

BOOK POST

If Undelivered Please Return To :
Ceeta Industries Limited
240B, A.J.C. Bose Road
2nd Floor, Kolkata – 700 020



Twenty Eighth
ANNUAL REPORT
2011-2012

CEETA INDUSTRIES LIMITED

TWENTY EIGHTH ANNUAL GENERAL MEETING

Friday, the 28th September, 2012, at 10.30 a.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
Sri O.P. Kedia

AUDITORS

G.K.Tulsiyan & 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
Ph.- 033-22832925/26
E-mail : kolkata@ceeta.com

REGISTRAR & TRANSFER AGENT

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

WORKS AT: TUMKUR

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

CEETA INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the **28th 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 Friday, the 28th September, 2012 at 10.30 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Statement for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sri S.K. Chhawchharia, 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. Appointment of Sri Om Prakash Kedia as a Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Sri Om Prakash Kedia, who was appointed as additional director of the Company in terms of Section 260 of the Companies Act, 1956 to hold office up to the date of the forthcoming Annual General Meeting of the Company and from whom a notice in writing proposing himself as candidature for the office of the Director of the Company along with a requisite deposit amount received by the Company in terms of Section 257 of the Act, be and is hereby appointed as a Director of the company liable to retire by rotation.”

5. Re-structure the Remuneration of President of the Company:

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

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

1. His remuneration shall be subject to the maximum of Rs. 1,25,000/- per month towards the aggregate of Basic Salary and perquisites as mentioned below:
 - A. **Basic Salary** – Rs. 60,000/- p.m. with effect from 1st April, 2012 which may be increased at the discretion of the Board and will be subject to maximum ceiling as mentioned above.
 - B. **Allowances and Perquisites** – In addition to the salary he will be eligible for the following allowances and perquisites:-

(I) Housing

Housing – I

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

Housing – II

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

Housing – III

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

CEETA INDUSTRIES LIMITED

- (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). **Car for Office Use as well as Personal Use**
The Company will provide you a Motor Car to perform the office duties as well as for personal use. All the running and maintenance cost of the motor car will be bear by the Company.
- (VI) Actual expenses incurred on gas, electricity and water shall be paid/ reimbursed by the company.
- (VII). Other allowances and perquisites as per company's Rules within the maximum ceiling of remuneration.
6. **Appointment of Chief Executive Officer (CEO)**
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 198, 269 and 314 read with Director's Relative (Office or Place of Profit) Amendment Rule, 2011 and all other applicable provisions, if any, of the Companies Act, 1956 and in line with recommendation made by remuneration committee, consent be and is hereby accorded for the appointment of Sri Vaibhav Poddar as Chief Executive Officer (CEO) of the Company with effect from 1st May, 2012 on the following terms:-
1. His remuneration shall be subject to the maximum of Rs. 1,25,000/- per month towards the aggregate of Basic Salary and perquisites as mentioned below:
- A. **Basic Salary** – Rs. 25,000/- p.m. with effect from 1st May, 2012 which may be increased at the discretion of the Board and will be subject to maximum ceiling as mentioned above.
- B. **Allowances and Perquisites** – In addition to the salary he will be eligible for the following allowances and perquisites:-
- (I) **Housing -**
Housing –I
Any expenditure, exceeding 15 % of his salary, incurred by the Company on hiring of furnished accommodation for him, or
Housing –II
In case the accommodation is owned by the Company, fifteen percent (15%) of his salary shall be deducted by the Company, or
Housing – III
In case no accommodation is provided by the company, he shall be entitled to House Rent Allowance subject to maximum 40 % of Basic Salary.
- (II) **Uniform Allowance :**
He will get uniform allowance of Rs.5000 per month for the maintenance of uniform in the office.
- (III) **Transport Allowance:**
He will be provided a sum of Rs. 3000/- per month as transport allowance to meet his expenditure between place of his residence and the place of duty.

CEETA INDUSTRIES LIMITED

- (IV) **Medical Reimbursement:**
Expenses incurred for self and his family subject to a ceiling of one month's salary in a year.
- (V) **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.
- (VI) **Fee of Clubs**
Clubs' fee and charges subject to maximum of two clubs, excluding admission and life membership fees.
- (VII) Actual expenses incurred on gas, electricity and water shall be paid/ reimbursed by the company.
- (VIII) Other allowances and perquisites as per company's rules within the maximum ceiling of remuneration.
7. **Commencement of business mentioned in the other objects of the memorandum of Association:** To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution-
"RESOLVED THAT in terms of section 149 (2A) of the Companies Act, 1956, the company be and is hereby authorised to enter into the business of Clearing and Forwarding Agent of Cement as mentioned in the clause 52 of the other objects of the Memorandum of Association of the Company."

