENTS:

National Savings Certificate	-		5,000	11,000
VIIIth issue (pledged with govt.depts)				
Ceeta Synthetics & Turfs Ltd	555,000	10	350,525	350,525
	(555,000)			
Murti Housing & Finance Pvt. Ltd.	NIL	10	-	72,180
	(72,000)			
P.R. Vyapaar Ltd.	100,000	10	1,328,313	-
Bhillai Holdings Pvt. Ltd.	100,000	10	1,152,875	-
			<u>755,000</u>	<u>427,705</u>
TOTAL INVESTMENTS	757,126		3,144,786	1,856,620

Gujarat NRE Coke includes 120 Bonus shares

** Reliance Industries Ltd. includes 53 bonus Shares

Note : Figures in bracket relate to previous year.

Quoted

Book Value	308,072	1,428,915
Market Value	340,090	647,874

SCHEDULE - 7

CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS :

a. Inventories (As taken, valued and certified by the Management)		
Raw Materials (at cost or net realisable value whichever is less)	16,813,991	21,524,182
Stores & Spares(at lower of cost or net realisable value)	4,802,470	9,090,738
Finished Goods (at cost or net realisable value whichever is less)	39,055,394	27,283,697
	<u>60,671,855</u>	<u>57,898,617</u>

CEETA INDUSTRIES LIMITED

	As on 31/03/2010 (Rs.)	As on 31/03/2009 (Rs.)
b. Sundry Debtors :		
(unsecured, considered good)		
- Outstanding for a period exceeding six months	7,384,698	2,016,928
- Other Debts	7,873,577	9,434,761
	<u>15,258,275</u>	<u>11,451,689</u>
c. Cash & Bank Balances :		
Cash in Hand (as certified by management)	173,565	341,195
Balances with Scheduled Banks		
- In Current A/c	780,810	10,799,945
- In Fixed Deposit	184,650	277,895
- Cheque in Hand	27,178	1,262
	<u>11,66,203</u>	<u>11,420,297</u>
TOTAL (A)	<u>77,096,333</u>	<u>80,770,603</u>
B. LOANS AND ADVANCES :		
Loan (Unsecured, considered Good)	71,095,069	-
Advances Recoverable in Cash or in kind or for value to be received)	17,304,326	6,894,199
Prepaid Expenses	65,811	129,005
Security Deposit	2,043,263	3,934,825
Excise Duty Deposit	11,415	-
Accrued Interest	18,559	-
Interest accrued & due	16,658	82,843
Advance Tax (including T.D.S)	4,513,491	3,498,028
TOTAL (B)	<u>95,068,592</u>	<u>14,538,900</u>
TOTAL (A+B)	<u>172,164,925</u>	<u>95,309,503</u>

SCHEDULE - 8 CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

Sundry Creditors :		
For goods, services, etc.	6,015,078	10,458,721
Advance from Customers	5,419,873	9,964,133
Sales Tax Department Scheme	-	385,930
Mark to Market Margin (Derivative)	75,718	7,184
Other Liabilities	5,652,428	14,055,789
	<u>17,163,097</u>	<u>34,871,757</u>

B. PROVISIONS

Provision for Taxation	596738	913724
	<u>17,759,835</u>	<u>35,785,481</u>

SCHEDULE - 9

OTHER INCOME

Processing Charges	5,858,403	7,284,531
Gain / (Loss) on Foreign Exchange Fluctuation	(13,190)	128,241
Miscellaneous Receipt	339,690	650,499
Quality Defective Claim	2,807,412	11,895,211
Liability Written Off	7,888,343	-
Dividend	1,094	-
Short Term Capital Gain (M.F.)	19,980	422,197
Interest (TDS Rs. 1574766/-; Previous Year Rs. 13605)	14,821,371	207,052
	<u>31,723,103</u>	<u>20,587,731</u>

