



**ANNUAL REPORT**  
*2017-2018*

**INDIA CARBON LIMITED**



India Carbon Limited  
**ANNUAL REPORT 2017-2018**

**BOARD OF DIRECTORS**

Mr. Rakesh Himatsingka  
(Chairman and Managing Director)  
Mr. Shaurya Veer Himatsingka  
(Deputy Managing Director & CEO)  
Mr. Gordon Kenneth McIntosh  
Mr. Tony William Grims  
Mr. Mark Russell Jones  
(Alternate to Mr. Tony William Grims)  
Mr. Albert John Rolfe  
(Alternate to Mr. Gordon Kenneth McIntosh)  
Mr. Hemant Kumar Khaitan  
Mr. Manoj Mohanka  
Mr. Soumendra Mohan Basu  
Mr. Samar Jha  
Mr. Sunirmal Talukdar  
Mrs. Susmita Ghose

**CHIEF FINANCIAL OFFICER**

Mr. Pankaj Kumar Misra

**COMPANY SECRETARY**

Mr. Bhaskar Rakshit

**STATUTORY AUDITORS**

M/s. S. Samanta & CO.  
Chartered Accountants

**BANKERS**

UCO Bank  
IDBI Bank Limited  
United Bank of India  
AXIS Bank Limited

**REGISTERED OFFICE & WORKS**

Noonmati, Guwahati – 781020, Assam

**CENTRAL OFFICE**

'Temple Chambers', 4<sup>th</sup> Floor  
6, Old Post Office Street, Kolkata – 700001

**BUDGE BUDGE WORKS**

35, Deshbandhu Chittaranjan Road, Budge Budge  
24, Parganas (South), Kolkata -700137

**REGISTRAR & SHARE TRANSFER AGENT**

C B Management Services (P) Limited  
P-22, Bondel Road, Kolkata 700 019  
Phone No. 40116700/11/18/23, 2280-6692/93/94,  
Fax : 033 4011-6739, E-mail : rta@cbmsl.com

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## Notice

### INDIA CARBON LIMITED

**Regd. Office:** Noonmati, Guwahati -781020, Assam

**CIN:** L23101AS1961PLC001173

**Tel:** (033)22487856/9; **Fax:** 91-33-2230-7507

**Email:** icl@indiacarbonltd.com • **Website:** www.indiacarbonltd.com

### NOTICE

NOTICE is hereby given that Fifty-Sixth Annual General Meeting of the Members of INDIA CARBON LIMITED will be held on Tuesday, the 18th day of September, 2018, at 10 A.M. at the Registered Office of the Company situated at Noonmati, Guwahati - 781020, Assam to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2018, the Profit & Loss Statement and Cash Flow Statement for the year ended 31st March, 2018 & notes on financial statements together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the equity shares
3. To appoint Mr. Gordon Kenneth McIntosh (DIN: 02244237), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Mr. Tony William Grims (DIN: 07590220), who retires by rotation and being eligible, offers himself for re-appointment.

#### AS SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to Section 148 and read with Section 141 of the Companies Act, 2013, M/s Mitra Bose & Associates, Cost Accountants (Registration No. 000037) be and hereby appointed as the Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for products(s) /services(s) for the year ending on 31st March, 2019, at a remuneration of ₹ 30,000/- plus applicable taxes and out of pocket expenses.

**"FURTHER RESOLVED THAT** Mr. Rakesh Himatsingka (DIN: 00632156) or Mr. Shaurya Veer Himatsingka (DIN: 01200202) be and are hereby severally authorized to sign and submit the necessary application and file forms and to do all such acts as may be necessary and also to issue a certified copy of the resolution to anyone concerned or interested in the matter."

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

**"RESOLVED THAT** in supersession of earlier resolutions passed and pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Rules framed there under and other applicable provisions, if any, (including any statutory modification or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board') to give any loans/ any other form of debt to any person(s) or other body corporate(s) and / or to give guarantee and / or to provide security in connection with a loan/any other form of debt to any other body corporate(s) or person(s) and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate(s) whether Indian or overseas up to maximum amount of ₹ 200 Crores (Rupees Two Hundred Crores only) outstanding at any point of time not withstanding that the aggregate amount of all the loans / guarantees / securities / investments so far made together with the proposed loans / guarantees / securities / investments to be made, exceeds the prescribed limits under the Companies Act, 2013."

**"RESOLVED FURTHER THAT** Mr. Rakesh Himatsingka (DIN:00632156) as Managing Director and Mr. Shaurya Veer Himatsingka (DIN:01200202) as Deputy Managing Director be and is hereby severally authorized from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may be

**Notice (Contd.)**

necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution."

Kolkata, 16th May, 2018  
Registered Office:  
Noonmati, Guwahati 781 020, Assam  
CIN: L23101ASI961PLC001173  
Email: icl@indiacarbonltd.com

By Order of the Board of Directors  
Sd/-  
**Rakesh Himatsingka**  
(DIN: 00632156)  
Chairman & Managing Director

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
2. Details under the provisions of SEBI Listing Regulation, 2015, in respect of Directors seeking appointment at the Annual General Meeting is contained at the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.
3. A MEMBER ENTITLED TO ATTEND AND VOTE ON A POLL AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
4. Members are requested to bring their copy of Annual Report at the meeting.
5. Members / Proxies should fill the Attendance Slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 12th September, 2018 to 18th September, 2018 (both days inclusive).
8. The Company has appointed the following Registrar & Share Transfer Agent (RTA) to deal with both Physical and Demat shares.  
C. B. Management Services (P) Limited  
P-22, Bondel Road, Kolkata - 700 019  
Phone No. 033 40116700, 40116711, 40116718, 40116723, 2280-6692/93/94  
Fax No. : 033 4011 6739  
E-mail: rta@cbmsl.com  
Members are requested to send their queries relating to share transfer/transmission etc to the above address.
9. All documents referred to in the Notice and accompanying Explanatory Statement and copy of Audited Financial Statement and every other document required by law to be annexed or attached to the Financial Statements as per Section 136 of Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days in between 10am to 5pm except second and fourth Saturday of the month up to the date of the Annual General Meeting. This notice and the Annual Report will also be available on the Company's website [www.indiacarbonltd.com](http://www.indiacarbonltd.com)
10. The Notice of the Annual General Meeting along with the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

**Notice (Contd.)**

11. Members are requested in their own interest:
  - a) To notify the Company / R & T agent about any change in address/name with correct pin code, mandate/ bank details and their e-mail id, etc with supporting documents.
  - b) To quote correct Folio No. / Client ID. No and DP ID. No. in all correspondence with the Company/ R & T agent to facilitate better service to the members
  - c) To dematerialize the Equity Shares of the Company held in physical mode.
12. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer agents by members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
13. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 dividend for the financial year ended 31.03.2011 and thereafter, which remain unclaimed or unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund established by the Central Government Members. Members who have not so far encashed their dividend warrant(s) are requested to seek issue of duplicate warrant(s), revalidation of the existing warrants to Company's Share Department at "Temple Chambers" 4th Floor, 6, Old Post office street, Kolkata - 700 001 immediately.
14. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Company's Registrar & Share Transfer agent
16. Members seeking any information with regard to Accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the Meeting.
17. **PROCEDURE FOR VOTING THROUGH ELECTONIC MEANS**

I.	In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014, as amended by Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI listing Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 56th Annual General Meeting (AGM) of the Company by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL) which includes remote e-voting.	
II	The instructions for shareholders voting electronically are as under:	
	(i)	The voting period begins on September 15, 2018 at 9.00 A.M. and ends on September, 17, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date (i.e. September 11,2018), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through polling paper shall be made available at the AGM on September 18, 2018 and the members as on "cut-off date" i.e. September, 11, 2018, attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot paper/polling paper.
	(ii)	The shareholders should log on to the e-voting website <a href="http://www.evotingindia.com">www.evotingindia.com</a> during the voting period.
	(iii)	Click on "Shareholder" tab.
	(iv)	Now Enter your User ID
		a. For CDSL: 16 digits beneficiary ID,
		b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
		c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
	(v)	Next enter the Image Verification as displayed and Click on Login.

**Notice (Contd.)**

(vi)	If you are holding shares in demat form and had logged on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier voting of any company, then your existing password is to be used.
(vii)	If you are a first time user follow the steps given below : For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number appearing on the enclosed Attendance Slip cum Electronic Voting Particulars in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in DD/MM/YYYY format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. ▪ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the dividend Bank details field as mentioned in instruction
(viii)	After entering these details appropriately, click on "SUBMIT" tab.
(ix)	Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
(x)	For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
(xi)	Click on the EVSN for the relevant < India Carbon Limited > on which you choose to vote.
(xii)	On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
(xiii)	On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
(xiv)	After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
(xv)	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
(xvi)	You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
(xvii)	If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
(xviii)	<b>Note for Institutional Shareholders</b> ▪ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <a href="https://www.evotingindia.com">https://www.evotingindia.com</a> and register themselves as Corporate. ▪ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> . ▪ After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on. ▪ The list of accounts should be mailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> and on approval of the accounts they would be able to cast their vote.

**Notice (Contd.)**

		• A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
	(xix)	In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at <a href="http://www.Evotingindia.com">www.Evotingindia.com</a> under help section or write an email to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>
III		Any person who acquires shares and became Member after dispatch of Notice of the AGM and holds shares as of the cut-off date of September 11, 2018 may obtain the sequence number for remote e-voting by sending a request to the Company's RTA at <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>
IV		Mr. Anant Kashliwal, Practicing Chartered Accountant (Membership No-302972) of M/s. Anant Kashliwal & Co ; has been appointed as Scrutinizer to Scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner, whose email ID is <a href="mailto:kashliwalanant@yahoo.in">kashliwalanant@yahoo.in</a> / <a href="mailto:report@aanantkashliwal.com">report@aanantkashliwal.com</a>
V		The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut- off date. In case of joint holders, only one of the joint holders may cast his vote.
VI		Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot paper. The Member who has already cast their vote by remote e-voting prior to the meeting and attending the meeting shall not be entitled to cast their vote again.
VII		The Results on the resolutions will be declared not later than the prescribed time limits from conclusion of the AGM. The declared results along with the Scrutinizer's Report will be available on the Company's website at <a href="mailto:icl@indiacarbonltd.com">icl@indiacarbonltd.com</a> and on the website of CDSL at <a href="http://www.evotingindia.com">www.evotingindia.com</a> and will also be forwarded to the Stock Exchange where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO.5**

As per Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014 and any changes/ modifications in the Act, Rules, Circulars, Notifications thereafter the Audit Committee has made a recommendation to the Board for appointment of M/s Mitra Bose & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending 31st March 2019 at a remuneration of ₹ 30,000 /- plus applicable taxes and out of pocket expenses. The Board based on the recommendation of the Audit Committee appointed M/s Mitra Bose & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending 31st March 2019. As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration recommended by the Audit Committee which was considered and approved by the Board of Directors needs to be subsequently ratified by the shareholders.

Your Board proposes the resolution for approval of the Members as an Ordinary Resolution.

**Memorandum of Interest:**

None of the Directors of the Company and Key Managerial Personnel and their relatives are concerned or interested in the above resolution financial or otherwise.

**ITEM NO. 6**

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans for an amount not exceeding ₹ 200 Crores. The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under.



**Notice (Contd.)**

These investments are proposed to be made out of own/surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

Your Board accordingly proposes the resolution for approval of the Members as a Special Resolution.

**Memorandum of Interest:**

None of the Directors of the Company and Key Managerial Personnel and their relatives are in any way concerned or interested in the above resolution except as members.

Kolkata: 16th May, 2018  
Registered Office:  
Noonmati, Guwahati-781 020, Assam

By Order of the Board of Directors  
Sd/-  
**Rakesh Himatsingka**  
Chairman & Managing Director

**BRIEF PARTICULARS OF DIRECTORS PROPOSED FOR APPOINTMENT/ REAPPOINTMENT**

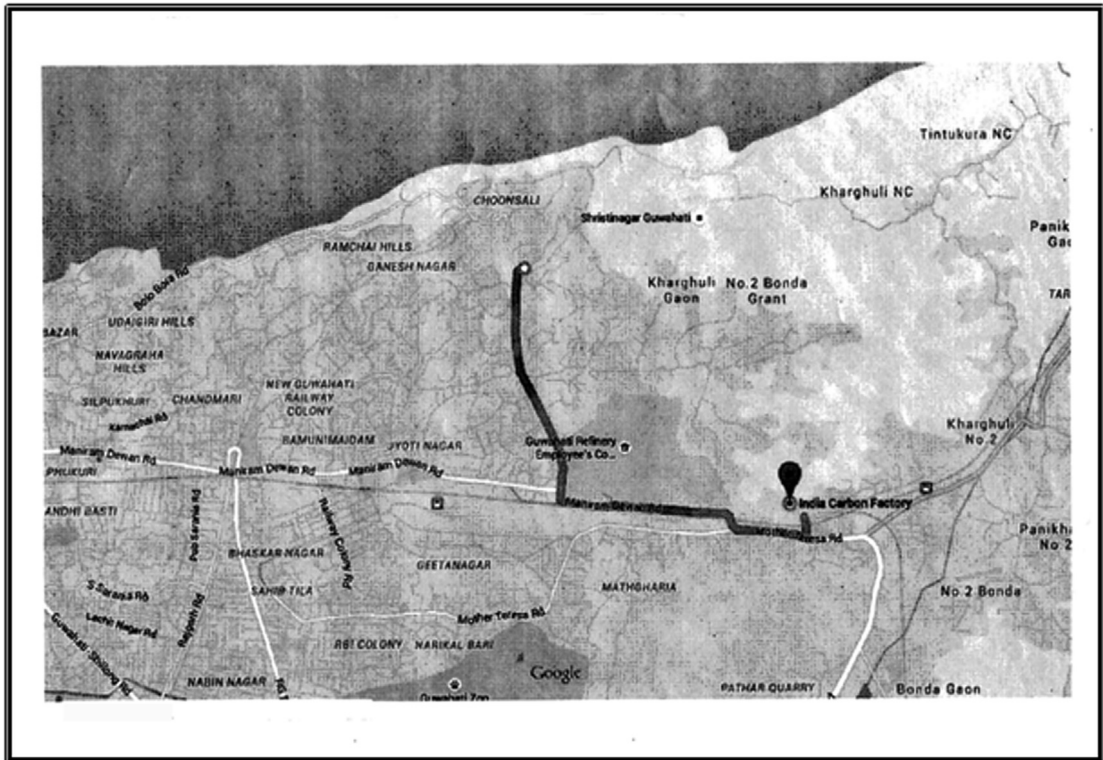
The details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

<b>Name of the Director</b>	<b>Mr. Tony William Grims (DIN:00383407)</b>	<b>Mr. Gordon Kenneth McIntosh (DIN:02244237)</b>
Date of Birth	29th June, 1973	9th, August, 1967
Date of Appointment	11.11.2016	12.05.2009
Expertise in specific functional areas	Accounting & Management	Marketing
Qualifications	Bachelor's degree (4-year college degree) in Accounting from Lamar University in Texas.	B.A. Industrial Relations & Economics
List of outside Directorship held	Nil	Nil
Chairman/Member of the Committee of other Companies in which he is a Director		
a) Audit Committee	Nil	Nil
b) Shareholders / Investor Grievance Committee	Nil	Nil
c) Nomination and Remuneration Committee	Nil	Nil
Shareholding in the Company as on 31.03.18	Nil	Nil
Disclosure of relationship between Directors inter-se	None	None

**Note:**

- CM –Chairman of the Committee.
- M – Member of the Committee.
- Directorship in Pvt. Ltd. Co.'s, Foreign Co.'s & Companies U/s 8 of the Companies Act, 2013 are excluded.
- Chairmanship/Membership of the Audit Committee, Shareholders' Grievance Committee and Nomination & Remuneration Committee alone has been considered.