By order of the Board

K. M. PODDAR

MANAGING DIRECTOR

PLACE: KOLKATA

DATE: 31/07/ 2012

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 21st September, 2012 to 28th September, 2012 (both days inclusive).
3. Members are requested to notify immediately change of address, if any, to the registrar and transfer agent of the company and provide their e-mail ID.
4. Members who have shareholdings in physical form are requested to submit their shares for dematerialization at your registered depository at the earliest.

ANNEXURE TO NOTICE

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

Item No. 4

Sri O.P. Kedia, S/o Late Lalu Ram Kedia residing at 104, Upasana Residency, Jaisingh Highway, Bani Park, Jaipur- 302016, Rajasthan, was appointed as additional director with effect from 31st October, 2011 and in terms of Section 260 of the Companies Act, 1956 he holds office only up to the date of the forthcoming Annual General Meeting of the Company. Sri O.P. Kedia served in the industries in the past as CEO and Whole Time Director and having more than 30 years experience as key and senior managerial person. He does not holds directorship in any other limited company. Further, he does not hold any share of the Company in his own name.

Your Directors are of the view that the Company would be benefited by the wealth of experience of Sri O.P. Kedia and therefore recommended for approval, the resolution

CEETA INDUSTRIES LIMITED

contained in Item No. 4 of the Notice convening the Annual General Meeting. None of the Directors except Sri O.P. Kedia is interested in item no. 4 of the Notice.

Item No.5

Our Board, in line with the recommendation of the Remuneration Committee, at its meeting held on 24-04-2012 recommended to re-structure in salary of Sri Anubhav Poddar, president of the company, with effect from 01-04-2012 on the terms and conditions detailed in the resolution.

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

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

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

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

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

Item No.6

Our Board, in line with the recommendation of the Remuneration Committee, at its meeting held on 24-04-2012 recommended to appoint Sri Vaibhav Poddar as Chief Executive Officer (CEO) of the Company with effect from 01-05-2012 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.6 of the Notice for your approval by way of special

No other Director except Sri Krishna Murari Poddar, Managing Director, being relative of Sri Vaibhav 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.7

The Chairman mentioned to the board about the necessity of broad basing the company's activity in the changing scenario in the granite industry. Though no manufacturing project or other regular activity could yet be identified, our company does get opportunity of undertaking an activity of Clearing & Forwarding Agent of Cement in the state of Jharkhand. In order to undertake such activity which is included in the OTHER OBJECTS of the company's Memorandum of Association, the approval of the shareholders by way of special resolution in a general meeting would be required.

The Directors, therefore, recommend this resolution for members' approval.

None of the directors is interested in this resolution.

By order of the Board

K. M. PODDAR
MANAGING DIRECTOR

PLACE: KOLKATA
DATE: 31/07/ 2012

CEETA INDUSTRIES LIMITED

DIRECTORS' REPORT

For the year ended 31st March, 2012

Dear Shareholders,

Your Directors have pleasure in presenting their report on business and operations together with the Audited Accounts of your company for 2011-2012.

FINANCIAL RESULTS

All figures in Rs. lacs

Particulars	Current Year	Previous Year
Total Income	859.11	992.36
Profit before Interest & Depreciation	506.99	239.25
Interest	196.72	56.35
Depreciation	34.05	33.64
Profit before taxation	276.22	149.26
Provision for Tax	-	-
Profit after tax	276.22	149.26

REVIEW OF OPERATIONS:

The trading condition of the granite industry particularly in the export market continues to be difficult and our company is no exception. Our company being an Export Oriented Unit (EOU), the dearth of profitable export order affected the company's working adversely during 2011-12. The company could earn some surplus mainly by undertaking other activities such as trading, transportation, investments etc. The total revenue of the company was Rs. 859.11 lac in 2011-12 as against Rs. 992.36 lac in the previous year. It earned a Net Profit of Rs. 276.22 lac in 2011-12 as compared to Rs. 149.26 lac in 2010-11.

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

PROSPECT:

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

DIVIDEND:

Considering the amount of carry forward loss as also to conserve resources for working capital requirements in the absence of bank finance, no payment of dividend has been considered.

DIRECTORS:

Sri Sushil Kumar Chhawchharia, Director of the company, retires at the ensuing Annual General Meeting by rotation and being eligible, offers himself for re-appointment pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company.

