

# **PRAKASH CERAMICS LIMITED**

Regd. Office: 60-61, Anand Apartment, Anupnagar, Indore, Madhya Pradesh

## **NOTICE**

**NOTICE** is hereby given that the Annual General Meeting of the Members of **Prakash Ceramics Limited** will be held on Friday, 30th September, 2011 at 01:00 p.m. at registered office - 60-61, Anand Apartment, Anupnagar, District – Indore,, Madhya Pradesh to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2011 and the Profit & Loss Account for the year ended as on that date and the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Amishkumar Dantara who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors and fix their remuneration.

**By order of the Board  
For, Prakash Ceramics Limited**

**Place: Indore, MP  
Date: 30.08.2011**

**Sd/-  
Chairman**

### **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 such proxy need not be a member of the Company. Proxies in order to be effective must reach the Registered office of the Company not less than 48 hours before the time fixed for the Meeting.
2. Members/ proxies should bring attendance slip, duly filled in, for attending the meeting.
3. Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting. As Copies of Annual Report will not be distributed at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2011 to 30th September, 2011 (both days inclusive).
5. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 7 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.

**By order of the Board  
For, Prakash Ceramics Limited**

**Place: Indore, MP  
Date: 30.08.2011**

**Sd/-  
Chairman**

**DIRECTORS' REPORT**

To,  
The Shareowners,  
**Prakash Ceramics Limited**  
Indore, Madhya Pradesh.

Your Directors hereby present the Annual report of your Company together with audited accounts for the accounting year ended on **31st March, 2011**.

**FINANCIAL RESULTS:**

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2011</b>	<b>YEAR ENDED 31.03.2010</b>
Sales and Other Income	0	0
Total Expenditure	9000	9800
Profit/ (Loss) Before Tax	(9000)	(9800)
Provision for Tax	Nil	Nil
Net Profit/ (Loss) for the year After Tax	(9000)	(9800)
Balance c/f to Balance Sheet	(2710146)	(2701146)

**DIVIDEND:**

Your directors regret their inability to recommend any dividend for the year under review due to loss incurred.

**OPERATIONS:**

During the year under review the company has incurred loss of Rs. 9000/- compared to loss of Rs. 9800/- of last year. However, your directors are confident of achieving good results of the Company in future years.

**DIRECTORS:**

Mr. Amishkumar Dantara, Director of the Company who retires by rotation at the ensuing Annual General Meeting, being eligible and offers him-self for re-appointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.**

The Directors confirm that;

- In the preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- Such accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- 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;
- Annual account has been prepared on a going concern basis.

**CORPORATE GOVERNANCE:**

Your directors are happy to report that your company is fully compliant as on 31st March 2011 with the SEBI guidelines on Corporate Governance as incorporated in Clause 49 of the Listing Agreement with the Stock exchanges.

A detailed report on this subject forms part of this report.

**LISTING AGREEMENT:**

The securities of the company are listed with the Bombay Stock Exchange Limited (BSE).

**AUDITORS & AUDITORS' REPORT:**

M/s. Naimish K. Shah & Co., Ahmedabad, Auditors of the Company, retires and are eligible for reappointment. The members at the ensuing Annual General Meeting are requested to consider their reappointment for the year to hold the office until the conclusion of the next Annual general Meeting. The Board recommends their appointment.

Notes forming part of the accounts, which are specifically referred to by the Auditors in their Report are self explanatory and therefore do not call for any further comments.

**INFORMATION AS PER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956:**

As required under rule 3 of the companies (Disclosure of Particulars in the report of board of directors) Rules 1988, the particulars relating to the conservation of energy, Technology absorption and there are no foreign exchange earnings and outgo during the year.

**PARTICULARS REGARDING EMPLOYEES:**

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and hence no information is required to be furnished.

**ACKNOWLEDGEMENT:**

The Directors sincerely express their deep appreciation to the Employee at all levels, Shareholders, Banks, Customers for their sustained support and co - operation during the year. Your Directors also acknowledge the support and guidance received from the RBI, SEBI, ROC, Stock Exchanges and other Regulatory Bodies. Banks and other Financial Groups also deserve special appreciation for significant contribution to your Company's operations.

**For and on behalf of the Board of Directors**

**Place: Indore, MP**  
**Date: 30.08.2011**

**Sd/-**  
**Chairman**

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of operations and in all inter-actions with its shareholders, employees, and the Government Company is committed to achieve the highest standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing the overall shareholder value, over a sustained period of time.