## Route Map to the 56th Annual General Meeting of India Carbon Limite



## REPORT OF THE DIRECTORS

To The Members,

Your Directors have pleasure in presenting the Fifty-Sixth Annual Report on the business and operations of the Company and Audited Statement of Accounts of the Company for the financial year ended 31st March, 2018 as follows:

### 1. FINANCIAL SUMMARY OF THE COMPANY

FINANCIAL RESULTS	YEAR ENDED 31.03.2018 (In ₹)	YEAR ENDED 31.03.2017 (In ₹)
Revenue from Operations	342,95,25,229	142,25,11,967
Other Income	9,33,43,475	23,01,79,265
TOTAL INCOME	352,28,68,704	165,26,91,232
TOTAL EXPENSES	249,88,03,245	142,12,23,175
Profit / (Loss) Before Tax	102,40,65,459	23,14,68,057
Less: Tax Expenses (including Deferred Tax)	23,09,39,448	4,26,77,217
Profit / (Loss) After Tax	79,31,26,011	18,87,90,840
Other Comprehensive Income, Net of Tax	7,87,63,984	10,18,10,124
Total Comprehensive Income for the year	87,18,89,995	29,06,00,964
Earnings (Loss) per equity share of ₹10/- each	299.29	71.24

### 2. STATE OF COMPANY'S AFFAIRS

During the financial year ended 31.03.2018, your Company has achieved a gross revenue from operation amounting to ₹ 342.95 Crore as against ₹ 142.25 Crore in the last financial year, an increase of 141.09 % as compared to the previous financial year.

Production of Calcined Petroleum Coke (CPC) during the year was 85,789MT as against 60,432 MT in the previous year and Electrode Carbon Paste (ECP) production was 4,622MT as against 4,331MT in the previous year, an increase of 41.96% & 6.72% respectively.

Further, Sales of CPC for the year under review was 82,470 MT as against 57,248 MT in the previous year, an increase of 44.06%. ECP sales were 4,622 MT as against 4,269 MT in the previous year, an increase of 8.27%.

During the year, both production and sales of CPC, which is the main constituent of your Company's turnover significantly increased as compared to the previous year, resulting in lower cost of production due to much better capacity utilization, leading to increased sales due to additional production, as well as much improved prices.

During the year, the demand from all the consuming sectors, primarily, Aluminum, Steel and especially Graphite Electrodes increased due to pick up in the economy, as well as due to massive curtailment in production caused by large scale shutting up of polluting industries in China.

In addition, demand which is still growing came from a totally new sector, being the requirement of your Company's product for Batteries mainly in the automotive sector for Electric Vehicles.

For the year under review, the refund on account of IGST was ₹ 4.96 Crs + ₹ 2.81 Crs., on account of interest on delayed refund of Sales Tax, which was refunded in the previous year.

All of the above resulted in an excellent year for your Company, and it's expected that this trend shall continue forward.

### 3. FUTURE OUTLOOK

Global Aluminium Production in 1900 was only 1,000 Mts., which grew to 59.89 Mn.Mts in 2016 and to 63.40 Mn.Mts in 2017, showing a year on year growth of 5.86 %. 54 % of this Production is from China and only around 5 % from India.

Indian Aluminium Production in FY 2012-13 was 1.7 Mn.Mts. growing to 2.8 Mn.Mts in FY 2016-17 and 3.2 Mn.Mts in 2017-18, and is expected to touch 4 Mn.Mts by 2019-20, and reach the present installed capacity.

**REPORT OF THE DIRECTORS (Contd.)**

However, all the 3 Aluminium Companies, namely Vedanta, Hindalco & Nalco are going ahead with both brownfield and greenfield expansions, and in the next 3-5 yrs., an additional capacity of over 2 Mn.Mts should be in operation.

Total Aluminium Consumption in India in 2006 was 1.08 Mn.Mts, with per capita consumption at 0.98 Kgs, as compared to 8.65 Mn.Mts in China & 9.17 Mn.Mts in the US, with per capita at 6.63 Kgs. and 30.70 Kgs respectively.

This in 2015 for India increased from 1.08 Mn.Mts to 2.36 Mn.Mts., with per capita consumption growing from 0.98 Kgs to 1.82 Kgs., and Total consumption is forecast to grow in 2020 to around 4 Mn.Mts with per capita at 2.80 Kgs., and in 2025 to over 6 Mn.Mts with per capita at 4.5 Kgs. In this time in China the per capita consumption in 2015 was 8.86 Kgs., and stated to grow to 20.90 Kgs in 2020 and to 28.70 Kgs in 2025. This shows that we in India still have a very long way to go and the growth potential for this Sector is virtually limitless, especially with India being endowed with massive reserves of Bauxite and Coal, the two most essential raw materials for the production of Aluminium metal.

India's growth in consumption is expected to be at a CAGR of around 13 % and is riding on a host of Government initiatives such as Make in India, Smart Cities, Housing for All, Rural Electrification, Freight Corridors and several other applications from Automotive Sector to Railways etc.

As per all forecasts, the Monsoons for the current year are expected to be normal, which will result in all round boost to the economy, especially as the farmers shall have a lot of disposable income.

All the above augments very well for your company, and we are already seeing the effects of this in terms of continued good order books at remunerative prices for Company's both Guwahati and Budge Budge factories.

**4. ADOPTION OF INDIAN ACCOUNTING STANDARD**

The Company adopted the Indian Accounting Standards ("IndAS") notified under the Companies (Indian Accounting Standard) Rules, 2015 during the year for preparation and presentation of these Financial Statements. Consequently, the financial statements of the previous year have had to be restated to conform to the provisions of IND As. The corresponding reconciliation and description of the effects of this transition from the provisions of the Companies (Accounting Standards) Rules, 2005 has been provided under Note 3 to the Financial Statements

**5. CHANGE IN NATURE OF BUSINESS:**

There has been no change in nature of business of the Company during the F.Y. 2017-2018.

**6. DIVIDEND**

In view of handsome profit earned by your Company during the F.Y as compared to previous years, your directors are happy to recommend payment of dividend to the equity shareholders @150% i.e ₹ 15/- per equity share of ₹ 10/- each for the F.Y 2017-18 after payment of dividend distribution tax as may be applicable.

**7. RESERVES**

During the year no amount has been transferred to reserve.

**8. CHANGE OF NAME**

The Company has not changed its name during the financial year ended 31.03.2018.

**9. CHANGES IN SHARE CAPITAL**

There has been no change in equity share capital of the Company during the F.Y. 2017-2018.

**10. DIRECTORS & KEY MANAGERIAL PERSON:****DIRECTORS**

Gordon Kenneth McIntosh (DIN: 02244237) & Mr. Tony William Grims (DIN: 07590220) Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

During the year there has been no change in the directorship of the Company

**KEY MANGERIAL PERSONNEL**

The following employees were designated as whole –time key managerial personnel by board of directors during the year 2017–2018, pursuant to section 203 of Companies Act 2013 and rules made thereon:

## REPORT OF THE DIRECTORS (Contd.)

- Mr. Bhaskar Rakshit, an associate member of Institute of Company Secretaries of India as Company Secretary & Compliance Officer of the Company.
- Mr. Pankaj Kumar Misra as Chief Financial Officer of the Company

### 11. PARTICULARS OF EMPLOYEES

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, apart from Managing Director and Deputy Managing Director none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

As per the provisions of Section 136 of this Act, this Annual Report and Accounts is being sent to each Member and others entitled thereto, excluding information on employee's particulars as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. This information is readily available for inspection by members at the Companies Registered office between 3 PM and 5 PM on all working days (excluding Saturday) up to the date of the forthcoming Annual General Meeting. Should any member be interested in obtaining a copy should write to the Company at the Company's registered office.

### 12. NUMBER OF BOARD MEETINGS

During the Financial Year 2017-18, 5(Five) number of meetings of the Board of Directors of the Company were held as on 8th May, 2017, 25th Day of August, 2017, 10th Day of November, 2017, 19th Day of January, 2018 & 28th March, 2018.

### 13. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of section 134 of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing obligation and disclosure requirement) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Relationship Committee.

According to the SEBI Listing Regulation, 2015 and as per provisions of Companies Act 2013 read with rules and schedule thereon, a meeting of the Independent Directors was held wherein the performance of non-independent directors, including chairman was evaluated and found satisfactory.

The nomination & remuneration committee is of the view that board is versatile and diversified and all members have vast exposures which enhances the integrity of the Company.

### 14. DECLARATION BY AN INDEPENDENT DIRECTOR(S)

The Independent directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 & SEBI (Listing obligation and disclosure requirement) Regulation, 2015. The Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 & SEBI (Listing obligation and disclosure requirement) Regulation, 2015 making them eligible to act as Independent Directors.

### 15. REMUNERATION POLICY

The Board has framed a policy on the recommendation of the Nomination & Remuneration Committee for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### 16. MANAGERIAL REMUNERATION

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure - V and forms a part of the Board Report.

Further, apart from Managing Director and Deputy Managing Director none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. So statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith.

**REPORT OF THE DIRECTORS** (Contd.)**17. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES**

During the year under review the Company did not have any Joint Venture or Associate as defined by the Companies Act, 2013. However the Company has a subsidiary namely M/s. C & C Investment Ltd (CIN: U67120AS1976PLC001654) having extent of holding 99.9% in the equity shares of the Company. The details of the subsidiary (Form AOC-I) pursuant to Section 129(3) of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rule has been annexed herewith as Annexure - I and forms a part of the Directors Report.

The Company has also formulated a policy for determining 'Material' Subsidiaries. The Policy is stated in the Corporate Governance Report.

**18. CONSOLIDATED FINANCIAL STATEMENT**

The total Assets of the subsidiary Company namely M/s. C & C Investments Limited is negligible (0.0004%) as compared to the total assets of India Carbon Limited, the holding Company. In view of the above and also sever long term restriction on the transfer of funds, consolidation of Financial Statements have not been considered.

**19. ISSUE OF EMPLOYEE STOCK OPTIONS**

Your Company has not granted any stock option to its employee during the year as provided in the rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

**20. STATUTORY AUDITORS & AUDITORS' REPORT**

M/s. S. Samanta & Co., Chartered Accountants of Kolkata (Firm Registration No. 305020E) are the statutory auditors of the Company for the year ended March 31, 2018.

The report of the statutory Auditor for the year ended 31.03.2018, forming part of the Annual Report are self-explanatory in nature and do not call for any further comments.

**21. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Rajat Kumar Jalan, Company Secretary in whole time practice to undertake the Secretarial Audit of the Company for the year ended 31.03.2019. The Report of the Secretarial Auditor for the financial year ended 31.03.2018 is enclosed in the report as Annexure –III are self-explanatory in nature and does not call for any further comments.

**22. INTERNAL AUDITOR:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed M/s. J Kumar Jain & Associates, Chartered Accountants, to undertake the Internal Audit of the Company for the F.Y. 2018-2019. There stood no serious adverse finding & reporting by the Internal Auditor in his Internal Audit Report for the year ended 31st March 2018.

**23. COST AUDITORS**

The Board of Directors of your Company has appointed M/s. Mitra Bose & Associates, Cost Accountants, to conduct audit of your Company's cost records for the financial year 2018-19. The remuneration of Cost Auditor is subject to ratification by the shareholders at the ensuing Annual General Meeting. Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

**24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of Internal Financial Controls and their adequacy are included in the Management Discussion and Analysis Report.

**25. RISK AND AREA OF CONCERN**

The Company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

## REPORT OF THE DIRECTORS (Contd.)

### 26. VIGIL MECHANISM

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.indiacarbonltd.com>

### 27. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website <http://www.indiacarbonltd.com>. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity of the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### 28. EXTRACT OF ANNUAL RETURN:

Companies Act, 2013 makes mandatory for every Company to prepare an extract in the format prescribed MGT 9. The details forming part of the extract of Annual Return as on 31st March 2018 is attached in Annexure - II.

### 29. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report

### 30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

### 31. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Board has adopted the policy and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding the assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of the reliable financial data

### 32. DEPOSITS

The Company has not accepted any deposit as covered under Chapter V of Companies Act, 2013.

### 33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The details of all the related parties are part of this report and attached as Annexure IV.

### 34. CORPORATE GOVERNANCE CERTIFICATE

The Compliance certificate from the statutory auditor of the Company regarding compliance of conditions of corporate governance as stipulated in Schedule V of SEBI (Listing obligation and disclosure requirement) Regulation, 2015 is annexed with the report.

**REPORT OF THE DIRECTORS** (Contd.)**35. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report

**36. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment at work place your Company has followed adequate policy for prevention of Sexual Harassment of Women at Workplace and has set up a committee for implementation of the said policy. During the year Company has not received any complaint of sexual harassment

**37. CORPORATE SOCIAL RESPONSIBILITY:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure VI of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at the <http://www.indiacarbonltd.com>.

**38. HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in retention and development of talent on an ongoing basis.

**39. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under

**a) Conservation of Energy:**

Steps taken for conservation	Constant efforts are on to conserve and reduce energy consumption. Variable Frequency Drives (VFDs) have been installed on all the motor to control and reduce energy consumption. Energy for each activity are recorded by individual meters and monitored by daily recording of the actual consumption.
Steps taken for utilizing alternate sources of energy	Various studies have been made to examine usage of alternate energy source, but regrettably no workable alternate could be identified till date.
Capital investment on energy conservation equipments	N.A

**b) Technology Absorption:**

Efforts made for technology absorption	N/A
Benefits derived	N/A
Expenditure on Research & Development, if any	N/A
Details of technology imported, if any	N/A
Year of import	N/A
Whether imported technology fully absorbed	N/A
Areas where absorption of imported technology has not taken place, if any	N/A

**c) Foreign Exchange Earning/outgo:**

Earnings	₹ 11,63,60,538.22/-
Outgo	₹ 1,00,34,136.62/-

**40. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit /loss of the Company for that period;



## REPORT OF THE DIRECTORS (Contd.)

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 41. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of Companies Act, 2013, relevant amounts which remain unpaid or unclaimed for a period of Seven Years from the date of transfer to the unpaid dividend account have been transferred by your Company from time-to-time on due dates to the Investor education and protection funds (IEPF).