Sri O.P. Kedia was appointed as independent Additional Director of the company with effect from 31st October, 2011. He vacates his office in the ensuing Annual General Meeting. Further, the company received a notice from Sri O.P. Kedia proposing himself for candidature for the office of Director to be appointed in ensuing Annual General Meeting along with requisite amount in terms of Section 257 of Companies Act, 1956. He does not hold any equity share of Ceeta Industries Ltd. in his own name.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, the Annual Report also included Consolidated Financial Statement for the financial year 2011-12.

CEETA INDUSTRIES LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. in preparation of the Financial Statements for the year ended 31st March, 2012, the applicable Accounting Standard read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there has been no material departure from the same;
- II. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the Profit of the Company for the year ended on that date;
- III. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the Financial Statements have been prepared on a going concern basis.

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.

PUBLIC DEPOSITS

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

AUDITORS & AUDITORS' REPORT

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

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

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

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

PERSONNEL

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

CORPORATE GOVERNANCE

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

Place : Kolkata

Dated : 31/07/2012

On behalf of the Board of Directors

K. M. Poddar
Managing Director

7

CEETA INDUSTRIES LIMITED

'ANNEXURE – A' FORMING PART OF DIRECTORS' REPORT:

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

A. Conservation of Energy:

Power and Fuel Consumption

	Current Year (2011-12)	Previous Year (2010-11)
1. Electricity - Purchased		
Units (Kwh)	51185	572088
Total Amount (Rs.)	15,12,052	35,40,309
Rate/ Unit (Rs.)	29.54	6.18
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	7.63
2. Foreign Exchange Outgo	
i) CIF Value of Imports of Components & Spare Parts	1.31
ii) Expenditure in Foreign Currency on Foreign Travel & Others	NIL

'ANNEXURE – B' FORMING PART OF DIRECTORS' REPORT:

REPORT ON CORPORATE GOVERNANCE

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

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

2. Board of Directors

The Board of Directors is constituted in compliance with Clause 49 of the Listing Agreement. The Board as on 31st March, 2012 comprised five members, out of which three members are Non-Executive Independent Directors, one is additional director and one is the Managing Director.

8

CEETA INDUSTRIES LIMITED

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

Sl. No.	Name	Category	No. of Directorship in other Cos.	No. of Member/ Chairman of Board / Committees of other public limited Companies	No. of Board Meetings attended	Whether attended last AGM
1	Sri K. M. Poddar	Promoter & Managing Director	3	2	4	No
2	Sri A. De	Independent, Non-Executive Director	10	NIL	4	Yes
3	Sri S.K. Chhawchharia	Independent, Non-Executive Director	6	2	3	No
4	Sri S.L. Singhanian	Independent, Non-Executive Director	3	NIL	4	No
5	Sri O. P. Kedia	Independent, additional Director	NIL	NIL	NIL	No

Details of Board Meeting during the financial year

During the year ended 31st March, 2012, Four Board Meetings of the Company were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors Present
1	29th April, 2011	4	3
2	29th July, 2011	4	4
3	31st October 2011	5	4
4	6th February, 2012	5	4

Last Annual General Meeting (AGM) of the Company was held on 29th September, 2011.

3.Audit Committee

The Audit Committee of the Company was constituted in conformity with the requirements of Clause 49 of the Listing Agreement, as well as Section 292A of the Companies Act 1956.

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

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

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

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

CEETA INDUSTRIES LIMITED

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

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

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

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

Details of Audit Committee Meetings and Attendance

During the year ended 31st March, 2012, four meetings of the Audit Committee of the Company were held, as follows:

Sl.No.	Date	Committee Strength	No. of Members Present
1	29th April, 2011	3	2
2	29th July, 2011	3	3
3	31st October 2011	3	3
4	6th February, 2012	3	3

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

4.Remuneration Committee

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

CEETA INDUSTRIES LIMITED

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

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

Details of Remuneration of Directors for the financial year ended on 31st March, 2012.

Director	Consolidated Salary (Rs.)	Perquisites	Performance and other Benefits	Sitting Fees Bonus/ Commission	Total (Rs.)
Sri K.M Poddar	600000	252086	-	N.A.	852086
Sri A. De	-	-	-	4000	4000
Sri S.K.Chhawchharia	-	-	-	3000	3000
Sri S.L. Singhanian	-	-	-	4000	4000

5. Shareholders/Investors Grievance Committee

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

The composition and categories of the Committee are as under:

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

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

As per clause 47 of the Listing Agreement, Sri 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 constituted the sub-committee for share transfer and delegated the powers of authentication the transfer of shares to senior executives of the Company.