### 2. BOARD OF DIRECTORS:

The Board of Directors of the company is comprised of optimum number of Executive, non-executives and independent directors. The Board met 5 times during the year on the following dates.

During the year, Board Meetings were held on 20.04.2010, 20.07.2010, 30.08.2010, 25.10.2010 and 17.01.2011.

S. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at Last AGM
1.	Anand Pardesi	Non-executive & Independent Director	5	Yes
2.	Amishkumar Dantara#	Non-executive & Independent Director	4	Yes
3.	Dhanpal Gandhi#	Non-executive & Independent Director	4	Yes
4.	Rajesh Jain*	Promoter & Managing Director	1	No
5.	Rakesh Jain*	Promoter & Non-executive Director	1	No

\* Resigned w.e.f. 25.06.2010

# Appointed w.e.f. 25.06.2010

### 3. AUDIT COMMITTEE:

The Audit committee was reconstituted by the board and the present members of the audit committee are Shri Anand Pardesi, Shri Amishkumar Dantara and Shri Dhanpal Gandhji.

**The Committee has appointed Mr. Anandbhai Pardeshi as chairman.**

The terms of reference and powers of Audit Committee are as per Clause 49 of the Listing Agreement. The functions of the Audit Committee are as per Listing Agreement with the Stock Exchanges. This includes review of accounting and financial policies and procedures, review of financial reporting system and internal control procedure. The Committee met four times during the year i.e. 20.04.2010, 20.07.2010, 25.10.2010 and 17.01.2011.

S. No.	Name of Audit committee member	No of meetings attended
1	Anand Pardeshi	4
2	Amishkumar Dantara#	3
3	Dhanpal Gandhi#	3
4	Rajesh Jain*	1
5	Rakesh Jain*	1

\* Resigned w.e.f. 25.06.2010

# Appointed w.e.f. 25.06.2010

**4. REMUNERATION COMMITTEE:**

No Remuneration Committee meeting was held during the year.

**5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**

The present members of Investors Grievance committee are Shri Anand Pardesi, Shri Amishkumar Dantara and Shri Dhanpal Gandhi.

The role and functions of the said Committee are the effective redressal of the complaints of the shareholders regarding dematerialization, transfers, non-receipt of balance-sheet etc, The Committee will also recommend the steps to be taken for further improvement in the quality of services to the Investors.

The company has received no complaints during the year

**6. GENERAL BODY MEETINGS:**

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2007-08	30th September, 2008	01:00 p.m.	Survey no. 64, Village Kalsara Khurd.
2008-09	30th September, 2009	01:00 p.m.	Survey no. 64, Village Kalsara Khurd.
2009-10	30th September, 2010	01:00 p.m.	60-61, Anand Apartment, Anupnagar, Indore.

No special Resolutions were put through postal ballot as recommended under clause 49 of the Listing Agreement of the Stock Exchanges, are placed for shareholders' approval at the forthcoming Annual General Meeting. There is no non-compliance nor any penalty or stricture imposed on the company by stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

**7. GENERAL SHAREHOLDER INFORMATION:**

- |   |   |
|---|---|
| 1. Financial Calendar 2011-12 (tentative) :   | Results for the quarter ended June 30, 2011;<br>Last week of July 2011.         |
|   | Results for the quarter ended September 30, 2011;<br>Last week of October 2011. |
|   | Results for the quarter ended December 31, 2011,<br>Last week of January 2012.  |
|   | Results for the quarter ended March 31, 2012,<br>Last week of April 2012.       |
| 2. Book closure date                          | : 24th September, 2011 to 30th September, 2011<br>(Both days inclusive)         |
| 3. Registered Office                          | : 60-61, Anand Apartment, Anupnagar, Indore,<br>Madhya pradesh                  |
|   | Email: prakashceramics@yahoo.in   |
| 4. Equity shares Listed on Stock Exchanges at | : The Bombay Stock Exchange Ltd, Mumbai   |

**Annual General Meeting**

Date and Time Venue

: September 30, 2011, 01:00 p.m.

: 60-61, Anand Apartment, Anupnagar, Indore.

Registered Office

: 60-61, Anand Apartment, Anupnagar, Indore.

**5. Disclosures:**

1. All related party transactions have been entered into the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties were not in the normal course of business to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.
2. All Accounting standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
3. Risk assessment and its minimizations procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.
4. The company has not raised money through preferential allotment basis during the year.
5. The Company duly complies with all mandatory requirements of clause 49 of Listing Agreement with the Stock Exchange. However, the company has not adopted the non – mandatory requirement defined therein.
6. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement with Stock Exchanges.
7. No Penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**8. STOCK CODE**

- Trading Symbol at

: The Bombay Stock Exchange Ltd, Mumbai  
Scrip Code: 515111**9. STOCK MARKET DATA:** The details regarding the month wise high/low price during the year are as follows:

Note: As the Status of the Company is dormant, no Stock Market Data is available with the Company.