During the year under review your Company transferred an amount to ₹ 1,38,094/- to the IEPF being the unclaimed dividend for the financial year ended 31.03.2010 and filed the necessary form with ROC during the financial year 2017-18.

### 42. LISTING OF SHARES AT THE STOCK EXCHANGES AND TRADEABILITY IN DEMATERIALISATION FORM

The Equity Shares of the Company continues to be listed with The Calcutta Stock Exchange Limited. The annual listing fees for the financial year 2017-18 have already been paid and shares are tradable in dematerialization form.

The Company is having connectivity with both the depositories, i.e., National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization of the Company's Equity shares on either of the Depositories as aforesaid. However, the members would still have the option to hold the Equity shares of the Company in physical form. The ISIN number allotted to the Company is INE 743B01015.

Presently, M/s. C B Management Services Pvt. Ltd is acting as Registrar and Share Transfer Agents of the Company, for shares under both physical and Demat form. Members are requested to send their communications/ correspondences/ queries regarding share matters at the following address:

C B Management Services (P) Limited  
P-22, Bondel Road, Kolkata 700 019  
Phone No. 40116700, 40116711, 40116718, 2280-6692/93/94,  
Fax No.: 033 2287 0263, E mail: rta@cbmsl.com

### 43. COMMITTEES

With a view to have a more focused attention on business and for better governance and accountability, and in accordance with the Companies Act 2013, your Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The details of the committee with terms of reference along with composition and meeting held during the year are provided in the Report on Corporate Governance, a part of this Annual Report. In addition to that for better governance your Company has also constituted Share Transfer Committee and Risk Management Committee of the Board of Directors of the Company.

#### • AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Committee is governed by its terms of reference which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and disclosed in the Corporate Governance report.

**REPORT OF THE DIRECTORS** (Contd.)

Further the Board has recorded all the recommendations of the Audit Committee and accordingly has proceeded with their recommendations.

▪ **NOMINATION AND REMUNERATION COMMITTEE:**

Pursuant to section 178 of Companies Act 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has formed a Nomination & Remuneration Committee. The details of terms and the details of meeting held during the year are disclosed in the Corporate Governance report.

The Nomination & Remuneration committee has framed remuneration policy as per section 178 (3) of Companies Act, 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The summary of the Remuneration policy and appointment of directors and key managerial personnel is stated in the corporate governance report.

The details of criteria for performance evaluation as laid by Nomination & Remuneration committee are disclosed in the Corporate Governance report, which forms a part to the Annual report.

▪ **STAKEHOLDER RELATIONSHIP COMMITTEE:**

Pursuant to section 178(5) of Companies Act 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has formed a Stakeholder Relationship Committee. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

▪ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Pursuant to Section 135 of Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

▪ **SHARE TRANSFER COMMITTEE:**

Your Company has formed a share transfer committee of the Board of Directors for facilitating smooth operation of the share transfer process of the Company. The details of terms and the details of meeting held during the year are disclosed in the Corporate Governance report, which forms a part to the Annual report.

▪ **RISK MANAGEMENT COMMITTEE:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has constituted a risk management committee. The details of the committee and its terms of reference and the policy framed by it are set out in the Corporate Governance report.

**44. HEALTH AND SAFETY**

Your Company is wholeheartedly committed to health and safety of its employees and all stakeholders. The Company in addition to normal medical checkup also arranges special medical test of its employees.

Safety measures have been designed and circulated at the plant site to the responsible person. Training is periodically given to employees to follow these safety measures. Senior persons have been deputed to enforce safety plans.

The Company has also taken group personal accident policy for its employees. The Company has on its rolls a well qualified full time officer to monitor, control, advice and implement its policy on health, safety and environment.

**45. ENVIRONMENT**

The Company has continued with its floriculture division and has identified a portion of land in Guwahati unit as green area. The Company has in place at both its Plants, State of the Art Pollution Control Systems which improves the emission norms further and enable a cleaner environment. The Company continuously strives on environmental management.

**46. INDUSTRIAL RELATIONS**

The relation of the Company with its employees and workers continued to be cordial and peaceful during the year under review. Your directors record their sincere appreciation to the employees & workers at large for their continued cooperation for maintaining harmonious industrial relation in and around the Plants.

**47. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

Your Company undertakes familiarization programme for its independent directors of the Company to familiarize

## REPORT OF THE DIRECTORS (Contd.)

themselves with the code of conduct and working of the Company. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

### 48. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year your Company has not given any guarantee, loan or made investment under the provisions of section 186 of the Companies Act, 2013.

### 49. CREDIT RATING

ICRA assigns "ICRA A-/" ratings to the Bank facilities of India Carbon Limited.

### 50. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. The Directors and the designated employees have confirmed compliance with the Code.

### 51. DISCLOSURE REQUIREMENTS

In terms of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

- Details of the familiarization programme of the independent directors are available on the website of the Company ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Policy for determining material subsidiaries of the Company is available on the website of the Company ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Policy on dealing with related party transactions is available on the website of the Company ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Policy for Whistle Blower Policy to provide Vigil Mechanism is available at Companies website ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Remuneration policy of the nomination and remuneration committee is available on the website of the Company ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- The Code of practices & procedures for fair disclosure of unpublished Price sensitive information Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the Company's website ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Policy framed for risk management have been uploaded on the Company's website([www.indiacarbonltd.com](http://www.indiacarbonltd.com))
- Criteria for evaluation of independent Directors and Board are available on the Company's website ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).
- Director performance evaluation policy is available on the Company's website ([www.indiacarbonltd.com](http://www.indiacarbonltd.com)).

### 52. ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thanks the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For & on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

*Chairman and Managing Director*

Date: 16th May, 2018

Place: Kolkata

**REPORT OF THE DIRECTORS** (Contd.)

Annexure-I

**Form AOC - I**  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of  
Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of  
subsidiaries/associate companies/ joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Name of the subsidiary: C & C Investments Limited (CIN: U67120AS1976PLC001654)
2. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period: NA
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: NA
4. Share capital: ₹ 75, 02,000/-
5. Reserves & surplus: ₹ (-) 1, 31, 86,293/-
6. Total assets: ₹ 13,246/-
7. Total Liabilities: ₹ 56, 97,539/-
8. Investments: NA
9. Turnover: Nil
10. Profit before taxation: ₹ (-) 649/-
11. Provision for taxation: NIL
12. Profit after taxation: ₹ (-) 649/-
13. Proposed Dividend: NIL
14. % of shareholding: 99.99

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

**Part "B": Associates and Joint Ventures**

During the F. Y 2017-18 the Company had no Associate Companies and Joint Ventures Pursuant to Section 129 (3) of the Companies Act, 2013

For &amp; on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

Chairman and Managing Director

Date: 16th May, 2018

Place: Kolkata

**REPORT OF THE DIRECTORS** (Contd.)**Annexure - II****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L23101AS1961PLC001173
2.	Registration Date	12/06/1961
3.	Name of the Company	INDIA CARBON LIMITED
4.	Category/Sub-category of the Company	Company limited by Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	NOONMATI, GUWAHATI, ASSAM-781020
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	C B Management Services (P) Limited P-22, Bondel Road, Kolkata-700019 Phone: 40116700/11/18/23, 2280-6692/93/94 Fax: 033 4011 6739 Email : rta@cbmsl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Calcined Petroleum Coke	NA	83.94
2.	Electrode Carbon Paste	NA	4.75
3.	Thermal Carbon(Tempering) Paste	NA	0.22
4.	Desiccated Petroleum Coke Powder	NA	0.00
5.	Raw Petroleum Coke	19109	11.09
6.	Others	NA	00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	Name and Address of the Company	Cin/Gln	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	C & C INVESTMENT LIMITED	U67120AS1976PLC001654	SUBSIDIARY	99.99	2(87)

**REPORT OF THE DIRECTORS** (Contd.)**IV. A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	244135	367691	611826	23.09	244127	367691	611818	23.09	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	0	39076	39076	1.47	0	39076	39076	1.47	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)(1)</b>	<b>244135</b>	<b>406767</b>	<b>650902</b>	<b>24.56</b>	<b>244127</b>	<b>406767</b>	<b>650894</b>	<b>24.56</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs individuals	-	-	-	-	-	-	-	-	-
b) Other-individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FIs	-	-	-	-	-	-	-	-	-
e) Any others	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>244135</b>	<b>406767</b>	<b>650902</b>	<b>24.56</b>	<b>244127</b>	<b>406767</b>	<b>650894</b>	<b>24.56</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	148	348	496	0.02	148	298	446	0.02	0
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	14472	297	14769	0.56	14472	297	14769	0.56	0.00
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>14620</b>	<b>645</b>	<b>15265</b>	<b>1</b>	<b>14620</b>	<b>595</b>	<b>15215</b>	<b>1</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	42394	661734	704128	26.57	21793	674166	695959	26.26	-0.31
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	168471	205975	374446	14.13	177246	130956	308202	11.63	-2.50

**REPORT OF THE DIRECTORS** (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st -April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	84664	0	84664	3.19	84722	0	84722	3.20	0.01
c) Others (specify)	–	–	–	–	–	–	–	–	–
Non Resident Indians/OCB	6839	1186	8025	0.30	6304	30	6334	0.24	-0.06
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–
Trusts	193	–	193	0.01	133	0	133	0.01	0
Foreign Body Corporate	14517	797860	812377	30.66	14517	797860	812377	30.66	0.00
Investor Education & Protection Fund	–	–	–	–	76164	0	76164	2.87	2.87
<b>Sub-total (B)(2):</b>	<b>317078</b>	<b>1666755</b>	<b>1983833</b>	<b>74.86</b>	<b>380879</b>	<b>1603012</b>	<b>1983891</b>	<b>74.86</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>331698</b>	<b>1667400</b>	<b>1999098</b>	<b>75.44</b>	<b>395499</b>	<b>1603607</b>	<b>1999106</b>	<b>75.44</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>575833</b>	<b>2074167</b>	<b>2650000</b>	<b>100.00</b>	<b>639626</b>	<b>2010374</b>	<b>2650000</b>	<b>100.00</b>	<b>0</b>

**B) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANITA HIMATSINGKA	209615	7.91%	0.00	209615	7.91%	0.00	No Change
2	SONAL H. MODI	36492	1.38%	0.00	36492	1.38%	0.00	No Change
3	SHAURYA VEER HIMATSINGKA	237439	8.96%	0.00	237431	8.96%	0.00	No Change
4	MAALIKA HIMATSINGKA	24975	0.94%	0.00	24975	0.94%	0.00	No Change
5	RAKESH HIMATSINGKA	10445	0.39%	0.00	10445	0.39%	0.00	No Change
6	RIDDHIMA SV HIMATSINGKA	92860	3.50%	0.00	92860	3.50%	0.00	No Change
7	SHREE SHYAM ORCHID ESTATES LTD	39076	1.47%	0.00	39076	1.47%	0.00	No Change

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

Sl. No.	Particulars	Shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	650902	24.56%	650902	24.56%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	8	0	650894	24.56%
3	At the end of the year			650894	24.56%

**REPORT OF THE DIRECTORS** (Contd.)**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	OXBOW CALCINING LLC	812377	30.66	No Change	No Change	812377	30.66
2.	NABO BHARATI PROJECTS INDIA LTD.	162000	6.11	No Change	No Change	162000	6.11
3.	SUKANSUTI TEA COMPANY PVT. LTD.	142750	5.39	No Change	No Change	142750	5.39
4.	KAMRUP BUILDERS PVT. LTD.	131952	4.98	No Change	No Change	131952	4.98
5.	LUIT BUSINESS PVT. LTD.	106272	4.01	11920	0.45	118192	4.46
6.	MEGATECH HOSPITALS LTD.	106000	4.00	No Change	No Change	106000	4.00
7.	AMISHA HIMATSINGKA	43667	1.65	No Change	No Change	43667	1.65
8.	DIPAKKUMAR GAURAVKUMAR	20900	0.79	No Change	No Change	20900	0.79
9.	MAHENDRA GIRDHARILAL	20097	0.76	12	0.01	20109	0.76
10	SPICEBULLS INVESTMENTS LIMITED	11815	0.45	No Change	No Change	11815	0.45

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAKESH HIMATSINGKA	10445	0.39	No change	No change	10445	0.39
2.	SHAURYA VEER HIMATSINGKA	237439	8.96	8	0.01	237431	8.96

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	59234446	–	–	59234446
ii) Interest due but not paid			–	–
iii) Interest accrued but not due	74694		–	74694
<b>Total (i+ii+iii)</b>	<b>59309140</b>	<b>–</b>	<b>–</b>	<b>59309140</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1067591	581390346	–	582457937
* Reduction	(13729351)		–	(13729351)
<b>Net Change (increase)</b>	<b>(12661760)</b>	<b>581390346</b>	<b>–</b>	<b>568728586</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	46575878	581390346	–	627966224
ii) Interest due but not paid			–	–
iii) Interest accrued but not due	71502		–	71502
<b>Total (i+ii+iii)</b>	<b>46647380</b>	<b>581390346</b>	<b>–</b>	<b>628037726</b>



**REPORT OF THE DIRECTORS** (Contd.)

(in ₹)

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of MD	Name of DMD	Total Amount
		RAKESH HIMATSINGKA	SHAURYA VEER HIMATSINGKA	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,60,000/-	22,20,000/-	46,80,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,82,600/-	29,71,556/-	58,54,156/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission - as % of profit - others, specify...	4,64,40,881/-	4,65,91,925/-	9,30,32,806/-
5	LESS: Refund of Excess remuneration paid	–	–	–
	<b>Total (A)</b>	<b>5,17,83,481/-</b>	<b>5,17,83,481/-</b>	<b>10,35,66,962/-</b>
	Ceiling as per the Act	5,17,83,481/-	5,17,83,481/-	10,35,66,962/-

**B. Remuneration to other directors**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors						TOTAL AMOUNT
		HEMANT KUMAR KHAITAN	MANOJ MOHANKA	SUNIRMAL TALUKDAR	SOUMENDRA MOHAN BASU	SUSMITA GHOSE	SAMAR JHA	
1	Independent Directors							
	Fee for attending board committee meetings	2,10,000	2,10,000	2,10,000	2,25,000	1,25,000	90,000	10,70,000
	Commission	–	–	–	–	–	–	–
	Others, please specify							
	<b>Total (1)</b>	<b>2,10,000</b>	<b>2,10,000</b>	<b>2,10,000</b>	<b>2,25,000</b>	<b>1,25,000</b>	<b>90,000</b>	<b>10,70,000</b>
2	Other Non-Executive Directors	GORDON KENNETH MCINTOSH	ALBERT JOHN ROLFE	TONY WILLIAM GRIMS	MARK RUSSELL JONES	–	–	–
	Fee for attending board committee meetings	–	–	–	–	–	–	–
	Commission	–	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–	–
	<b>Total (2)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
	<b>Total (B)=(1+2)</b>	<b>2,10,000</b>	<b>2,10,000</b>	<b>2,10,000</b>	<b>2,25,000</b>	<b>1,25,000</b>	<b>90,000</b>	<b>10,70,000</b>
	Overall Ceiling as per the Act	Remuneration is within limits of provisions of law						

**\*Note:** In terms of the provisions of the Companies Act, 2013, the sitting fees payable to a director for attending meetings of Board or committees thereof, such sum as may be decided by the board thereof which shall not exceed one lakh rupees per board meeting or committee thereof. The remuneration paid to the directors is well within the said limit.