During the year ended 31st March, 2012, twenty 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	16th April, 2011	3	2
2	30th April, 2011	3	2
3	16th May, 2011	3	2
4	31st May, 2011	3	2
5	15th June, 2011	3	2
6	30th June, 2011	3	2
7	15th July, 2011	3	2
8	30th July, 2011	3	2
9	16th August, 2011	3	2
10	1st October, 2011	3	2
11	15th October, 2011	3	2
12	31st October, 2011	3	2
13	30th November, 2011	3	2
14	15th December, 2011	3	2
15	16th January, 2012	3	2
16	31st January, 2012	3	2
17	17th February, 2012	3	2
18	29th February, 2012	3	2
19	15th March, 2012	3	2
20	22nd March, 2012	3	2

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

CEETA INDUSTRIES LIMITED

6. General Body Meetings

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

Financial year	Location	Date & Time
2008-2009	Registered Office	22nd September, 2009 at 3.00 p.m.
2009-2010	Registered Office	21st September, 2010 at 3.00 p.m.
2010-2011	Registered Office	29th September, 2011 at 3.00 p.m.

Special Resolutions passed at last three Annual General Meetings:

Date of AGM	No. of Special Resolutions	Particulars
22nd September, 2009	None	None
21st September, 2010	Two	Re-appointment of two relatives of a director in terms of Section 314 of the Companies Act, 1956
29th September, 2011	Three	Revision in remuneration of two relatives of a director In terms of section 314 of Companies Act, 1956 and re-appointment of Managing Director

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

7. Disclosures

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

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

8. Code of Conduct

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

9. Means of Communication

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

- The Board of Directors of the Company approves and takes on record the quarterly un-audited financial results in the format prescribed by the Stock Exchanges within 45 days of the close of every quarter and intimates to the Stock Exchanges immediately after they are taken on record.
- The coverage is given for the benefit of the shareholders and investors by publication of the financial results in newspapers normally in 'The Financial Express' and 'Amruthavani, Karnataka', within the stipulated time. The Company also publishes its annual audited results in these newspapers within the stipulated period of 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 Friday, 28th September, 2012 at 10:30 A.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 2012 - 2013

Financial Reporting for the quarter ending	30th June, 2012	31st July, 2012
Financial Reporting for the quarter ending	30th September, 2012	Last week of October, 2012
Financial Reporting for the quarter ending	31st December, 2012	Last week of January, 2013
Financial Reporting for the quarter ending	31st March, 2013	Last week of April, 2013

CEETA INDUSTRIES LIMITED

c) Date of Book Closure

21st September, 2012 to 28th September, 2012 (both days inclusive) on account of forthcoming Annual General Meeting.

d) Dividend Payment Date

The Company did not declare any dividend.

e) Listing on Stock Exchanges & Stock Code

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

f) Registrar and Transfer Agents

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

g) Share Transfer System

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

h) Stock Market Price Date – for F.Y. 2011-12 at - Bombay Stock Exchange Ltd.

Month	High (Rs.)	Low (Rs.)	Close Price	Volume
April, 2011	5.23	5.23	5.23	100
May, 2011	5.49	5.00	5.00	600
June, 2011	4.76	4.31	4.52	2600
July, 2011	4.78	4.00	4.55	3000
August, 2011	4.77	3.96	3.96	1300
September, 2011	4.14	3.43	3.43	2200
October, 2011	NIL	NIL	NIL	NIL
November, 2011	3.40	3.08	3.08	2900
December, 2011	3.10	3.10	3.10	100
January, 2012	NIL	NIL	NIL	NIL
February, 2012	3.25	3.15	3.15	1200
March, 2012	3.16	2.86	2.87	1000

i) Shareholding Pattern (by ownership) as on 31st March, 2012

Sl.No.	Category	No.of Shares	% of Holding
1	Promoters	10429400	71.915
2	Banks, Mutual Funds and Financial Institutions	32700	0.225
3	Private Corporate Bodies	84000	0.579
4	NRIs / OCBs	34700	0.239
5	Indian Public	3920975	27.038
6	Clearing Memb./ Clearing Corp.	625	0.004
	TOTAL	14502400	100.00