**10. REGISTRAR AND SHARE TRANSFER AGENT**(Share transfer and Communication  
regarding Share certificates Dividends  
and change of Address): Purva Sharegistry (India) Pvt. Ltd.  
Unit No. 9,  
Shiv Shakti Ind. Estate,  
J. R. Boricha Marg,  
Lower Parel (E),  
Mumbai – 400011.**11. SHARE TRANSFER SYSTEM:**

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 30 days from the date of receipt, if the relevant documents are complete in all respect.

**a. Distribution of Shareholding as on 31st March, 2011.**

Shareholding of nominal value as on 31st March, 2011	No. of Shares	% of No. of shares	No. of Shareholders	% of Shareholders
Up to 5000	9103	93.63	1136300	33.23
5001 - 10000	322	3.31	270700	7.92
10001- 20040	165	1.70	252300	7.38
20041- 30000	43	0.44	109400	3.20
30001- 40000	16	0.16	56000	1.64
40001- 50000	14	0.14	64100	1.87
50001- 100000	20	0.21	151900	4.44
100001 and above	39	0.41	1379300	40.32
<b>Total</b>	<b>9722</b>	<b>100.00</b>	<b>3420000</b>	<b>100.00</b>

**b. Category of shareholders as on 31st March 2011.**

Category	No. of Shares held	% of Shareholding
Directors and relatives	410400	12
Mutual Funds and UTI	0	0
Bodies corporate	754700	22.07
Other Shareholders (Other than listed above)	2254900	65.93

**Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, conversion Date and Likely Impact on Equity:** None

**Address for correspondence:**

Shareholders correspondence should be addressed at registered office of the company at:

**REGISTERED OFFICE:**

60-61, Anand Apartment, Anupnagar, Indore,  
Madhya Pradesh

**Compliance Officer:**

Dhanpal Gandhi

**Declaration:**

None of the Director of the Company is a Director of more than 15 companies and member of more than 10 committees or chairman of more than five committees across all companies in which he is a Director

**CERTIFICATION BY CEO/CFO**

The Board of Directors,  
**Prakash Ceramics Limited**

Madhya Pradesh

I, Dhanpal Gandhi, CEO and CFO of Prakash Ceramics Limited to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet, Profit & Loss Account and its schedules & notes on accounts as well as the Cash Flow Statement and Directors' Report for the year ended 31st March, 2011 and that to the best of my knowledge and belief.
  - these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. I also certify that to the best of my knowledge and the information provided to me, there are no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps. I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
  - significant changes in internal control, if any, over financial reporting during the year;
  - significant changes, if any, in accounting policies during the year and that the financial statements; and
  - instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.
5. I further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended on 31st March, 2011.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

PLACE: Indore (M.P.)

DATE: 30.08.2011

Sd/-  
Chairman



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has placed systems and procedures of internal control and checks in operation commensurate with the size and the nature of its business for optimum utilization of available precious resources. The mechanism of internal control and checks are viewed by the management, internal and statutory auditors from time to time and suitable changes! Modifications are implemented so as to ensure that an effective scheme of checks and balances exists at all times. The management is reasonably satisfied with the existing internal control systems. The Audit Committee of Board of Directors also reviews these matters from time to time in their meetings.

**CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis Report are based upon data available with the Company and on certain assumptions having regard to the economic conditions, government policies, political developments, within and outside the country. The management is not in a position to guarantee the accuracy of the assumptions and the projected performance of the Company in future. It is, therefore, cautioned that the actual results may differ from those expressed or implied herein.

***FOR AND ON BEHALF OF THE BOARD OF DIRECTORS***

PLACE: Indore (M.P.)

DATE: 30.08.2011

Sd/-  
Chairman

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

The company has framed a specific code of conduct for the members of the Board of Directors of the Company pursuant to clause 49 of the listing agreement with Stock Exchanges to further strengthen corporate governance practices in the company.

All the members of the Board of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year 31st March, 2011.

**Place: Indore, MP**

**Date: 30.08.2011**

**Sd/-  
(Dhanpal Gandhi)  
Director**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
**PRAKASH CERAMICS LIMITED**  
Indore, Madhya Pradesh.