**REPORT OF THE DIRECTORS** (Contd.)**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(in ₹)

Sl. No.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		
		CS	CFO	TOTAL
1	Gross salary in ₹			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,45,977/-	6,77,002/-	11,22,979/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
	- as % of profit	–	–	–
	others, specify...	–	–	–
5	Others, please specify	–	–	–
	<b>Total</b>	<b>4,45,977/-</b>	<b>6,77,002/-</b>	<b>11,22,979/-</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For &amp; on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

Chairman and Managing Director

Date: 16th May, 2018

Place: Kolkata

**REPORT OF THE DIRECTORS** (Contd.)**Annexure-III****Form No. MR - 3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
India Carbon Limited,  
Noonmati, Guwahati, Assam - 781020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INDIA CARBON LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the INDIA CARBON LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by INDIA CARBON LIMITED ("the Company") for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable as there was no reportable event;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not Applicable as there was no reportable event;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable as there was no reportable event;

**REPORT OF THE DIRECTORS** *(Contd.)*

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable as there was no reportable event;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable as there was no reportable event; and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as there was no reportable event;
- (vi) Other laws/acts/rules as may be applicable specifically to the company:
- (a) Payment of Bonus Act, 1965;
  - (b) Payment of Gratuity Act, 1972;
  - (c) Payment of Wages Act, 1936;
  - (d) Trade Unions Act, 1926;
  - (e) Workmen's Compensation Act, 1923;
  - (f) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
  - (g) Employees' State Insurance Act, 1948;
  - (h) Minimum Wages Act, 1948 and its Rules;
  - (i) The Factories Act, 1948 & its Rules;
  - (j) Pollution Control Board Clearance (Environment Protection) Act, 1986 and its Rules;
  - (k) Central Excise Act, 1944 and its Rules;
  - (l) Income Tax Act, 1961 and its Rules;
  - (m) Central Sales Tax Act, 1956 and its Rules;
  - (n) VAT Act and its Rules;
  - (o) Profession Tax and its Rules;
  - (p) Shops and Establishments Act and its Rules;
  - (q) Industrial Disputes Act 1947 and its Rules;
  - (r) Service Tax Act and its Rules;
  - (s) Contract Labor (Regulation and Abolition) Act, 1970.

I have also examined the required licenses specific to the company and found them duly up to date/applied for renewal.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into by the Company with "The Calcutta Stock Exchange Limited";

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director.

**REPORT OF THE DIRECTORS** *(Contd.)*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that Company has passed resolution pursuant to Section 180 and any other applicable provisions of the Companies Act, 2013 and the rules made there under for obtaining the consent of the members of the Company for power accorded to the Board of Directors or any Committee of the Board by way of Special Resolution to borrow moneys not exceeding ₹ 200 Crores (Rupees Two Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company, in one or more tranches.

Place: Kolkata  
Date: 16.05.2018

Signature:  
Name of Company Secretary in practice / Firm:  
**Rajat Kumar Jalan** (ACS / FCS No.:14895, C P No.:5705)  
For, **R. K. Jain & Company**

**REPORT OF THE DIRECTORS** (Contd.)**Annexure - IV****FORM NO. AOC - 2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

## 1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transaction entered into during the year ended March 31st, 2018 which was not at Arm Length basis.

## 2. Details of contracts or arrangements or transactions at Arm's length basis for the year ended 31.03.2018 are as follows:

<b>Name of the Related party &amp; Nature of Contract</b>	<b>Nature of Relationship</b>	<b>Duration of Contract</b>	<b>Approval</b>	<b>Amount in ₹</b>
Assam Carbon Products Ltd	Mr. Rakesh Himatsingka; Managing Director is interested	April , 1st 2017- March, 31st 2018	Omnibus approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding ₹ 5.00 Crore for the F.Y 2017-18	Sale of Goods Amounting of ₹5,36,753/- Purchase of Stores amounting to ₹ 8100/-
Khatu Investment & Trading Co. Ltd	Mr. Rakesh Himatsingka; Managing Director is interested	April, 1st 2017- March, 31st 2018	Omnibus approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding ₹ 5.00 Crore for the F.Y 2017-18	The Company has taken service amounting to ₹ 17,58,056/-
Shree Shyam Orchids Estates Ltd	Mr. Rakesh Himatsingka; Managing Director is interested	April, 1st 2017- March, 31st 2018	Omnibus approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding ₹ 5.00 Crore for the F.Y 2017-18	The Company has taken service amounting to ₹ 23,99,462/-
Mr. Rakesh Himatsingka Payment of Remuneration	Managing Director (Key Managerial Personnel )	1st December, 2016-30th November,2019	Agreement executed between the Company and Mr. Rakesh Himatsingka for appointment him as Managing Director for 3 Year	₹ 5,17,83,481/-
Mr. Shaurya Veer Himatsingka Payment of Remuneration	Managing Director (Key Managerial Personnel )	01st April, 2017- 31st March, 2020	Agreement executed between the Company and Mr. Shaurya Veer Himatsingka for appointment him as Deputy Managing Director for 3 Year	₹ 5,17,83,481/-
Mr. Bhaskar Rakshit Payment of Remuneration	Company Secretary(Key Managerial Personnel )	NA	NA	₹ 4,45,977/-
Mr. Pankaj Kumar Mishra Payment of Remuneration	Chief Financial Officer(Key Managerial Personnel )	NA	NA	₹ 6,77,002/-
C & C Investment Ltd Expenses for payment of Audit fees & Other Misc. Expenses	Subsidiary Company	NA	NA	₹ 9,800/-

For & on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

Chairman and Managing Director

Date: 16th May, 2018

Place: Kolkata

**REPORT OF THE DIRECTORS** (Contd.)**Annexure-V****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i) The percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2017-18, ratio of remuneration of each Director to the median remuneration of each key managerial personnel (KMP) against the performance of the Company are as under:

SL. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for F.Y 2017-18 in ₹	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director to median remuneration of employees
1	Shri Rakesh Himatsingka (Managing Director)	₹ 5,17,83,481/-	302.6	199:1
2	Shri Shaurya Veer Himatsingka (Deputy Managing Director)	₹ 5,17,83,481/-	302.6	199:1
3	Shri Pankaj Kumar Misra (Chief Financial Officer)	₹ 6,77,002/-	11.25	2.59:1
4	Shri. Bhaskar Rakshit (Company Secretary)	₹ 4,45,977/-	5.17	1.71:1

**Note:**

- Calculation of median is taken on the figures as at the end of Financial Year.
- No other Director other than Managing Director and Deputy Managing Director received any remuneration other than sitting fees during the Financial Year 2017-18.
  - The Median Remuneration of Employees as on March 31, 2018 was ₹ 2,60,781/- and as on March 31, 2017 was ₹ 1,78,656/-.
  - The percentage increase in the median remuneration of employees was 5% during the financial year.
  - There were 174 (One Hundred and Seventy Four) permanent employees on the rolls of Company as on March 31, 2018;
  - The Company has earned a profit after tax during the F.Y of ₹ 79,31,26,011/- as compared to the profit earned by the Company of ₹ 18,81,09,900/- in the last F.Y. The increase in median remuneration was 5%. The average increase in median remuneration was in line with the performance of the Company and partly on individual performance of the Company.
  - Average percentage increase made in the salaries employees other than the managerial personnel in the last financial year i.e. 2017-18 was 7 % whereas the average percentage increase made in the salaries of managerial personnel is 155.41%. Further there was no exceptional increase in the salary during the Financial Year ended 31.03.2018 as compared above.
  - The Key parameters for the variable component of remuneration availed by the Managing Directors and Senior Management Personnel are based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration policy for directors and senior Management Personnel.
  - It is hereby affirmed that the remuneration paid during the year ended 31st Day of March, 2018 is as per the Remuneration Policy of the Company.

For &amp; on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

Chairman and Managing Director

Date: 16th May, 2018

Place: Kolkata

**REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT****Annexure-VI****REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT**

1. A brief outline of the company's CSR policy including Overview of projects / programs undertaken :

The Company has framed Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014. It enumerates the list of activities for channelizing the amount of expenditure towards Corporate Social Responsibility by the Company.

CSR Committee has proposed to spend more than 2% of Company's average net profits made during the 3 immediately preceding financial years in India Carbon Charitable Trust established by the Company with a track record for more than one year, Manav Kalyan Trust with an established track record of more than 3 years, Indian Council of Child welfare with an established track record of more than 3 years and Tiljala Society for Human and Educational Development with an established track record of more than 3 years.

The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at the web link [www.indiacarbonltd.com](http://www.indiacarbonltd.com)

2. The composition of the CSR Committee is as under:

Name	Category	Position
Ms. Susmita Ghose	Non executive Independent Director	Chairman
Mr. Soumendra Mohan Basu	Non executive Independent Director	Member
Mr. Rakesh Himatsingka	Managing Director	Member
Mr. Shaurya Veer Himatsingka	Deputy Managing Director	Member

3. Average Net Profit of the Company during last 3 Financial Years: ₹ 6, 67, 25,707/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): 13, 34,514/-
5. Details of CSR spent during the financial year:
- (a) Total amount to be spent for the year: ₹ 26, 35,000/-
- (b) Amount unspent, if any: N.A
- (c) Manner in which the amount spent during the financial year is detailed below:

SI No	CSR project or activity identified	Sector in which the Project/activity is covered	Projects/ Programs 1. Local area or other 2. Specify the State and District where projects or program was under taken	Amount outlay (budget) project/ programs wise	Amount spent on the project or programs Subheads : 1. Direct expenditure on project or programme 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent direct/ through implementing agency
1.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹10.00 Lakh	₹10.00 Lakh by way of contribution/donation to India Carbon Charitable Trust	₹10.00 Lakh	Through implementing agency India Carbon Charitable Trust came into existence in the year 1975, eligible as per provisions of Companies Act, 2013



Sl No	CSR project or activity identified	Sector in which the Project/activity is covered	Projects/ Programs 1. Local area or other 2. Specify the State and District where projects or program was under taken	Amount outlay (budget) project/ programs wise	Amount spent on the project or programs Subheads : 1.Direct expenditure on project or programme  2.Overheads	Cumulative expenditure up to the reporting period	Amount spent direct/ through implementing agency
2.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹10.00 Lakh	₹10.00 Lakh by way of contribution/donation to Manav Kalyan Trust	₹10.00 Lakh	Through implementing agency Manav Kalyan Trust came into existence in the year 1975, eligible as per provisions of Companies Act, 2013
3.	Empowering women and Children	Setting up hostels for women and orphans	Guwahati, Assam	₹5.00 Lakh	₹5.00 Lakh by way of contribution/donation to Indian Council for Child Welfare	₹5.00 Lakh	Through implementing agency Indian Council for Child Welfare came into existence in the year 1968, eligible as per provisions of Companies Act, 2013
4.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹1.35 Lakh	₹1.35 Lakh by way of contribution/donation to Tiljala Society for Human and Educational Development	₹1.35 Lakh	Through implementing agency Tiljala Society for Human and Educational Development came into existence in the year 1987, eligible as per provisions of Companies Act, 2013

#### 6. CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of CSR activities of the Company is in compliance with the CSR objectives and CSR Policy of the Company

For & on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

*Chairman and Managing Director*

Date: 16th May, 2018

Place: Kolkata

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE & DEVELOPMENT

Global Aluminium Production in 1900 was Only 1,000 Mts., which grew to 59.89 Mn.Mts in 2016 and to 63.40 Mn.Mts in 2017, showing a year on year growth of 5.86 %. 54 % of this Production is from China and Only around 5 % from India.

Indian Aluminium Production in FY 2012-13 was 1.7 Mn.Mts. growing to 2.8 Mn.Mts in FY 2016-17 and 3.2 Mn.Mts in 2017-18, and is expected to touch 4 Mn.Mts by 2019-20, and reach the present installed capacity.

However, all the 3 Aluminium Companies, namely Vedanta, Hindalco & Nalco are going ahead with both brownfield and greenfield expansions, and in the next 3-5 yrs., an additional capacity of over 2 Mn.Mts should be in operation.

Total Aluminium Consumption in India in 2006 was 1.08 Mn.Mts, with per capita consumption at 0.98 Kgs, as compared to 8.65 Mn.Mts in China & 9.17 Mn.Mts in the US, with per capita at 6.63 Kgs. and 30.70 Kgs respectively.

This in 2015 for India increased from 1.08 Mn.Mts to 2.36 Mn.Mts., with per capita consumption growing from 0.98 Kgs to 1.82 Kgs., and Total consumption is forecast to grow in 2020 to around 4 Mn.Mts with per capita at 2.80 Kgs., and in 2025 to Over 6 Mn.Mts with per capita at 4.5 Kgs. In this time in China the per capita consumption in 2015 was 8.86 Kgs., and stated to grow to 20.90 Kgs in 2020 and to 28.70 Kgs in 2025. This shows that we in India still have a very long way to go and the growth potential for this Sector is virtually limitless, especially with India being endowed with massive reserves of Bauxite and Coal, the two most essential raw materials for the production of Aluminium metal.

With this growing demand and increased production, there will be commensurate increase in demand of CPC, and your management is confident of taking full advantage of this and expect both factories to run to capacity.

As Raw Petroleum Coke (RPC) is the sole raw material for CPC, management has taken and will ensure that adequate and timely imports are arranged for its Budge Budge factory.

### OPPORTUNITIES & THREATS

Your Company constantly examines the opportunities and threats that exist in its business and already has plans to exploit the opportunity available going forward as well as equipped to handle threats.

#### Opportunities

Aluminum consumption in the Country from 2.4Mn.Mts in 2015 to around 3.5Mn.Mts in 2017 is expected to increase to around 6Mn.Mts by 2025. The present installed capacity is 4Mn.Mts and already all the 3 aluminum producing Companies, namely Vedanta, Hindalco & Nalco are going ahead with both brownfield and greenfield expansions, and in the next 3-5 yrs., an additional capacity of over 2 Mn.Mts should be in operation.