CEETA INDUSTRIES LIMITED

	As on 31/03/2010 (Rs.)	As on 31/03/2009 (Rs.)
SCHEDULE - 10		
INCREASE/DECREASE IN FINISHED GOODS, WORK-IN-PROGRESS.		
OPENING STOCK :		
Finished goods	27,283,697	38,216,364
CLOSING STOCK :		
Finished goods	39,055,697	27,283,697
Increase/ (Decrease) in Stock	<u>11,771,697</u>	<u>(10,932,667)</u>
SCHEDULE - 11		
MANUFACTURING EXPENSES		
Raw material consumed	9,470,543	31,186,617
Stores & Spares parts consumed	13,709,583	16,765,238
Power & Fuel	18,746	476,826
Repairs and Maintenance:		
Plant and Machinery	999,131	884,323
Packing Material Consumed	211,507	963,978
Electricity & Water Charges	4,410,617	7,403,424
Other Manufacturing Expenses	1,345,639	2,434,815
	<u>30,165,948</u>	<u>60,115,221</u>
SCHEDULE - 12		
SELLING, ADMINISTRATION & OTHER EXPENSES		
Salary, Allowance & Amenities	8,041,930	9,478,663
Employers' Contribution to Provident Fund	524,564	602,555
Staff Welfare Expenses	715,336	814,447
Rent	701,220	564,000
Rates & Taxes	105,286	116,715
Insurance charges	242,138	311,750
Vehicle Maintenance Expenses	386,932	480,909
Travelling & conveyance.	2,544,846	1,793,466
Electricity Charges	322,408	249,358
Printing & Stationery	247,161	269,647
Communication charges	817,098	900,194
Advertisement & Publicity	484,619	173,029
Legal & Professional Charges	723,978	512,780
Bank charges	65,537	104,286
Repairs & Maintenance: (others)	510,434	704,889
Remuneration to Statutory Auditor		
As Audit Fees	45,000	45,000
For Tax Audit	6,000	5,000
For certification work & I.T.Matter	6,000	6,000
For Company Law Matters	1,500	1,500
Service Tax thereof	6,026	6,026
Remuneration to Internal Auditor		
As Internal Audit Fees	40,502	80,000
In other capacity	-	22,500
Remuneration to Managing Director	685,849	642,245
Loss on sale of Fixed Assets	-	571,299
Packing & Forwarding Expenses	696,015	1,448,728
Miscellaneous Expenses	2,545,568	2,974,900
Director's Sitting Fee	16,500	26,000
Business Promotion	434,609	-
	<u>20,917,056</u>	<u>22,906,886</u>

As on **As on**
31/03/2010 **31/03/2009**
(Rs.) **(Rs.)**

SCHEDULE - 13
EARNINGS PER EQUITY SHARE

Annualised earnings per Equity share have been calculated based on the net profit/(loss) after taxation of Rs. 172.35 lacs, previous year Rs 90.00 lacs and the weighted average number of equity shares in issue during the year of 14502400 shares, (previous year 14502400 shares).

Following is the reconciliation between basic and diluted earnings per equity share :

Basic earning per share (in Rs.)	1.19	0.62
Effect of dilutive potential Equity shares on conversion.	NIL	NIL
Dilutive Earnings per share (in Rs.)	1.19	0.62
Weighted average number of equity shares used in computing basic earnings per share.	14502400	14502400
Weighted average number of equity shares used in computing diluted earnings per equity shares.	14502400	14502400

SCHEDULE - 14
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. 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:

- (a) 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.
- (b) 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.
- (c) The excess of cost to the Parent Company of its investment in the subsidiary company is recognised in the financial statements as goodwill.
- (d) The subsidiary Company considered in the financial statements is as follows:

Name	Country of Incorporation	% Voting power as on 31/03/10
Kingstone Krystals Ltd.	India	98.96

B. SIGNIFICANT ACCOUNTING POLICIES

- i) **General :**
The Parent Company and its subsidiary follows accrual system of accounting and recognizes income and expenditure on accrual basis unless otherwise stated. The accounts are prepared on historical cost convention and on going concern basis.
- ii) **Fixed Assets :**
Fixed assets of the Parent Company as on 01/06/2003 are stated at the book value and any addition to fixed assets subsequent to that date are stated at cost prevailing on the date of acquisition less depreciation. There is no fixed asset in subsidiary company.
- iii) **Depreciation :**
Depreciation on fixed assets has been provided on straight line method ; in case of plant & machinery for granite division the 'triple shift basis' has been taken. The rates and manner for depreciation provision are as per schedule XIV to the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.
- iv) **Investments:**
Quoted Investments are stated at cost less diminution in the market value which are permanent in nature. The decline in market value of investment in current year has been considered to be temporary in nature and hence no further provision is made in the books.
- v) **Inventories:**
Inventories of the Parent Company are stated at lower of cost or net realisable value. There is no Inventories in subsidiary company.
- vi) **Revenue Recognition :**
The Parent Company's sales are net of sales returns and duties and levies.
- vii) **Foreign Exchange Transaction :**
The transactions in foreign currencies remaining outstanding at the end of the year, are translated at the exchange rates prevailing on the date of the Balance sheet. Exchange rate gain/loss on transactions relating to liabilities incurred to acquire fixed assets is treated as an adjustment to the cost of fixed assets. Exchange gains and losses on foreign exchange transactions other than those relating to fixed assets are recognized in the profit and loss account in accordance with the Accounting Standard 11 of The Institute of Chartered Accountants of India.

viii) Employee Retirement Benefits:

Parent Company's contributions to Provident fund are charged to Profit and Loss a/c. For retirement benefit of the employee, Gratuity is provided on accrual basis taking into account the actuarial valuation. There is no employee in subsidiary company.

ix) Contingent Liabilities:

Contingent liability has been disclosed by way of notes on accounts in the schedule and no provision has been made in the books of accounts.

x) Earning Per share:

The company reports basic and diluted earnings per equity share in accordance with AS20, 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.

xi) Segment Information - Basis of preparation

The Company at present has two segments viz. granite division engaged in manufacturing granite products and other operations which comprises trading transactions including brokerage, commission, mining, transportation 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.

xii) Taxation

No provision for income tax has been made since the company has no tax liability in accordance with the provision of the Income Tax Act.