We have examined the relevant records pertaining to compliance conditions of Corporate Governance by Prakash Ceramics Limited ("the Company"), for the year ended **31<sup>st</sup> March, 2011** as stipulated clause 49 of the Listing Agreement of the said Company which the stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. Our examination 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, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We have to state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company which were presented to the Investor Grievance Committee.

We further state that such compliances is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For, M/s. NAIMISH K. SHAH & CO.**  
**Chartered Accountants**

**Place: Ahmedabad**  
**Date: 30.08.2011**

**Sd/-**  
**Naimish Shah**  
**M.No. 031147 (Prop.)**

# NAIMISH K. SHAH & CO. CHARTERED ACCOUNTANTS

Address : 206, Kalash Building I, B/h Navrangpura Jain Derasar, Navrangpura, Ahmedabad.

## AUDITORS' REPORT

TO THE MEMBERS OF PRAKASH CERAMICS LIMITED

We have audited the annexed Balance Sheet of Prakash Ceramics Limited as on 31st March 2011 and also the Profit & Loss Account for the period 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 accounting 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor Report) Order, 2003 issued by the Department of Company Affairs in terms of Section 227(4A) of the Companies Act 1956, we give in the Annexure a statement on the matters specified in the said order to the extent applicable.
2. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
3. In our opinion, proper Books of Account as required by law have been kept by the company so far, as appears from our examination of such books.
4. The Balance sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts.
5. In our opinion, the Profit & Loss Account and the Balance Sheet comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 subject to notes to accounts.
6. On the basis of representation received from the directors of the company and according to the information and explanation given to us, none of the directors of the company are prima facie as at 31<sup>st</sup> March 2009, disqualify from being appointed as directors of the Company under clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
7. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the statement on accounting policies and the notes thereon, give the information required by the Companies Act, 1956 in the manner so required, and give a true and fair view: -
  - (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2011.
  - (ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.
  - (iii) In the case of cash flow Statement, of the cash flows for the year ended on that date.

For **Naimish K. Shah & Co.,**  
Chartered Accountants

Place : Ahmedabad  
Dated : 30.08.2011

Sd/-  
**(Naimish Shah)**  
**Proprietor**  
M.No. 031147

## **ANNEXURE TO THE AUDITORS REPORT**

(Referred to in Paragraph 3 of our report even date)

The annexure referred to para ! of our report on even date on account of

### **M/s. Prakash Ceramics Limited for the year 31-3-2011**

- I. (a) The fixed assets register was not made available to us for verification, However as explained to us the fixed assets have been physically verified by the management at reasonable intervals and no materials discrepancies have been noticed on such verification.
- II. (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The Company is maintaining proper records of inventory.
- III (a) As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, clause (iii) (a), (b), (c) & (d) are not applicable to the comp
- (b) As per information and explanation given to us, the company has not taken loans from parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, clause (iii) (e) , (iii) (f) and (iii) (g) are not applicable to the company.
- IV. In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and for the sale of goods. During the course of audit, we have not observed the continuing failure to correct major weakness in internal controls.
- V. In opinion and according to the information and explanation given to us, there are no transactions of purchase and sales or services of goods and materials and made in pursuance of contracts or arrangements entered in the Registers maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 50000/- or more in respect of each party.
- VI. The company has not accepted any deposits from public within the meaning of provisions of section 58 A & Section 58 AA of the Companies Act, 1956.
- VII. In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- VIII. As informed to us the company is not required to maintain cost accounts and records as prescribed by Central Government under section 290 (1)(d) of the Companies Act 1956.
- IX. According to the records of the company, statutory dues including Investor Education and Protection fund, Income Tax and other statutory dues have been generally deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts

payable in respect of the aforesaid dues were outstanding as on 31st March, 2002 for a period of more than six months from the date of becoming payable.

- X. The accumulated losses of the Company are not more than fifty percent of the net worth and the company has incurred cash loss in current financial year, The Company has also incurred cash loss in the previous financial year.
- XI. In our opinion and according to the information and explanations given to us, Company has not defaulted in Repayment of any dues to financial institutions or banks
- XII. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit/society. Therefore, clause 4(xiii) of the Companies (Audit Report) Order, 2003 is not applicable to the company.
- XIV. In our opinion the Company has maintained records of transactions and contracts in respect of investment in shares, mutual funds and other investments and generally timely entries have been made therein. All the shares, mutual funds and other investments held by the companies are in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- XV. In our opinion. The company has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI. The Company has not raised any new term loans during the year.
- XVII. On the basis of an overall examination of the Balance Sheet of the Company and according to the information and explanations given to us, in our opinion, funds raised on short term basis have not been used during the year for long term investment and vice versa.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- XIX. The Company has not issued any debentures till date.
- XX. The Company has not raised any money by public issue during the year.
- XXI. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Naimish K. Shah & Co.,**  
Chartered Accountants