The present requirement of CPC by the aluminum smelters is approx 1.3 Mn.Mts, and in addition there is a substantial requirement by the Steel, Graphite Electrodes, Titanium di oxide, Ferro alloys and other Miscellaneous industries over 0.3 Mn.Mts, taking the total requirement to around 1.6Mn.Mt., which is in part met by imports of CPC mainly from China

As such there is immense scope not only for the Company to operate to 100% of its capacity, but also examine increasing capacity. By 2025 the demand is expected to grow to over 2.7Mn.Mts.

#### Threats

1. Location disadvantage especially for the Company's Budge Budge unit as compared to newer port based plants.
2. Cheap import of CPC from China.
3. Huge shortage of Raw Petroleum Coke (RPC) leading to increased dependence on imports.
4. RPC being a Crude Oil based product is subject to severe price fluctuations.
5. Inadequate and poor infrastructure at Ports, resulting in much higher freight by vessels prepared to come to Kolkata Port.
6. Very poor transport infrastructure leading to much higher transportation cost.
7. Cost and carry policy of IOC Ltd for Indian RPC resulting in much higher inventory carrying cost.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

### SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

During the financial year ended 31.03.2018, your Company has achieved a gross revenue from operation amounting to ₹ 342.95 Crore as against ₹ 142.25 Crore in the last financial year, an increase of 141.09 % as compared to the previous F.Y.

Production of Calcined Petroleum Coke (CPC) during the year was 85,789MT as against 60,432 MT in the previous year and Electrode Carbon Paste (ECP) production was 4,622MT as against 4,331MT in the previous year, an increase of 41.96% & 6.72% respectively.

Further, Sales of CPC for the year under review was 82,470 MT as against 57,248 MT in the previous year, an increase of 44.06%. ECP sales were 4,622 MT as against 4,269 MT in the previous year, an increase of 8.27%.

During the year both production and sales of Calcined Petroleum Coke (CPC) which is the major constituent of the Company's gross turnover increased as compared to the previous Financial Year This resulted in earning good amount of profit after tax amounting to ₹ 79, 31, 26,011/-by your Company during the F.Y 2017-18

### OUTLOOK

The outlook for the Company continues to be optimistic based on the growth in the demand for Company's both products, viz, CPC & Carbon Paste.

The Company is consolidating its customer base and also continues to expand, upgrade and modernize its plants. The Company is also exploring new growth opportunities as well as optimum utilization of its available resources.

Constant efforts are on towards achieving savings, improving operational efficiency, increasing market share, optimum utilization of production capacities and customer's satisfaction.

As reported earlier, based on the uptrend in demand since last year along with increase in prices confirms the management optimism

The Management is optimistic about the growth and profitability of the Company.

### RISKS & CONCERNS

The Company is dependent on imported raw material for one of its plant, which is brought in shiploads and at times has inventory of 6 months or more. RPC and CPC are both volatile commodities and prone to significant price fluctuations. In addition, your Company is also exposed to the risk of Rupee valuation against the US \$

With most orders, there is no Price Variation Clause and thus the Company is exposed to changes in the Global Price and/or Exchange Risk.

For the year under review, the Company has incurred loss of ₹ 61,27,790/- on foreign exchange.

In addition, the Company is always exposed to the risk of imported raw material upon arrival not conforming to expectations or to the specifications, which can lead to higher consumption, lower price realization and/or longer carrying of such slow moving inventory.

Labour availability at both Guwahati as well as Budge Budge Unit is a matter of concern, which is mainly disturbing the paste production, and the labour costs are increasing astronomically.

### INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has Internal Control Systems commensurate with the nature and size of its business. The Board of Directors is ultimately responsible for ensuring that such internal control systems are sound in theory and efficacious in practice and expressly reiterates this responsibility in the Directors' Responsibility Statement. Corporate policies, appropriate risk management processes and management information and reporting systems for key operational and functional areas underpin the overall control mechanism. Apart from identifying and documenting "Entity level policies and controls", the exercise involves identification and documentation of significant business processes followed by control assessments,

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)**

mitigation plans and periodic reporting and monitoring. Responsibility and Ownership start from process owners and upwards, leading to the MD and CEO certification.

In order to supplement the internal control processes, the Company has appointed independent professional firms to function as Internal Auditors who are authorized by the Audit Committee to assess the adequacy of control processes and report key audit observations and recommendations to the Audit Committee on a periodical interval.

Further, in compliance with the Companies' Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a system of internal financial controls over financial reporting and adequacy and operating effectiveness of such controls. During the year the internal financial controls were adequate and operating effectively. The Statutory Auditors have also certified on adequacy of internal controls and their operating effectiveness.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the financial year ended 31.03.2018, your Company has achieved a gross revenue from operation amounting to ₹ 342.95 Crore as against ₹142.25 Crore in the last financial year, an increase of 141.09 % as compared to the previous F.Y.

Production of Calcined Petroleum Coke (CPC) during the year was 85,789MT as against 60,432 MT in the previous year and Electrode Carbon Paste (ECP) production was 4,622MT as against 4,331MT in the previous year, an increase of 41.96% & 6.72% respectively.

Further, Sales of CPC for the year under review was 82,470 MT as against 57,248 MT in the previous year, an increase of 44.06%. ECP sales were 4,622 MT as against 4,269 MT in the previous year, an increase of 8.27%.

Foreign Exchange loss during the year was ₹ 61.28 Lakh, as against loss of ₹ 50.21 Lakh in the last financial year. In spite of several Challenging issue such as like Poor Capacity utilization, cut throat internal competition due to dumping from China; your Company has earned during the year an amount of profit after tax ₹ 79. 31 Crore as against profit of ₹ 18. 88 Crore in the last year

**HUMAN RESOURCES/INDUSTRIAL RELATIONS**

The Company has always given prime importance to Human Resources. Continued efforts towards manpower rationalization are being made for reduction of cost and optimization of productivity. The Company continues to provide thrust on regular training programmes for up gradation of job knowledge and other related skills amongst its employees.

**CAUTIONARY STATEMENT**

Statement in the "Management's Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied in this report. Important factors that would make a difference to the Company's operations include global and Indian demand/supply conditions, raw materials prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations/policies, tax regimes, economic developments within the country and other factors such as litigation and labour negotiations. The Company assumes no responsibility to modify or revise any forward-looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.

For & on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

*Chairman and Managing Director*

Date: 16th May, 2018

Place: Kolkata

## CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015]

### INTRODUCTION

The Company always focuses on Good Corporate Governance which is a key driver of sustainable corporate growth and long term value creation. Your Company believes in conducting its affairs with the highest level of integrity, with proper authorizations, accountability, disclosure and transparency.

The details of the Corporate Governance compliance by the Company as per the Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are as under:

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

Corporate Governance is the system by which companies are directed and managed. Good Corporate Governance structure encourages Companies to create value through entrepreneurship, innovation, development and exploration and provide accountability and control systems commensurate with the risk involved.

India Carbon Limited believes in ensuring true Corporate Governance Practices to enhance long term Shareholder's value through corporate performance, transparency, integrity and accountability.

The Company is fully committed to and continues to follow procedures and practices in conformity with the Corporate Governance enshrined in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

#### 2. BOARD OF DIRECTORS – COMPOSITION:

The Board of Directors of the Company consists of an optimal mix of Executive/Non Executive Directors and Independent Directors who have in-depth knowledge of business, in addition to expertise in their areas of specialization. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that management adheres to high standards of ethics, transparency and disclosure. The Board consisted of 12(Twelve) Directors including two alternate Directors as on 31st March, 2018. The Board is headed by Mr. Rakesh Himatsingka, who is also the Managing Director. The Board meets the requirement not less than one half being Independent Directors. The size and composition of the Board confirms the requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015).

Independent directors are non-executive directors as defined under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2018 have been made by the directors. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. Except Mr. Rakesh Himatsingka & Mr. Shaurya Veer Himatsingka none of the Directors are related to each other.

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2018 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 Companies and Companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole. The Board periodically reviews compliance reports of all laws applicable to the Company.

The Composition and Category of Director as on 31st March, 2018 is as under:

**CORPORATE GOVERNANCE REPORT** (Contd.)

Sl. No.	Name of the Director	Category
1.	Mr. Rakesh Himatsingka Chairman & Managing Director	Executive Director (Promoter)
2.	Mr. Shaurya Veer Himatsingka Deputy Managing Director & CEO	Executive Director (Promoter)
3.	Mr. Tony William Grims	Non -Executive Director (Non- Promoter)
4.	Mr. Gordon Kenneth McIntosh	Non -Executive Director (Non- Promoter)
5.	Mr. Albert John Rolfe (Alternate to Mr. Gordon Kenneth McIntosh)	Non -Executive Director (Non- Promoter)
6.	Mr. Mark R. Jones (Alternate to Mr. Tony William Grims )	Non -Executive Director (Non- Promoter)
7.	Mr. Sunirmal Talukdar	Non-Executive and Independent Director
8.	Mr. Hemant Kumar Khaitan	Non-Executive and Independent Director
9.	Mr. Manoj Mohanka	Non-Executive and Independent Director
10.	Mr. Samar Jha	Non-Executive and Independent Director
11.	Mr. Soumendra Mohan Basu	Non-Executive and Independent Director
12.	Mrs. Susmita Ghose	Non-Executive and Independent Director

**Director Induction, Familiarization and Training**

The Company provides suitable training to the Independent Directors to familiarize them with the Company, their role, nature of the Industry in which the Company operates, business model of the Company etc.

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility. The Company has been organizing visits of the directors to its plants located at both Guwahati and Budge Budge with a view to familiarize them with the nature of Industry, operation, process and to interact with the management personnel and staff.

Directors are regularly briefed about the Industry specific issue by the Chairman to enable them understands the business environment. To enhance their knowledge and skill the directors are regularly updated on the changes in the policies, law and regulations, development in the business environment etc.

The details of such familiarization programmes have been uploaded in the website of the Company at [www.indiacarbonltd.com](http://www.indiacarbonltd.com).

**Board Meetings:**

During the year 2017-18, five Board Meetings were held on 8th May, 2017, 25th Day of August, 2017, 10th Day of November, 2017, 19th Day of January, 2018 & 28th Day of March, 2018. The necessary quorum was present for all the meetings. Video / Tele-conferencing facilities were used to facilitate directors travelling / residing abroad or at other locations to participate in the meetings. During the year 2017-18, information as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been placed before the board for its consideration.

The details of the attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships and Committee Memberships and disclosure of relationship between Directors inter-se are given below :-

Name of the Director	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	No. of other Committee Membership/ Chairmanship	Disclosure of relationship between Directors Inter-se	No. of Shares held by Director as on 31.03.2018
Mr. Rakesh Himatsingka	5	Yes	8	2	Father of Mr. Shaurya Veer Himatsingka	10445

**CORPORATE GOVERNANCE REPORT** (Contd.)

Name of the Director	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	No. of other Committee Membership/ Chairmanship	Disclosure of relationship between Directors Inter-se	No. of Shares held by Director as on 31.03.2018
Mr. Shaurya Veer Himatsingka	4	No	9	Nil	Son of Mr. Rakesh Himatsingka	237431
Mr. Gordon Kenneth McIntosh	Nil	No	Nil	Nil	None	Nil
Mr. Albert John Rolfe (Alternate to Mr. Gordon Kenneth McIntosh)	1	No	Nil	Nil	None	Nil
Mr. Tony William Grims	Nil	No	Nil	Nil	None	Nil
Mr. Mark R. Jones (Appointed as an Alternate Director to Mr. Eric P Johnson)	1	No	Nil	Nil	None	Nil
Mr. Hemant Kumar Khaitan	5	No	4	3	None	Nil
Mr. Manoj Mohanka	5	No	3	3	None	Nil
Mr. Samar Jha	4	No	2	1	None	Nil
Mr. Soumendra Mohan Basu	5	No	2	2	None	Nil
Mr. Sunirmal Talukdar	5	No	4	3	None	Nil
Mrs. Susmita Ghosh	5	No	Nil	Nil	None	Nil

- Note:** 1. Excludes directorship in Private Limited Companies and Foreign Companies  
2. Only Audit Committee and Shareholders' / Stakeholders' Relationship Committee have been considered for the Committee position

**Code of Conduct:** The Board of Directors has laid down a code of Conduct for all Board Members and the employees in Management grade of the Company. All Board Members and senior management personnel have confirmed Compliance with the Code. A declaration signed by the Managing Director is attached and form part of this Annual Report.

**To the Shareholders of India Carbon Ltd.  
Compliance with Code of Conduct**

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Dated: 16th May, 2018

**Rakesh Himatsingka**  
Chairman and Managing Director

**Code of Conduct for Independent Directors:** As per provisions of Section 149(8) of the Companies Act, 2013 the Company and Independent Directors shall abide by the provisions specified in schedule IV. Further schedule IV lays down a code for the Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a code for Independent Directors of the Company and the same has also been placed in the website of the Company.

### 3. COMMITTEE OF DIRECTORS:

#### A) Audit Committee:

The Audit Committee functions in accordance with Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Section 177 of the Companies Act, 2013.

**CORPORATE GOVERNANCE REPORT** (Contd.)**Composition of the Committee as on 31.03.2018 and its Meeting & Attendance during the financial year 2017-18:**

Name of the Member	Category	Position	No. of Meeting attended
Mr. Sunirmal Talukdar	Non-Executive and Independent Director	Chairman	5
Mr. Hemant Kumar Khaitan	Non-Executive and Independent Director	Member	5
Mr. Rakesh Himatsingka	Executive Director (Promoter)	Member	5
Mr. Soumendra Mohan Basu	Non-Executive and Independent Director	Member	5
Mr. Manoj Mohanka	Non-Executive and Independent Director	Member	5
Mr. Shaurya Veer Himatsingka	Executive Director (Promoter)	Member	4

All the Committee Members are financially literate and all of them have accounting or related financial management expertise. During the year 2017-18, five Audit Committee Meetings were held on 8th May, 2017, 25th Day of August, 2017, 10th Day of November, 2017, 19th Day of January, 2018 & 28th Day of March, 2018.

The Chief Finance Officer and the representatives of Statutory & Internal Auditors and other officials of the Company are invited to attend the Audit Committee Meetings as and when required.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors in their subsequent Meeting.

**Terms of reference:** The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

**B) Nomination and remuneration committee:**

The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the Company's website viz. [www.indiacarbonltd.com](http://www.indiacarbonltd.com). The broad terms of reference of the nomination and Remuneration Committee are as under:

**Terms of reference:** The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors and the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as Section 178 of the Companies Act, 2013.

The composition of the Nomination and remuneration Committee as on 31.03.2018 is as follows:

There was no meeting of Nomination and remuneration Committee of the Company held during the year ended 31.03.2018.

Name of the Member	Category	Position
Mr. Soumendra Mohan Basu	Independent Director	Chairman
Mr. Hemant Kumar Khaitan	Independent Director	Member
Mr. Manoj Mohanka	Independent Director	Member

The broad terms of reference of the Nomination & Remuneration is to determine on behalf of the Board of Directors of the Company, the Company's policy on specific remuneration packages for Managing Director/ Key Management Personnel and other senior employee of the Company.