B. NOTES ON ACCOUNTS :

1. Depreciation on the fixed assets of Udaipur has been provided on Straight Line Method (SLM) as per the Company's uniform policy though these assets remained in-operative through out the year. There is no fixed asset in subsidiary company.
2. Consequent upon one time settlement with SBI Capital Market on dispute on leased equipments at Udaipur, the Company written back the liability of Rs. 59,90,224/- after adjustment of Security Deposit of Rs. 23,30,000/- and payment of Rs. 12,37,500/-
3. Contingent Liability not provided for in respect of :-
 - a) Bank Guarantees in favour of Customs department issued by bank on behalf of the Company is Rs. 1,70,700/- which is valid up to 27.03.2011.
 - b) Claims against the company not acknowledged as debt is Sales Tax Demand under dispute Rs.98,21,910/- (Previous year Rs. 98,21,910/-).
 - c) The Commercial Tax Department of Udaipur have raised a demand of Rs 791025/- as R.S.T. and Rs 2496/- as C.S.T. for earlier years pending under appeal before the the Rajasthan Tax Board, Ajmer.
 - d) The Commercial Tax Recovery Department of Tumkur raised a demand of Rs. 1,73,06,671/- against C.S.T. for 2003-04 and 2004-05 and the same is under dispute and matter is under sub-judice. The debt has not been acknowledged.
4. The company claims reimbursement of Central Sales Tax paid on purchase of indigenous goods in term of Excise Policy 2002-2007.
5. Some of the debit and credit balances are subject to confirmation
6. As per the information available with the company, Sundry Creditors do not include any amount payable to micro, small & medium enterprises under the provisions of Micro, Small and Medium Enterprises Development Act, 2006

7. Previous year's figures have been regrouped / rearranged wherever necessary.

8. The company pays an annual premium in terms of the comprehensive group gratuity scheme policy with TATA AIG Life Insurance Company Limited covering eligible employees. The premium is based on actuarial valuation. The Company reinstated the total amount paid for gratuity fund in the asset side and liability based on actuarial valuation on the liabilities side.

9. As the company is having deferred tax asset thus by concept of prudence no provision has been made in the books.

10. Segment Reporting

The Company has the two segments - Granite Division and Other Operations including its subsidiary Company.

Summary of operating segments of the Company are:-

	Granite	Other Operations	(Rs. in lac) Total
Segmental Revenue :	477.11	408.86	1382.65
TOTAL REVENUE	477.11	408.86	1382.65
Segment Result :	(9.48)	46.27	36.79
(before interest and tax)			
Unallocated Corporate Expenses net of unallocable income	-	-	(13.99)
Operating Profit/(Loss)	-	-	22.80
Interest and other income	19.87	205.82	225.69
Interest Expenses	0.66	75.39	76.05
Net Profit / (Loss) before Tax			172.44

OTHER INFORMATION

CAPITAL EMPLOYED

Segment Assets	1313.14	65.86	1379.00
TOTAL ASSETS	1313.14	65.86	1379.00
Segment Liabilities	155.56	21.13	176.69
TOTAL LIABILITIES	155.56	21.13	176.69
Net Segment Assets	1157.58	44.73	1202.31
Unallocated Assets / (Liabilities)	-	-	(56.01)
Net Capital Employed	-	-	1146.30
Capital Expenditure	0.77	1.08	1.85
Depreciation	31.88	1.55	33.43

11. Related Party Disclosures

As per AS 18 issued by The Institute of Chartered Accountants of India, the Company's related parties disclosed below:-

List of related Parties

- (a) Likhmi Trading & Mfg. Co.Ltd
- (b) Rashmi Properties & Investments Ltd.
- (c) Vaibhav Heavy Vehicles Ltd.
- (d) Coronation, Refrigeration Industries Ltd.
- (e) Nouveau Metal Industries Ltd.