Place : Ahmedabad  
Dated : 30.08.2011

Sd/-  
**(Naimish Shah)**  
**Proprietor**  
M.No. 031147

# PRAKASH CERAMICS LIMITED

Registered Office : Anand Apartments, 60-61, Anoop Nagar, Indore : 452 008 (M.P) India

## BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
<b>1. SHAREHOLDERS' FUND</b>			
A. SHARE CAPITAL	A	33974000	33974000
B. RESERVES & SURPLUS		0	0
		<b>33974000</b>	<b>33974000</b>
<b>2. LOANS</b>			
A. SECURED		0	0
B. UNSECURED	B	0	0
		0	0
<b>TOTAL.....</b>		<b>33974000</b>	<b>33974000</b>
<b>APPLICATION OF FUNDS</b>			
1 FIXED ASSETS		0	0
CAPITAL WORK IN PROGRESS	C	26138880	26138880
PRE - OPERATIVE EXPENSES	D	8854785	8854785
ADVANCE AGAINST CAPITAL GOODS	E	0	0
		<b>34993665</b>	<b>34993665</b>
2 INVESTMENTS		0	0
3 CURRENT ASSETS, LOANS & ADVANCES			
A. Cash & Bank Balances	F	26100	35100
B. Loans & Advances	G	5880597	5880597
C. Deposits	H	0	0
D. Other Current Assets	I	162664	162664
		6069361	6078361
<b>LESS : CURRENT LIABILITIES AND PROVISIONS :</b>			
A Liabilities	J	12731835	12731835
B Provisions	K	1240087	1240087
		13971922	13971922
<b>NET CURRENT ASSETS</b>		<b>-7902561</b>	<b>-7893561</b>
4 A. Miscellaneous Expenditure (To the extent not written off or adjusted)	L	4172750	4172750
<b>B. PROFIT &amp; LOSS ACCOUNT</b>		<b>2710146</b>	<b>2701146</b>
<b>TOTAL.....</b>		<b>33974000</b>	<b>33974000</b>

NOTES TO ACCOUNTS

O

PER OUR REPORT OF EVEN DATE ATTACHED

For, Naimish K. Shah & Co.  
Chartered Accountants

For, Prakash Ceramics Limited

Sd/-  
**Naimish Shah**  
(Proprietor)

Sd/-

Director

Sd/-

Director

Place : Ahmedabad  
Date : 30.08.2011

Place : Indore  
Date : 30.08.2011

# PRAKASH CERAMICS LIMITED

Registered Office : Anand Apartments, 60-61, Anoop Nagar, Indore : 452 008 (M.P) India

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

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
<b><u>INCOME</u></b>			
OTHER INCOME	<b>M</b>	0	0
PROFIT ON SALE OF FIXED ASSETS		0	0
<b>TOTAL INCOME</b>		<b>0</b>	<b>0</b>
<b><u>EXPENSES</u></b>			
LOSS ON SALE OF FIXED ASSETS		0	0
INDIRECT EXPENSES	<b>N</b>	9000	9800
LOSS ON SALE OF SHARES		<b>0</b>	0
LOSS FOR THE YEAR		-9000	-9800
BALANCE BROUGHT FORWARD FROM LAST YEARS		-2701146	-2691346
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>-2710146</b>	<b>-2701146</b>

NOTES TO ACCOUNTS

O

PER OUR REPORT OF EVEN DATE ATTACHED

**For, Naimish K. Shah & Co.**

Chartered Accountants

Sd/-

**Naimish Shah**

(Proprietor)

Place : Ahmedabad

Date : 30.08.2011

**For, Prakash Ceramics Limited**

Sd/-

**Director**

Sd/-

**Director**

Place : Indore

Date : 30.08.2011



# P R A K A S H   C E R A M I C S   L I M I T E D

## SCHEDULE : A

<b><u>SHARE CAPITAL</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b><u>AUTHORISED</u></b>		
3500000 Equity shares of Rs. 10/- (Pre. Yr. 3500000 Equity Shares of Rs. 10/- Each)	35000000	35000000
<b><u>ISSUED, SUBSCRIBED AND PAID UP</u></b>		
3420000 Equity shares of Rs. 10/- (Pre. Yr. 3420000 Equity Shares of Rs. 10/- Each)	34200000	34200000
<b><u>Less</u></b> : Application and Allotment Money Receivable	226000	226000
<b>TOTAL.....</b>	<b>33974000</b>	<b>33974000</b>