**CORPORATE GOVERNANCE REPORT (Contd.)**

Details of Remuneration paid to all Directors during the financial year 2017-18:

**(i) Executive Directors –Managing Director/Deputy Managing Director:**

Name	Salary (₹)	Commission (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)	Service Contract	Notice Period (in months)	Severance fees
Mr. Rakesh Himatsingka (Chairman & Managing Director)	24,60,000/-	4,64,40,881/-	25,87,400/-	2,95,200/-	5,17,83,481/-	3 years (w.e.f 01/12/2016)	3	Nil
Mr. Shaurya Veer Himatsingka (Deputy Managing Director)	22,20,000/-	4,65,91,925/-	23,29,400/-	6,42,156/-	5,17,83,481/-	3 year (w.e.f ) 01/04/2017	3	Nil

**(ii) Non-Whole time/Non-Executive Directors:**

Non-Executive Directors	Sitting Fees paid for attending Board/Committee Meetings (₹.)
Mr. Hemant. K. Khaitan	2,10,000/-
Mr. Manoj Mohanka	2,10,000/-
Mr. Samar Jha	90,000/-
Mr. Soumendra Mohan Basu	2,25,000/-
Mr. Sunirmal Talukdar	2,10,000/-
Mrs. Susmita Ghosh	1,25,000/-

- Neither any stock option or nor any bonus paid to any of the Directors. No severance fees is payable to Directors.
- Non-Executive Directors were paid sitting fees of ₹ 20,000/- for attending each Board and Audit Committee Meeting and ₹ 10, 000/- for Independent Directors meeting and ₹ 5,000/- for other committee meetings.
- There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year 2017-18.

**C) Stakeholders Relationship Committee:**

In Compliance with the provisions of Section 178 of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 the Board has formed a "Stakeholders Relationship Committee"

Composition of the Shareholders Grievance Committee as on 31.03.2018 is as follows: -

Name of the Member	Position
Mr. Hemant Kumar Khaitan (Non-Executive Director)	Chairman
Mr. Samar Jha (Non-Executive Director)	Member
Mr. Rakesh Himatsingka	Member
Mr. Shaurya Veer Himatsingka	Member

The Committee looks into redressal of shareholders' complaints like transfer of shares, non-receipt of declared dividends and non-receipt of Balance Sheet etc. The Committee oversees the performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services.

No Meeting of Shareholders Grievance Committee was held during the year 2017-18.

Investors Complaints: Balance as on 01.4.2017 – Nil, Received during the year - Nil, Disposed off during the year - Nil, Balance as on 31.03.2018 - Nil.

**CORPORATE GOVERNANCE REPORT** (Contd.)**Warning against Insider Trading**

Comprehensive guidelines advising and cautioning the management, staff and other relevant business associates on the procedure to be followed while dealing with the securities of the Company have been issued and implemented.

**D) Share Transfer Committee:**

Your Company has formed a share transfer committee of the Board of Directors facilitating smooth operation of the share transfer process of the Company. The composition of the Share Transfer Committee as on 31.03.2018 is as follows:

Name of the Member	Position	Number of Meeting Attended
Mr. Rakesh Himatsingka	Chairman	5
Mr. Shaurya Veer Himatsingka	Member	5
Mr. Hemant Kumar Khaitan	Member	0

The Share Transfer Committee mainly reviews the process of share transfers, issue of duplicate certificates and certificates after splits/consolidation/ renewal and re-materialization. This Committee meets as and when required. During the year 2017-18, Five Share Transfer Committee Meetings were held on 07.06.2017, 27.06.2017, 24.07.2017, 04.08.2017 & 05.09.2017.

**E) Corporate Social Responsibility Committee**

Pursuant to Section 135 of Companies Act, 2013 with regards to Corporate Social Responsibilities your Company has constituted a Corporate Social Responsibility Committee comprising of the following Director:

Name of the Member	Position	Number of Meeting Attended
Ms. Susmita Ghose	Chairman	3
Mr. Soumendra Mohan Basu	Member	3
Mr. Rakesh Himatsingka	Member	3
Mr. Shaurya Veer Himatsingka	Member	2

**4. GENERAL BODY MEETINGS:** The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2016-17	18.09.2017	10.00 A.M	Registered Office at Noonmati, Guwahati, Assam
2015-16	29.09.2016	10.00 A.M	Same as above
2014-15	18.09.2015	10.00 A.M.	Same as above

**Special Resolutions passed in the previous three AGMs:**

AGM held on 18.09.2017	(1) Re-appointment of Mr. Rakesh Himatsingka as Managing Director. (2) Re-appointment of Mr. Shaurya Veer Himatsingka as Deputy Managing Director. (3) Consent of the share holder of the Company accorded to the Company for investment up to an amount of ₹ 100 Crore in excess of the amount prescribed in section 186 of Companies Act, 2013
AGM held on 29.09.2016	(1) Issue of fresh 10,000 nos.- 9.3% Redeemable Cumulative Preference Shares of ₹ 100/- each aggregating to ₹ 10 lakh to the Government of Assam for the purpose of redemption of and/or in lieu of existing 10,000- 9.3% Redeemable Cumulative Preference Shares of ₹ 100/- each held by them at par.
AGM held on 18.09.2015	(1) Approval of share holder accorded to the Board for borrowing fund in excess of paid up share capital and free reserve under section 180 of Companies Act, 2013 up to a limit of ₹ 200 Crore

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM. However the members are provided with the facility to cast their vote electronically on all the resolutions set out in the Notice of 56th Annual General Meeting.

## CORPORATE GOVERNANCE REPORT (Contd.)

### DISCLOSURES

**(a) Disclosure on materially significant related party transactions**

During the financial year ended 31st March, 2018 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Suitable disclosure as required by the Ind As has been made in Note no. 37 of the financial statements.

**(b) Disclosure on accounting treatment**

The Company adopted the Indian Accounting Standards ("IndAS") notified under the Companies (Indian Accounting Standard) Rules, 2015 during the year for preparation and presentation of these Financial Statements. Consequently, the financial statements of the previous year have had to be restated to conform to the provisions of IND As. The corresponding reconciliation and description of the effects of this transition from the provisions of the Companies (Accounting Standards) Rules, 2006 has been provided under Note 3 to the Financial Statements.

**(c) Details of Non Compliance by the Company, Penalties, Strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory Authority on matters relating to the capital Markets:**

There has been no instance of non-compliance of any requirement of the Uniform Listing Agreement entered with the stock exchange as well as regulation and guideline of SEBI as may be applicable to the Company. No Penalties or Strictures were imposed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last three years.

**(d) Risk Management**

The Company has set up a risk management committee and has a well-defined risk management framework in place. A detailed exercise is being carried out to identify, evaluate, manage and monitor risks of the Company. During the year no Risk Management Committee meeting was held and no major risks were noticed, which may threaten the existence of the Company.

**(e) Vigil Mechanism/ Whistle Blower Mechanism:**

A Vigil Mechanism/ Whistle Blower Policy pursuant to Section 177(9) of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 have been formulated for Directors and Employees of the Company and the same is available on the Company's website.

**(f) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015:**

The Company in view of good corporate practice has voluntarily complied with the requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 pertaining to Corporate Governance. Adoptions of non-mandatory requirements of the aforesaid regulations are being reviewed by the Board from time to time.

### 5. MEANS OF COMMUNICATION:

- a) Quarterly Results are published in daily newspapers viz. Business Standard (English) and Niyomiya Barta (Assamese - local language). The Annual Report is posted to every Shareholder of the Company. The quarterly as well as annual financial results have also been posted on the Company's website – [www.indiacarbonltd.com](http://www.indiacarbonltd.com).
- b) Management's Discussions & Analysis Report forms part of this Annual Report, which is also being posted to all Shareholders of the Company.
- c) Official news releases, if any, are given to the press from time to time.
- d) Presentations to institutional investors or to the analysts: As and when made.

### 6. SUBSIDIARY COMPANIES

There is no major non-listed Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Director of the Company on the Board of Directors of the Subsidiary Companies. The requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regards to subsidiary Company has been complied with.

**CORPORATE GOVERNANCE REPORT** (Contd.)**7. PREVENTION OF INSIDER TRADING**

The Company has adopted a code of conduct with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires a pre-clearance for dealing in the Company's shares and prohibits the purchase and sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when trading window is closed. The Code of practices & procedures for fair disclosure of unpublished Price sensitive information Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 has been uploaded into the Company's website.

All directors of the Company and designated employee has confirmed with compliance with the code

**8. CFO & CEO CERTIFICATION**

The Chief Financial officer and the Chief Executive officer of the Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is attached and form part of the Annual Report.

**9. COMPLIANCE CERTIFICATE OF THE AUDITOR**

Certificate from Company's statutory Auditor confirming compliance with the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of the Annual Report.

**10. GENERAL SHAREHOLDERS INFORMATION:**

- a) Annual General Meeting is proposed to be held on 18th September, 2018 at 10.00 AM at Registered Office at Noonmati, Guwahati, Assam.
- b) **Financial Calendar** : 1st April, 2018 to 31st March, 2019 (Tentative)

Financial Results for the quarter ending 30th June, 2018	Within 45 days of 1st Quarter ended
Financial Results for the quarter ending 30th September, 2018	Within 45 days of 2nd Quarter ended
Financial Results for the quarter ending 31st December, 2018	Within 45 days of 3rd Quarter ended
Financial Results for the quarter ending 31st March, 2019	Within 60 days of 4th Quarter ended

**c) Date of Book Closure:**

The Register of Members and Share Transfer Books of the Company will remain closed from 12th September, 2018 to 18th September, 2018 (both days inclusive).

**d) Dividend Payment Date:** Within 30 days from AGM if approved by the Shareholders.

The Company had transferred to Investor Education and Protection Fund requisite amount and had also filed necessary form with Register of Companies during the F.Y. 2017-18. There were no unpaid dividends, matured deposits, debentures or accrued interest thereon, application money due for refund which has remained unpaid or unclaimed for seven years or more.

**e) Registrars and Share Transfer Agent:**

M/s. C. B. Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019, a SEBI registered Registrar, are the Registrars & Share Transfer Agent of the Company and are processing the transfers, sub-division, consolidation, splitting of securities, etc. The Company's shares can be traded in the Stock Exchanges only in the dematerialized form and any request for dematerialization and re-materialization should be sent directly to M/s. C.B. Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019. The Company has already entered into agreements with NSDL and CDSL for the purpose of dematerialization of shares, Demat ISIN Number in NSDL and CDSL: INE 743B01015.

**f) Share Transfer System:**

The shares in physical form for transfer should be lodged at the Office of the Company's Registrar and Share Transfer Agent, CB Management Services (P) Ltd., Kolkata or at the Registered Office of the Company. The transfers are processed within 10 days from the date of receipt of such request for transfer, if technically found to

**CORPORATE GOVERNANCE REPORT (Contd.)**

be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in securities of any Company's equity shares in dematerialized form.

**g) Distribution of Shareholding as on 31st March, 2018:**

No. of Shares	No. of Shareholders	No. of Shares
1-500	3,062	2,29,594
501-1000	58	41,177
1001-2000	17	25,947
2001-3000	5	11,664
3001-4000	1	3,236
4001-5000	0	0
5001-10000	5	35,001
10001-50000	10	2,28,557
50001-100000	4	2,97,212
100001 and above	8	17,77,612
<b>TOTAL</b>	<b>3,170</b>	<b>26,50,000</b>

**Shareholding Pattern as on 31st March, 2018:**

Shareholders	Total No. of shares	Percentage to Total Issued Shares
Promoters	6,50,894	24.56
Persons acting in Concert	0	0.00
Mutual Funds, Banks, Financial Institutions and Insurance Companies	15,215	0.57
Others	19,83,891	74.87
<b>Total</b>	<b>26,50,000</b>	<b>100.00</b>

- a) Dematerialization of Shares: As per the notification issued by SEBI, the shares of the Company are traded compulsorily in dematerialized form by all investors with effect from 26th March, 2001. As on 31st March, 2018, 24.08% of the Company's paid up equity capital representing 6,39,626 shares were held in Demat form.

No. of shares in Physical segment	20,10,374	75.86%
No. of shares in Demat segment	6,39,626	24.14%

**Dematerialization:**

The shareholders should open a Demat account with a Depository Participant (DP) for dematerialization of shares. The person has to submit a Demat request Form duly filled up along with the share certificates to his DP. The DP will allocate a Demat request number and shall forward the same physically as well as electronically, through NSDL/CDSL, to the Registrar and Share Transfer Agent. On receipt of the Demat request both physically and electronically and after verification, the shares are dematerialized and an electronic credit of shares is given in the account of the shareholder.

- b) Listing of Equity Shares on Stock Exchange:

The Company's equity shares are listed on the Stock Exchange in Kolkata.

**Name of the Stock Exchanges**

The Calcutta Stock Exchange Ltd

**Stock Code**

19205

Stock Market Price of the Company's Share vis-à-vis Sensex:

No trading took place during the year 2017-18

**12. PLANT LOCATIONS :**

A) Noonmati, Guwahati - 781020, Assam.

B) 35, Deshbandhu Chittaranjan Road, Budge Budge, 24 Parganas (South), Kolkata - 700 137.

## CORPORATE GOVERNANCE REPORT *(Contd.)*

### 13. ADDRESS FOR CORRESPONDENCE:

For transfer/dematerialization of shares  
payment of dividend on shares, interest  
and redemption of debentures, and any  
other query relating to the shares and  
debentures of the Company.