CEETA INDUSTRIES LIMITED

j) The Distribution of Shareholding (by size) as on 31st March, 2012

No. of Shares Slab	Number of Shareholders	% to Total	Number of Shares	% to Total
1 – 500	20071	95.6445	27,65,275	19.0677
501 – 1000	625	2.9783	525225	3.6216
1001 – 5000	254	1.2104	529000	3.6477
5001 – 10000	22	0.1048	148900	1.0267
10001 – 50000	7	0.0334	104800	0.7226
50001 – And Above	6	0.0286	10429200	71.9137
TOTAL	20985	100.000	14502400	100.000

Out of 14502400 equity shares, 3765400 shares are in physical form

k) Dematerialization of Shares and Liquidity

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

l) Plant Location

Granite Division and Registered Office:

Plot No.34-38, KIADB Industrial Area

Sathyamangala, Tumkur – 572 104

Karnataka.

m) Address for Correspondence and Corporate Office

240B, A.J.C.Bose Road

2nd Floor, Kolkata – 700 020

Phone- 033-22832925/ 26

E.mail : kolkata@ceeta.com

n) Compliance Certificate from the Auditors

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

CEETA INDUSTRIES LIMITED

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, 2012 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: 31/07/2012

CEETA INDUSTRIES LIMITED

CEO AND CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2012 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2012 are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - (i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements;
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Kolkata
31st July, 2012

Vaibhav Poddar
Chief Executive Officer (CEO)

K. M. Poddar
Managing Director

CEETA INDUSTRIES LIMITED

COMPLIANCE CERTIFICATE

CIN No of the Company L 85110 KA1984PLC021494

Nominal Capital Rs. 9,00,00,000

The Members

CEETA INDUSTRIES LTD.

PLOT NO. 34-38, KIADB INDUSTRIAL AREA

SATHYAMANGALA, TUMKUR

KARNATAKA - 572104

We have examined the registers, records, books & papers of M/S Ceeta Industries Ltd (the Company), as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31st March'2012. 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 29th April' 11, 29th July' 11, 31st October'11 and 6th February, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has not passed any Board resolution by circulation.
5. The Company has closed its Register of Members from 21st September, 2011 to 29th September, 2011 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March' 2011 was held on 29th September'11 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the aforesaid financial year.
8. The Company has not advanced any loan to its Directors and/ or persons, firms or Companies referred in Section 295 of the Act
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company has made proper entries in the register maintained under Section 301 of the act wherever applicable.
11. The Company has revised the remuneration payable to relatives of one of the director of the company appointed in the place of profit under section 314 (1B) within the specified limit with the approval of board of directors and members.
12. The Company has issued four duplicate Share Certificates for 700 shares during the financial year under review.
13. The Company has:
 - a) not allotted any Equity Share or other Securities during the above financial year,
 - b) delivered all the Share Certificates received thereof for transfer/transmission/consolidation and for other purposes during the above financial year within

CEETA INDUSTRIES LIMITED

stipulated time period and as per provisions of the Companies Act and as per SEBI guidelines. The Share Transfer Committee met twenty times during the financial year 2011-12 and all the instrument of transfer were approved by this Committee.

- c) not required to deposit any amount of Dividend in a separate Bank account for Dividend, as no Dividend was declared during the above financial year,
- d) not required to post Dividend Warrants to any of its Member, as no Dividend was declared during the above financial year,
- e) not lying any amount in respect of unpaid Dividend account or under any other head due for transfer to Investor Protection and Education fund u/s 205C of the Companies Act,
- f) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The board has appointed Sri Om Prakash Kedia as additional director and Sri S.L. Singhania as an independent regular director as per applicable provisions of the Act. There was no appointment of alternate director or director to fill casual vacancy during the above financial year.
15. The Company has appointed Sri K.M. Poddar as Managing Director for a period of five years with effect from 1st June, 2011 as per applicable provision of various sections of the Act during the year under review.
16. The Company has not appointed any Sole-selling Agent during the above financial year under review.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Equity Shares or other Securities during the aforesaid financial year.
20. The Company has not bought back any Share during the above financial year.
21. The Company has not any redeemable preference shares and / or debentures outstanding during the above financial year.
22. There was no transactions' necessitating the Company to keep in abeyance the right to dividend, rights Shares and Bonus Shares pending registration of transfer of Shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the above financial year under review.
24. The Loan taken by the Company during the current financial year both secured and unsecured are within the limit prescribed under Section 293(1) (d) of the Company's Act.
25. The Company has granted Loans and Advances to other Bodies Corporate and made investment in equities 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.
31. There was no prosecution initiated against or show cause notices received by the Company during the above period for offence under the Act.