## SCHEDULE : B

<b><u>UNSECURED LOANS</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Betwa Leasing & Finance Limited	0	0
<b>TOTAL.....</b>	<b>0</b>	<b>0</b>

## SCHEDULE : C

<b><u>CAPITAL WORK IN PROGRESS</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Factory Building	7576126	7576126
Electric Installation	659556	659556
Plant & Machinery	16999339	16999339
Site Development	903859	903859
<b>TOTAL.....</b>	<b>26138880</b>	<b>26138880</b>

**SCHEDULE : D**

<b>PRE - OPERATIVE EXPENSES (Pending Allocation)</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Power & Electricity Exp.	638798	638798
Factory Exp	57147	57147
Repairs & maintenance	12238	12238
Office Rent	66800	66800
Staff & Labour Welfare	45015	45015
Office & General Exp	112820	112820
Vehical Run & Maint. & Conveyance	242248	242248
Stationery & Printing Exp.	116735	116735
Subscription & Membership	7450	7450
Legal & Professional Exp.	636686	636686
Bank Charges	14841	14841
Business Promition Exp	5622	5622
Postage & Telegram Exp.	56197	56197
Advertisement & Publicity Exp.	58784	58784
Salary & Allowance	1450055	1450055
Travelling Exp.	455304	455304
Telephone Exp.	185188	185188
Paper & Periodicals Exp.	14709	14709
Share Transfer Charges	56742	56742
Interest on Loans (Net Interest)	3431525	3431525
Electricity Exp	46353	46353
Insurance Exp.	59034	59034
Listing Fees Exp.	79050	79050
Repairs To Furniture	7570	7570
Repairs To Machinery	1625	1625
Auditors Remuneration	72551	72551
Computer Maintenance Charges	19300	19300
Repairs to Office	15790	15790
Director Salary & Prequisites	352660	352660
Misc. Expenss	96890	96890
Depreciation	439058	439058
<b>TOTAL.....</b>	<b>8854785</b>	<b>8854785</b>

**SCHEDULE : E**

<b>ADVANCE AGAINST CAPITAL GOODS</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Vaidhi Plastic Packaging	0	0
<b>TOTAL.....</b>	<b>0</b>	<b>0</b>

**SCHEDULE : F**

<b><u>CASH &amp; BANK BALANCES</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Cash on Hand	26100	35100
<b>TOTAL.....</b>	<b>26100</b>	<b>35100</b>

**SCHEDULE : G**

<b><u>LOANS AND ADVANCES</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b><u>A. LOANS</u></b>		
VINAY KUMAR KEDIA	1289551	1289551
RATAN KUMAR KEDIA	1130000	1130000
H K AGARWAL	447666	447666
<b>Total.....A</b>	<b>2867217</b>	<b>2867217</b>
<b><u>B. ADVANCES RECOVERABLE IN CASH OR KIND</u></b>		
Ramkumar D. Agarwal	0	0
Coverage & Consultants Limited	1116660	1116660
Sarvesh Gard	650000	650000
Prakash Consolidated Commercial Limited	1246720	1246720
<b>Total.....B</b>	<b>3013380</b>	<b>3013380</b>
<b>TOTAL.....</b>	<b>5880597</b>	<b>5880597</b>

**SCHEDULE : H**

<b><u>DEPOSITS</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Deposit for Paper (Union Stores)	0	0
<b>TOTAL.....</b>	<b>0</b>	<b>0</b>

**SCHEDULE : I**

<b><u>OTHER CURRENT ASSETS</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Prepaid Expenses	10164	10164
Share Application Money	152500	152500
<b>TOTAL.....</b>	<b>162664</b>	<b>162664</b>