CEETA INDUSTRIES LIMITED

- (f) Ceeta Synthetics & Turfs Ltd.
- (g) Impact Stoneworks Pvt. Ltd.
- (h) Shree Fincap Ltd.
- (i) Smt.Vrinda Poddar
- (j) Sri Vaibhav Poddar

Enterprise under Common Control

Kingstone Krystals Ltd. - Subsidiary Company

Key Management Personnel

- Sri K. M. Poddar – Managing Director
- Sri Arabinda De – Director
- Sri S. K Chhawchharia – Director
- Sri S.L. Singhanian – Director
- Sri Anubhav Poddar – President

The Company's related party balances and transactions are summarised below:-

Name of Related Party Nature of Transactions during the year

Likhani Trading & Mfg. Co. Ltd.	(i). The Company received unsecured loan of Rs. 80,00,000/- and interest paid / payable thereon is Rs 7,69,316/-.
	(ii) The Company Paid rent of Rs.1,20,000/-, electricity charges of Rs.1,15,227/- and car hire charges Rs. 18,000/-.
Rashmi Properties & Investments Ltd.	(i) The Company received unsecured loan of Rs 3,50,00,000/- and refunded Rs. 75,00,000/- during the year. Interest paid / payable thereon is of Rs 28,08,297/-.
	(ii) Paid Rent of Rs 3,00,000/- and electricity of Rs.1,36,368/-.
Vaibhav Heavy Vehicles Ltd.	(i) The Company received unsecured loan of Rs. 62,00,000/- and refunded Rs. 12,00,000/- during the year. Interest paid / payable thereon is of Rs 4,93,869/-.
	(ii) Payment of rent for Rs.1,44,000/-.
Coronation Refrigeration Industries Ltd.	The Company received unsecured loan of Rs 1,90,00,000/- and interest paid / payable thereon is of Rs 17,09,951/-.
Nouveau Metal Industries Ltd	Paid rent of Rs 1,20,000/-and electricity of Rs.61,866/-
Ceeta Synthetics & Turfs Ltd.	The Company received unsecured loan of Rs. 1,55,00,000/- and refunded Rs. 10,00,000/- during the year. Interest paid / payable thereon is of Rs 6,93,420/-.
Impact Stoneworks Pvt. Ltd.	The Company received unsecured loan of Rs. 20,00,000/- and refunded Rs.1,00,000/- during the year. Interest paid / payable thereon is of Rs 64,474/-.
Shree Fincap Ltd.	The Company received unsecured loan of Rs. 59,00,000/- and interest paid /payable thereon is of Rs.1,07,527/-.

CEETA INDUSTRIES LIMITED

Smt. Vrinda Poddar

Remuneration includes Rs.240000/- as basic salary, Rs.96000/- as HRA, Provident Fund. Rs. 28800/- and Medical reimbursement Rs.18,455/-

Sri Vaibhav Poddar

Paid Professional Fee of Rs.1,20,000/-

Sri K.M. Poddar

Remuneration paid Rs.5,40,000/-and other perquisites Rs.1,45,849/- and Provident fund Rs.64800/-.

Sri Arabinda De

Paid directors' sitting fee Rs. 4,000/-

Sri S.K. Chhawchharia

Paid directors' sitting fee Rs. 4,000/-

Sri S.L. Singhanian

Paid directors' sitting fee Rs. 4,000/-

Sri Anubhav Poddar

Remuneration includes Rs.396000/- as basic salary, Rs.158400/- as H.R.A., Provident Fund Rs.47520/- and Medical expenses for Rs 31,355/-

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

On behalf of the Board

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

K.M.Poddar,
Managing Director

G.K.Tulsyan
Partner
 Membership No.50511

4, Gangadhar Babu Lane
 Kolkata - 700012
 Dated : 30/07/2010

A.De,
Director

CEETA INDUSTRIES LIMITED

CEETA INDUSTRIES LIMITED

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

PROXY FORM

Regd. Folio No. _____

I / We _____

of _____

being a member/members of the above named Company hereby appoint _____

_____ of _____

or failing him / her _____ of _____

_____ as my / our Proxy to vote for me/ us on my / our behalf at the Annual General Meeting of the Company to be held on 21st September, 2010 at 3.00 P.M. and any adjournment thereof.

Signed this _____ day of _____ 2010.

Signature _____

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

CEETA INDUSTRIES LIMITED

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

ATTENDANCE SLIP

Annual General Meeting on Tuesday, the 21st September, 2010 at 3.00 P.M. at plot no.34-38, KIADB Industrial Area, Sathyamangala, Tumkur - 572 104, KARNATAKA.

Regd. Folio No.:

No. of Shares held:

Name of the Attending Member:

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General meeting of the Company at the Registered Office of the Company at Plot No.34-38, KIADB Industrial Area, Sathyamangala, Tumkur - 572 104, Karnataka on Tuesday, the 21st September, 2010 at 3.00 P.M.

Member's / Proxy's Name in BLOCK Letters

Member's /Proxy's signature

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