Any query on Annual Report

C B Management Services (P) Ltd  
P-22 , Bondel Road ,  
Kolkata - 700019  
Telephone : 40116700,40116711  
40116718, 40116723, 2280-6692/93/94  
Fax No. : 033 2230 -7507  
E mail : rta@cbmsl.com

Secretarial Department  
"Temple Chambers", 4<sup>th</sup> Floor  
6, Old Post Office Street,  
Kolkata - 700 001  
Ph: (033) 2248-7856/9

For & on behalf of the Board of Directors

Sd/-

**Rakesh Himatsingka**

(DIN: 00632156)

*Chairman and Managing Director*

Date: 16th May, 2018

Place: Kolkata

## CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

**India Carbon Limited**

We have examined the compliance of conditions of corporate governance by India Carbon Limited for the year ended on 31st March, 2018, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Uniform Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance 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 **S. SAMANTA & CO**

*Chartered Accountants*

Firm Registration No. 305020E

Sd/-

**S.Samanta**

*(PARTNER)*

Membership No .007200

Place: Kolkata

Dated: 16th May, 2018

**CORPORATE GOVERNANCE REPORT** (Contd.)**CFO/CEO CERTIFICATION**

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

In terms of regulation 17(8) of SEBI (LODR) Regulations, 2015, Chief Executive Officer and Chief Financial officer of the Company has certified to the Board that:

- A. We have reviewed financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) 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 are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
- (1) there has not been any significant change in internal control over financial reporting during the year;
  - (2) there has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (3) we are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 16.05.2018  
Place: Kolkata

For, **INDIA CARBON LIMITED**  
**Mr. Shaurya Veer Himatsingka**  
(Chief Executive Officer)

For, **INDIA CARBON LIMITED**  
**Mr. Pankaj Misra**  
(Chief Financial Officer)

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
INDIA CARBON LIMITED

### Report on the Financial Statements

1. We have audited the accompanying IND AS financial statements of India Carbon Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), and Cash Flow Statement and the Statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the act read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these IND AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the IND AS financial statements are free from material misstatements.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the IND AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the IND AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the IND AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company directors, as well as evaluating the overall presentation of the IND AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the state of affairs as



**INDEPENDENT AUDITOR'S REPORT** (Contd.)

at March 31, 2018., and its Profit including other comprehensive income, its Cash Flow and changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies(Auditor's Report) Order 2016 ("the Order") as amended, issued by Central Government of India in terms of subsection(11) of Section 143 of the act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 & 4 of the order.
10. As required by section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit & Loss, Cash Flow Statement and statement of changes in equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion the aforesaid IND AS financial statements comply with the Accounting Standards specified under section 133 of the act read with Rule 7 the companies (Accounts) Rules 2014.
  - e. On the basis of written representations received from the directors as on March 31,2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2018, from being appointed as a director in terms of sub section(2) of section 164 of the Act.
  - f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit & Auditors) Rules 2014, in our opinion and to best of our information and according to the explanation given to us:
    - i) The Company has disclosed the impact of pending litigation on its financial position in its IND AS financial statement if any.
    - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred to the investor's education and protection fund by the company.

Place: Kolkata  
Dated: 16th May, 2018

For **S. SAMANTA & CO**  
Chartered Accountants  
Firm Registration No. 305020E  
Sd/-  
**S.Samanta**  
(PARTNER)  
Membership No .007200

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 9 of the Independent Auditors Report of even date to the members of India Carbon Limited on the Financial Statements as of and for the year ended March 31, 2018.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets except furniture and fittings have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) (a) The management has conducted the physical verification of inventory during the year.
- (b) No material discrepancies have been noticed in physical verification of the inventory.
- (iii) The Company has not granted any Loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the Register maintained under sec 189 of the act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security if any.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 & 76 of the Act and the Companies (acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has specified the maintenance of Cost Records under section 148(1) of the Act for any of the products of the Company. We have broadly reviewed the books of account maintained by the Company and are of the opinion that prima-facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanation given to us and the records of the company examined by us, in our opinion the Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of income tax, sales tax, customs duty, excise duty, service tax, Goods and Service Tax and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty and value added tax which have not been deposited on account of any dispute, except following :

Name of the Statute	Nature of dues	Amount ₹	Period to which relates	Forum where the dispute is pending
W.B.VAT Act, 2003	Sales Tax	147304	2010-11	President, appellate & revisional board, Commercial Taxes, West Bengal
DO	DO	148265	2014-15	DO
C.S.T Act	Sales Tax	1984414	2014-15	DO

- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company has not taken any loan from the Government and has not issued any debentures.
- (ix) According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions of banks of debenture holders as at balance sheet date.
- (x) According to the Audit procedures performed and the information and explanations given to us by management, we have noticed no fraud by the Company or its officers or employees during the year.

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT** *(Contd.)*

- (xi) According to the records of the company examined by us and the information and explanations given to us, the managerial remuneration has been paid as per the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of this clause of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us by management, the company has no transaction with the related parties during the year which requires compliance with section 177 and 188 of Companies Act, 2013.
- (xiv) According to the information and explanations given to us by management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of this clause of the Order are not applicable to the Company.
- (xv) According to the audit procedures performed and the information and explanations given to us by management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of this clause of the Order are not applicable to the Company.
- (xvi) Since the Company is a manufacturing company, hence the provisions of this clause of the order are not applicable to the Company.

Place: Kolkata  
Dated: 16th May, 2018

For **S. SAMANTA & CO**  
*Chartered Accountants*  
Firm Registration No. 305020E  
Sd/-  
**S.Samanta**  
*(PARTNER)*  
Membership No .007200

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDIA CARBON LIMITED**

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

- i. We have audited the internal financial controls over financial reporting of India Carbon Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

- iii. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- iv. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- v. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDIA CARBON LIMITED (Contd.)****Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

- viii. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. SAMANTA & CO**

*Chartered Accountants*

Firm Registration No. 305020E

Sd/-

**S.Samanta**

*(PARTNER)*

Membership No .007200

Place: Kolkata

Dated: 16th May, 2018

**BALANCE SHEET** as at 31st March, 2018

(Amount in ₹)

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	4A	104887685	100973003	73829560
Capital work-in-progress	4A	28095468	23238177	18459725
Intangible Assets	4B	1399818	0	0
Financial Assets:				
Investments	5	675942015	278551500	117082500
Other financial assets	6	4148548	4156239	3444606
Other non-current assets	7	4350266	4406763	4463260
<b>Total Non - Current Assets</b>		<b>818823800</b>	<b>411325682</b>	<b>217279651</b>
<b>Current Assets</b>				
Inventories	8	603997504	255220444	303047306
Financial Assets:				
Investments	9	537173663	0	0
Trade Receivables	10	208404372	85660655	324408905
Cash and cash equivalents	11	270082943	9336013	631202
Other Bank Balances	12	125108183	10320954	26883918
Other financial assets	13	207009681	251842682	32652288
Other Current Assets	14	152404483	30212917	65043247
<b>Total Current Assets</b>		<b>2104180829</b>	<b>642593666</b>	<b>752666866</b>
<b>Total Assets</b>		<b>2923004629</b>	<b>1053919349</b>	<b>969946517</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	15	265000000	265000000	265000000
Other Equity	16	1553483132	689566832	398965868
<b>Total Equity</b>		<b>1579983132</b>	<b>716066832</b>	<b>425465868</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial Liabilities:				
Borrowings	17	9828327	9109259	9049146
Provisions	18	2997048	2182846	2023715
Deferred Tax Liabilities (Net)	19	134017325	87983086	24881944
<b>Total Non-current liabilities</b>		<b>146842700</b>	<b>99275191</b>	<b>35954805</b>
<b>Current Liabilities</b>				
Financial Liabilities				
Borrowings	20	618137897	50125187	402149403
Trade Payables	21	106317622	59236507	85942889
Other financial liabilities	22	242177038	111856276	17087236
Other Current Liabilities	23	166896310	5833393	841716
Provisions	24	1670230	997985	844166
Current Tax Liabilities (Net)	25	60979700	10527979	1660434
<b>Total Current Liabilities</b>		<b>1196178797</b>	<b>238577326</b>	<b>508525844</b>
<b>Total Liabilities</b>		<b>1343021497</b>	<b>337852517</b>	<b>544480649</b>
<b>Total Equity and Liabilities</b>		<b>2923004629</b>	<b>1053919349</b>	<b>969946517</b>

The accompanying notes form an integral part of the Balance Sheet.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

**S. Samanta**

Partner

Place: Kolkata,

Date: 16th May, 2018

**Rakesh Himatsingka**

Chairman &amp; Managing Director

DIN: 00632156

**Shaurya Veer Himatsingka**

Deputy Managing Director &amp; CEO

DIN: 01200202

**Sunirmal Talukdar**

Director

Din: 00920608

**Pankaj Kumar Misra**

Chief Financial officer

**Hemant Kumar Khaitan**

Director

Din: 00220049

**Bhaskar Rakshit**

Company Secretary

**PROFIT AND LOSS STATEMENT** for the year ended 31st March, 2018

(Amount in ₹)

<b>PARTICULARS</b>	<b>Note No.</b>	<b>Year ended 31.03.2018</b>	<b>Year ended 31.03.2017</b>
Revenue from Operations	26	<b>3429525229</b>	1422511967
Other Income	27	<b>93343475</b>	230179265
<b>Total Income</b>		<b>3522868704</b>	1652691232
<b>Expenses</b>			
Cost of Materials Consumed	28	<b>1927075061</b>	991086144
Cost of Materials Sold	29	<b>104209061</b>	18365378
Changes in Inventories of Finished Goods	30	<b>(10867186)</b>	6297896
Excise Duty	31	<b>39576736</b>	134471400
Employee Benefits Expense	32	<b>166571129</b>	80368234
Finance Costs	33	<b>31999599</b>	21492197
Depreciation and Amortization Expense	4	<b>14781678</b>	12557844
Other Expenses	34	<b>225457168</b>	156584082
<b>Total Expenses</b>		<b>2498803245</b>	1421223175
<b>Profit (Loss) Before Tax</b>		<b>1024065459</b>	231468057
<b>Tax Expense:</b>			
Current tax		<b>226590184</b>	38533439
Deferred tax		<b>4349264</b>	4143778
<b>Profit (Loss) for the Year</b>		<b>793126011</b>	188790840
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		<b>(5021539)</b>	(701512)
Equity Instruments Through Other Comprehensive Income		<b>125470500</b>	161469000
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		<b>(1737854)</b>	(242779)
Equity Instruments Through Other Comprehensive Income		<b>43422831</b>	59200143
<b>Total Other Comprehensive Income, Net of Tax</b>		<b>78763984</b>	101810124
<b>Total Comprehensive Income for the Year</b>		<b>871889995</b>	290600964
<b>Earning per equity share of ₹ 10/- each</b>	35		
Basic		<b>299.29</b>	71.24
Diluted		<b>299.29</b>	71.24

The accompanying notes form an integral part of Statement of Profit and Loss.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

**S. Samanta**

Partner

Place: Kolkata,

Date: 16th May, 2018

**Rakesh Himatsingka**

Chairman &amp; Managing Director

DIN: 00632156

**Shaurya Veer Himatsingka**

Deputy Managing Director &amp; CEO

DIN:01200202

**Sunirmal Talukdar**

Director

Din:00920608

**Pankaj Kumar Misra**

Chief Financial officer

**Hemant Kumar Khaitan**

Director

Din: 00220049

**Bhaskar Rakshit**

Company Secretary

**CASH FLOW STATEMENT** for the year ended 31st March, 2018

(Amount in ₹)

<b>PARTICULARS</b>	<b>Year ended 31.3.2018</b>		<b>Year ended 31.3.2017</b>	
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Profit before tax		<b>1024065459</b>		231468057
Adjustments for :				
Depreciation / Amortisation Expense	<b>14781678</b>		12557844	
Amortisation of Prepayments	<b>56497</b>		56497	
Finance Costs	<b>31999599</b>		21492197	
Actuarial Loss on Defined Benefit Plans	<b>(5021539)</b>		(701512)	
Net (Gain) Loss on Sale of Assets	<b>(110302)</b>		(14,390)	
Interest Income	<b>(32240178)</b>		(4121710)	
Dividend Income	<b>(3521696)</b>		0	
Liabilities No Longer Required written back	<b>(61142)</b>		(45,254)	
(Gain) / Loss on Sale of Investments	<b>(3143051)</b>		–	
Net Gain on Investment in Mutual Funds carried at fair value through profit or loss	<b>(4141928)</b>		–	
Foreign Exchanges Differences (Net)	–		31,434	
Bad Debts / Advances written off	–		4,664,992	
		<b>(1402062)</b>		33920098
<b>Operating Profit before Working Capital changes</b>		<b>1022663396</b>		265388155
Adjustments for:				
Trade Receivables, Loans, Advances and Other Assets	<b>(109033435)</b>		49883022	
Inventories	<b>(348777059)</b>		47826862	
Trade Payables, Other Liabilities and Provisions	<b>339813236</b>	<b>(117997258)</b>	73501330	171211214
<b>Cash Generated from Operations</b>		<b>904666139</b>		436599369
Income Tax Paid		<b>(176138463)</b>		(29665894)
<b>NET CASH FROM OPERATING ACTIVITIES - (A)</b>		<b>728527676</b>		406933476
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant & Equipments including Capital Work in Progress		<b>(23394926)</b>		(45278115)
Addition to Intangible Assets		<b>(1600000)</b>		
Sale of Property, Plant & Equipments		<b>151760</b>		812766
Investment in Mutual Funds		<b>(1125396200)</b>		0
Advance against Investment in Mutual Funds		<b>(92090000)</b>		0
Sale of Investment in Mutual Funds		<b>323587500</b>		0
Investment in Bank Deposits (Original Maturity more than three months)		<b>(113559240)</b>		15571275
Interest Income		<b>32240178</b>		4121710
Dividend Income		<b>3521696</b>		0
<b>NET CASH USED IN INVESTING ACTIVITIES - (B)</b>		<b>(996539232)</b>		(24772364)



**CASH FLOW STATEMENT** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

<b>PARTICULARS</b>	<b>Year ended 31.3.2018</b>		<b>Year ended 31.3.2017</b>	
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings		<b>719068</b>		60113
Proceeds from Short Term Borrowings		<b>568012710</b>		(352024216)
Finance Costs		<b>(31999599)</b>		(21492197)
Dividend Paid		<b>(6625000)</b>		0
Income Tax on Dividend Paid		<b>(1348694)</b>		0
<b>NET CASH FROM FINANCING ACTIVITIES - (C)</b>		<b>528758486</b>		<b>(373456300)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>		<b>260746930</b>		8704811
Add: Balance of Cash and Cash Equivalents As At 31.3.2017		<b>9336013</b>		631202
Balance of Cash and Cash Equivalents As At 31.3.2018		<b>270082943</b>		9336013

The accompanying notes form an integral part of the Cash Flow Statement.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

**S. Samanta**

Partner

Place: Kolkata,

Date: 16th May, 2018

**Rakesh Himatsingka**

Chairman & Managing Director

DIN: 00632156

**Shaurya Veer Himatsingka**

Deputy Managing Director & CEO

DIN:01200202

**Sunirmal Talukdar**

Director

Din:00920608

**Pankaj Kumar Misra**

Chief Financial officer

**Hemant Kumar Khaitan**

Director

Din: 00220049

**Bhaskar Rakshit**

Company Secretary

**STATEMENT OF CHANGES IN EQUITY** for the year ended 31st March, 2018

(Amount in ₹)

**A. Equity Share Capital**

	No. of Shares	Amount
Equity Shares of ₹ 10 Each, subscribed and fully paid <b>As at 1st April, 2016</b>	2650000	26500000
Changes in Equity Share Capital during the year <b>As at 31st March, 2017</b>	—	—
Changes in Equity Share Capital during the year <b>As at 31st March, 2018</b>	<b>2650000</b>	<b>26500000</b>