**SCHEDULE : J**

<b><u>LIABILITIES</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b><u>A. Creditors for Expenses</u></b>		
Citibank Cards	1001	1001
Ankit Advertisements	27600	27600
Orient Press Limited, Mumbai	196037	196037
Krishna Glass (India)	8082	8082
Deep Kumar Trivedi	48500	48500
ABC & Co.	1250	1250
Vishal Printers	21405	21405
Tradewell Agencies	787857	787857
V R Dafria & Co.	55000	55000
Other Liabilities (Public Issue)	12173	12173
Nirmay S. Shah	5000	5000
Berry & Associates	2500	2500
Prakash Touchwood Limited	198499	198499
TDS Payable	80725	80725
<b>Total.....A</b>	<b>1445629</b>	<b>1445629</b>
<b><u>B. Creditors for Capital Goods</u></b>		
Rashmi Builders	247222	247222
National Industries Corporation	6318453	6318453
Sanwaldas Steels	52790	52790
Tiles Syndicate	4850	4850
Satishkumar Sanjaykumar	50000	50000
J. Singh Trading Corporation	59391	59391
Prakash Touchwood Limited	453500	453500
<b>Total.....B</b>	<b>7186206</b>	<b>7186206</b>
<b><u>C. Other Creditors</u></b>		
Top Cassets Limited	4100000	4100000
<b>Total.....C</b>	<b>4100000</b>	<b>4100000</b>
<b>TOTAL.....</b>	<b>12731835</b>	<b>12731835</b>

**SCHEDULE : K**

<b><u>PROVISIONS</u></b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Outstanding Expenses A/c.	221330	221330
Interest Accrued But no Due	1018757	1018757
<b>TOTAL.....</b>	<b>1240087</b>	<b>1240087</b>

**SCHEDULE : L**

<b>MISCELLANEOUS EXPENDITURE</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Preliminary Expenses	151924	151924
Public Issue Expenses	4020826	4020826
<b>TOTAL.....</b>	<b>4172750</b>	<b>4172750</b>

**SCHEDULE : M**

<b>OTHER INCOME</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Profit On Sale of Investments	0	0
Income from Dividend	0	0
<b>TOTAL.....</b>	<b>0</b>	<b>0</b>

**SCHEDULE : N**

<b>ADMINISTRATIVE EXPENSES</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Office & General Exp	400	500
Stationery & Printing Exp.	600	700
Salary & Allowance	3500	3500
Telephone Exp.	0	200
Electricity Exp	300	300
Auditors Remuneration	3000	3000
Computer Maintenance Charges	400	400
Misc. Expenss	800	1200
<b>TOTAL.....</b>	<b>9000</b>	<b>9800</b>

## **SCEHDULE : O**

### **NOTES TO AND FORMING PART OF ACCOUNTS**

#### **1. SIGNIFICANT ACCOUNTING POLICIES :**

##### **METHOD OF ACCOUNTING**

Accounts of the company are maintained on the basis of Mercantile System of accounting, Accounting method not referred otherwise are in consistent with the generally accepted accounting practices.

##### **FIXED ASSETS :**

Fixed Assets are stated at cost less depreciation, Fixed assets purchased during the year are capitalized at cost inclusive of expense up to their completion or acquisition.

##### **INVESTMENT :**

Investment are valued at cost.

#### **II. NOTES TO ACCOUNTS :**

1. Estimated amount of contract remaining to be executed on Capital Accounts not provided for is Rs. NIL (Previous year Rs. NIL)
2. The outstanding balances of Deposits, Loans and Advances Creditors, etc. are subject to confirmation, reconciliation and adjustments, if any.
3. Pre – Operative Expenses shall be allocated to Fixed Assets when the Company will commence commercial production.
4. In the opinion of the Board the Loans and advances and deposits are approximately of the value stated, if realized in the ordinary course of business.
5. The Accounts which have been adjusted by debit and credit entries & respective parties account are subject of confirmation.
6. Additional information pursuant to paragraph 3 and 4 of Part II of Schedule VI of the Companies Act, 1956.

<b>Quantitative Details</b>		<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>
A	Annual Licensed Capacity (as per registration with SIA) for	72 Million Nos.	72 Million Nos.

	Bricks		
B	Installed Capacity	The plant & machineries are under implementation	
C	Actual Production	NIL	NIL
D	Opening Stock, Purchases, Consumption, Sales & Closing Stock of Raw Materials	NIL	NIL
E	Opening Stock, Product on Sales & Closing Stock of finished goods		
F	Employees employed throughout the year who are in receipt of remuneration in aggregate of the limit laid down in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended regarding employees		
G	Remuneration to Directors during the year	3000	3000
H	CIF Value of Imports	NIL	NIL
I	Expenditure in Foreign Currency	NIL	NIL
J	Remittances in Foreign Currency on account of Dividend	NIL	NIL
K	Earning in Foreign Currency	NIL	NIL

7. There was a survey on the assessee company premises on 9<sup>th</sup> September, 1996 and as explained to us certain records & documents in original were taken in possession by the Income Tax Departments and of which photocopies have

not been given by the department. No panchnama of the records / documents taken in possession was prepared.

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

Signature of Schedules A to O

As per our report of even date.

For, Naimish K. Shah & CO.  
Chartered Accountants

For, Prakash Ceramics Limited

Sd/-  
Naimish Shah  
(Proprietor)  
Mem No. : 031147

Sd/-  
Director

Sd/-  
Director

Place : Ahmedabad

Place : Indore

Date : 30.08.2011

Date : 30.08.2011



**PRAKASH CERAMICS LIMITED**  
**Cash Flow Statement For the year ended 31st MARCH 2011**

			As At	As At
			31.03.2011	31.03.2010
			Rupees	Rupees
A	Net Profit /(Loss) before Tax & Extra ordinary Items		-9000	-10400
	Adjustment For			
	Provision for Tax		0	0
	Deprecation		0	0
	sundry Balances writtern off		0	0
	Loss on sale of Fixed Assets		0	0
	Operating Profit /(Loss) before working Capital change		-9000	-10400
	Adjustment For			
	sundry Debtors		0	0
	Inventory		0	0
	Loan &Advances		0	0
	Trade Payable		0	0
	Cash generated from operations		-9000	-10400
	Tax Paid			
	net cash from operating Activities	Total A	-9000	-10400
B	Cash flow from Investing Activities			
	Purchases /Sales of Fixed Assets		0	0
	Capital Work In Progress		0	0
	Purchases/Sale of Investment		0	0
	Net cash from Investing Activities	Total B	0	0
C	Cash flow from Financing Activities			
	Borrowings		0	0
	Repayment of Borrowing		0	0
	Net Cash from Financing Activities	Total C	0	0
	Net changes in Cash &Cash equivalents	Total A+B+C	-9000	-10400
	Net increase in Cash & cash equivalents			
	Cash & Cash Equivalents Op Balance)		35100	55300
	Cash & Cash Equivalents Closing Bal)		26100	44900
		c.flow	9000	10400

Place : Indore  
Date : 30.08.2011

**For, Prakash Ceramics Limited**

**Sd/-  
Director**

**Sd/-  
Director**

**Auditors Certificate**

We have verified the above cash flow statement of Prakash Ceramics Ltd derived fro the audited annual financial statement for the year ended 31st March 2011 and found the same tobe drawn an accordance there with and also with the requirement of clouse 32 of the listing agreement with Stock Exchange Mumbai

Place : Ahmedabad  
Date : 30.08.2011

For Naimish K. Shah & Co.  
Chartered Accountants

Sd/-  
Naimish Shah  
Proprietor  
Membership No. : 031147

**PRAKASH CERAMICS LIMITED**

Regd. Office: 60-61, Anand Apartment, Anupnagar, Indore, Madhya Pradesh

**ATTENDENCE SLIP****(to be handed over at the entrance of the meeting hall)**

I Shri / Smt.....of ..... Being a member / proxy of **Prakash Ceramics Limited** do hereby record my presence at the Annual General Meeting of the members of the company held on 30th September 2011 at 01:00 p.m. at the registered office of the Company at 60-61, Anand Apartment, Anupnagar, Indore, Madhya Pradesh

<b>FOLOI NO / CLIENT I.D.</b>	
<b>D.P. ID.</b>	
<b>D.P. NAME.</b>	
<b>NAME OF SHAREHOLDER</b>	
<b>NUMBER OF SHARE HELD</b>	

**Member's/ Proxy Signature****(To be signed at the time of handing over this slip)**

**NOTE: Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.**

-----**TEAR HERE**-----**PRAKASH CERAMICS LIMITED**

Regd. Office: 60-61, Anand Apartment, Anupnagar, Indore, Madhya Pradesh.

**FORM OF PROXY**

<b>FOLOI NO / CLIENT I.D.</b>	
<b>D.P. ID.</b>	
<b>D.P. NAME.</b>	
<b>NAME OF SHAREHOLDER</b>	
<b>NUMBER OF SHARE HELD</b>	

I Shri/Smt .....being a member of **Prakash Ceramics Limited**, holding .....Shares in the Company do hereby appointed Shri..... of .....or falling him Shri..... of ..... to remain present at the Annual General Meeting of the members of the company held on 30th September, 2011 at 01:00 p.m. at the registered office of the Company at 60-61, Anand Apartment, Anupnagar, Indore, Madhya Pradesh.

**ATTENDENCE SLIP****Signed \_\_\_\_\_ day of \_\_\_\_\_ 2011.****Signed by the said\_\_\_\_\_.**

Affix  
Re. 1  
Revenue  
Stamp

**NOTE: The proxy to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.**

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.