**B. Other Equity**

	Attributable to Equity Share holders of the Company							Total
	Reserves and surplus					Other Comprehensive Income		
	Securities Premium Account	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income	
As at 1 April, 2016	7500000	1000000	6400	319806239	(11821716)	82474945	0	398965868
Transfers	0	1000000	0	(1000000)	0	0	0	0
Profit for the year	0	0	0	0	188790840	0	0	188790840
Other Comprehensive Income (Net of Tax)		0				102268857	(458733)	101810124
<b>Total comprehensive income for the year</b>	<b>7500000</b>	<b>2000000</b>	<b>6400</b>	<b>318806239</b>	<b>176969124</b>	<b>184743802</b>	<b>(458733)</b>	<b>689566832</b>
Transactions with owners in their capacity as owners:	0	0	0	0	0	0	0	0
<b>As at 31 March, 2017</b>	<b>7500000</b>	<b>2000000</b>	<b>6400</b>	<b>318806239</b>	<b>176969124</b>	<b>184743802</b>	<b>(458733)</b>	<b>689566832</b>
Profit for the year		0	0	0	793126011	0	0	793126011
Other Comprehensive Income (Net of Tax)		0	0	0	0	82047669	(3283685)	78763984
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>793126011</b>	<b>82047669</b>	<b>0</b>	<b>871889995</b>
Transactions with owners in their capacity as owners:	0	0	0	0	0	0	0	0
Final Dividend on Equity Shares and Dividend Distribution Tax thereon for the year 2016-17					7973694			7973694
<b>As at 31st March, 2018</b>	<b>7500000</b>	<b>2000000</b>	<b>6400</b>	<b>318806239</b>	<b>962121440</b>	<b>266791471</b>	<b>(458733)</b>	<b>1553483132</b>

The accompanying notes form an integral part of the Statement of Changes in Equity.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

**S. Samanta**

Partner

Place: Kolkata,

Date: 16th May, 2018

**Rakesh Himatsingka**

Chairman &amp; Managing Director

DIN: 00632156

**Shaurya Veer Himatsingka**

Deputy Managing Director &amp; CEO

DIN:01200202

**Sunirmal Talukdar**

Director

Din:00920608

**Pankaj Kumar Misra**

Chief Financial officer

**Hemant Kumar Khaitan**

Director

Din: 00220049

**Bhaskar Rakshit**

Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2018

### 1. Company Background

India Carbon Limited (the 'Company') is a public limited company incorporated and domiciled in India. The equity shares of the Company are listed on The Calcutta Stock Exchange Limited. Registered office of the Company is located at Noonmati, Guwahati-781020, Assam.

The Company is mainly engaged in the business of manufacturing and selling of Carbon products.

The Financial Statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 16th May 2018.

### 2. Significant Accounting Policies:

This Note provides a list of the significant accounting policies adopted in the preparation of the Financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of Preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, to the extent applicable.

The financial statements upto the year ended March 31, 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles (Previous GAAP) applicable in India and the applicable Accounting Standards as per the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, to the extent applicable.

These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is April 1, 2016. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 3.

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

##### (ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

##### (iii) Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current.

**(b) Use of Estimates**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Claims, Provisions and Contingent Liabilities:**

In case of any ongoing dispute / litigation, where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

**4. Actuarial Valuation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)***(c) Fair Value Measurement**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds. The mutual funds are valued using the closing Net Asset Value.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

**(d) Property, Plant and Equipment**

Freehold land is carried at carrying value as per previous GAAP. All other items of Properties plant and equipment are stated at their cost of acquisition or construction and are net of accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation Method, Estimated Useful Lives And Residual Values: Depreciation is calculated on a pro-rata basis using the Diminishing Balance Method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are as follows:

Buildings - 30 to 60 years

Plant and Equipments - 8 to 15 years

Furniture and Fixtures - 10 years

Vehicles - 8 years

Office Equipments - 3 to 6 years

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

**(e) Intangible Assets****Computer Software**

Software for internal use, which is primarily acquired from third-party vendors is capitalised at cost. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

**Amortisation Method**

Application software is amortised over the estimated economic useful life of 6 years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

**(f) Impairment of Non-financial Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units)

**(g) Research & Development:**

Revenue expenditure on research and development is charged as expense in the year in which it is incurred. Capital expenditure on research and development is shown as an addition to Fixed Assets.

**(h) Leasehold Land**

Leasehold rights over land has been classified as operating lease and the carrying amount as per old GAAP of the leasehold rights over land as on 01.04.2016 has been considered as Advance payment and shown under other non-current assets. The amount which will be adjusted within next 12 months is being shown under the head other current assets. This Advance Lease payment is charged off over the tenure of the lease on straight line basis.

**(i) Financial Instrument****A. Financial Assets**

Financial assets, where applicable are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

**i) Classification**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

The financial assets are classified as those measured at:

1. amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
2. fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

3. fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

**Investments in Subsidiary**

Investment in subsidiary is carried at cost less provision for impairment.

Investments (Other than Investments in Subsidiaries) and Other Financial Assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt Instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**\*Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

**\* Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income'.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

**\* Fair Value through Profit or Loss :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

**Equity Instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

**iii) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**B. Financial Liabilities**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

**De-recognition of financial liabilities**

A financial liability are de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(j) Inventories**

Raw materials, stores and spare parts are valued at the lower of cost and net realisable value. Cost includes purchase price, duties and taxes, freight and other expenditure incurred in bringing such inventories to their present location and condition. In determining cost, 'first in first out' method is used. The carrying costs of raw materials, stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products, in which they will be incorporated, are expected to be sold below cost. Finished goods are valued at the lower of cost and net realisable value. Cost comprises of direct material, labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Traded finished goods are valued at the lower of cost and net realisable value.

**(k) Revenue**

Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to customers and it is not unreasonable to expect ultimate collection of the sale consideration that is being recognised as revenue.

Dividend income is recognised when the right to receive payment is established.



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**(l) Income from Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- a. related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- b. related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- c. by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**(m) Foreign exchange transactions**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

**(n) Employee benefits**

The Company's obligations towards various employee benefits have been recognised as follows:

**Short term benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

**Post-employment benefits**

- a) Monthly contributions to Provident Funds which are in the nature of defined benefit schemes are charged to Statement of Profit and Loss and deposited with the Provident Fund administered through the Company's trust on a monthly basis.
- b) The administration of the gratuity scheme which is in the nature of defined benefit plan, has been entrusted to Gratuity Trust. Annual charge is recognised on the basis of actuarial valuation at the Balance Sheet date, conducted by an independent actuary appointed by the Company and payments are made to Trust on the basis of annual contribution determined by the actuary. The Company recognizes all actuarial gains and losses in the Statement of Profit and Loss.

**Termination benefits**

Costs of termination benefits have been recognised only when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle such obligation and the amount of the obligation can be reliably estimated.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)***(o) Income taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

- a. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.
- b. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably certain (as the case may be) to be realised.

**c. Dividend Distribution**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**(p) Provisions and Contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**Contingent liability is disclosed for:**

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

**(q) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)**3. First-time Adoption of Ind AS**

- (i) Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:
- recognising all assets and liabilities whose recognition is required by Ind AS,
  - not recognising items of assets or liabilities which are not permitted by Ind AS,
  - reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
  - applying Ind AS in measurement of recognised assets and liabilities.

**(ii) Reconciliations between Previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

**Reconciliation of Equity as at the Date of Transition (1st April, 2016)****(Amount in ₹)**

	<b>Note</b>	<b>Previous GAAP*</b>	<b>Adjustments</b>	<b>Ind AS</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	iii(a), iv(a)	78804876	(4975316)	73829560
Capital work-in-progress		18459725	0	18459725
Financial Assets:				
Investments	iv(c)	7004000	110078500	117082500
Other financial assets	iv(d)	3219472	225134	3444606
Deferred Tax Assets (Net)	iv(e)	1356611	(1356611)	0
Other non-current assets	iv(a)	0	4463260	4463260
<b>Total Non - Current Assets</b>		<b>108844684</b>	<b>108434967</b>	<b>217279651</b>
<b>Current Assets</b>				
Inventories	iv(f)	315849754	(12802448)	303047306
Financial Assets:				
Investments		0	0	0
Trade Receivables		324408905	0	324408905
Cash and cash equivalents		631202	0	631202
Other Bank Balances	iv(d)	27201844	(317926)	26883918
Other financial assets		32652288	0	32652288
Current Tax Assets		0	0	0
Other Current Assets	iv(a)	64986750	56497	65043247
<b>Total Current Assets</b>		<b>765730743</b>	<b>(13063877)</b>	<b>752666866</b>
<b>Total Assets</b>		<b>874575427</b>	<b>95371090</b>	<b>969946517</b>

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

	Note	Previous GAAP*	Adjustments	Ind AS
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	iv(g)	27500000	(1000000)	26500000
Other Equity	iv( c)	315226544	83739324	398965868
<b>Total Equity</b>		342726544	82739324	425465868
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
Borrowings		9049146	0	9049146
Provisions		2023715	0	2023715
Deferred Tax Liabilities (Net)	iv(e)	0	24881944	24881944
<b>Total Non-current liabilities</b>		11072861	24881944	35954805
<b>Current Liabilities</b>				
Financial Liabilities				
Borrowings	iv(g)	401149403	1000000	402149403
Trade and Payables		85942889	0	85942889
Other financial liabilities		17087236	0	17087236
Other Current Liabilities		841716	0	841716
Provisions	iv(f)	14094344	(13250178)	844166
Current Tax Liabilities (Net)		1660434	0	1660434
<b>Total Current Liabilities</b>		520776022	(12250178)	508525844
<b>Total Liabilities</b>		531848883	12631766	544480649
<b>Total Equity and Liabilities</b>		874575427	95371090	969946517

\* The Previous GAAP Figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this Note.

**Reconciliation of Equity as at 31st March, 2017**

	Note	Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	iii(a), iv(a)	105436263	(4463260)	100973003
Capital work-in-progress	iv(a)	23318049	(79872)	23238177
Financial Assets:				
Investments	iv(c)	6990000	271561500	278551500
Other financial assets	iv(d)	2935417	1220822	4156239
Other non-current assets	iv(a)	0	4406763	4406763
<b>Total Non - Current Assets</b>		138679729	272645953	411325682

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

	Note	Previous GAAP*	Adjustments	Ind AS
<b>Current Assets</b>				
Inventories	iv(f)	267084253	(11863809)	255220444
Financial Assets:				
Investments		0	0	0
Trade Receivables		85660655	(0)	85660655
Cash and cash equivalents		9336013	0	9336013
Other Bank Balances	iv(d)	11541776	(1220822)	10320954
Other financial assets		251842682	0	251842682
Current Tax Assets		0	0	0
Other Current Assets	iv(a)	30156422	56495	30212917
<b>Total Current Assets</b>		655621801	(13028135)	642593666
<b>Total Assets</b>		794301530	259617819	1053919349
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		26500000	0	26500000
Other Equity	iv(b),(c),(h)	503242925	186323907	689566832
<b>Total Equity</b>		529742925	186323907	716066832
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
Borrowings		9109259	0	9109259
Provisions		2182846	0	2182846
Deferred Tax Liabilities (Net)	iv(e)	2825365	85157721	87983086
<b>Total Non-current liabilities</b>		14117470	85157721	99275191
<b>Current Liabilities</b>				
Financial Liabilities				
Borrowings		50125187	(0)	50125187
Trade and Payables		59236507	(0)	59236507
Other financial liabilities		111856276	0	111856276
Other Current Liabilities		5833393	0	5833393
Provisions	iv(f)	12861794	(11863809)	997985
Current Tax Liabilities (Net)		10527979	(0)	10527979
<b>Total Current Liabilities</b>		250441135	(11863809)	238577326
<b>Total Liabilities</b>		264558605	73293912	337852517
<b>Total Equity and Liabilities</b>		794301530	259617819	1053919349

\* The Previous GAAP Figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this Note.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017**

	Note	Previous GAAP*	Adjustments	Ind AS
Revenue from Operations		1422888205	(376238)	1422511967
Other Income		230028028	151237	230179265
<b>Total Income</b>		1652916233	(225001)	1652691232
<b>Expenses</b>				
Cost of Materials Consumed		991086144	0	991086144
Cost of Materials Sold		18365378	0	18365378
Changes in Inventories of Finished Goods		6297896	0	6297896
Excise Duty / Service Tax		134696400	(225000)	134471400
Employee Benefits Expense	iv(h)	81069746	(701512)	80368234
Finance Costs	iv(b)	26024451	(4532254)	21492197
Depreciation and Amortization Expense	iv(a)	12978390	(420546)	12557844
Other Expenses	iv(a),(c),(d)	151572513	5011569	156584082
<b>Total Expenses</b>		1422090918	(867743)	1421223175
<b>Profit (Loss) Before Tax</b>		230825315	642742	231468057
<b>Tax Expense:</b>				
Current tax		38533439	0	38533439
Deferred tax	iv(e)	4181976	(38198)	4143778
<b>Profit (Loss) for the Year</b>		188109900	680940	188790840
<b>Other Comprehensive Income (Net of Tax)</b>	iv(c),(e)	0	101810124	101810124
<b>Total Comprehensive Income for the year</b>		188109900	102491064	290600964

\* The Previous GAAP Figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this Note.

**Reconciliation of Total Equity as at 31st March, 2017 and 1st April, 2016**

	Note	31st March, 2017	1st April, 2016
<b>Total Equity (Shareholders' Funds) as per Previous GAAP</b>		529742925	342726544
<b>Adjustments:</b>			
9.3% Cumulative Preference Share Capital		0	(1000000)
Proposed Dividend on Preference Shares (Including Dividend Distribution Tax)			447730
Impact of fair valuation of investment in National Saving Certificate	iv(c)	0	(14000)
Impact of fair valuation of Security Deposits (Assets)	iv(a)	0	(92792)
Floriculture Plants fully depreciated	iv(a)	0	(455559)
Fair Valuation of Investments (Net of Tax)	iv(c)	271561500	110092500
Effect of Depreciation on Capital WIP	iv(a)	(79872)	0
Deferred Tax effects on adjustments	iv(e)	(85157721)	(26238555)
<b>Total Equity as per IND AS</b>		<b>716066832</b>	<b>425465868</b>

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017**

	Note	31st March, 2017
<b>Profit for the Year after Tax as per Previous GAAP</b>		188109900
<b>Adjustments:</b>		
Remeasurement of Defined Benefit Plans		701512
Dividend on Preference Shares (Including Tax) considered as Finance Cost		(529610)
Effect of Depreciation on Capital WIP	iv(a)	(79872)
Floriculture Plants fully depreciated	iv(a)	455559
Impact of fair valuation of Security Deposits (Assets)	iv(d)	92792
Impact of fair valuation of investment in National Saving Certificate	iv(c)	14000
Impact of Revaluation Reserve adjustments		(11638)
Tax effects of Adjustments, etc.		38198
<b>Total Adjustments</b>		680941
<b>Profit for the Year after Tax as per Ind AS</b>		188790840
<b>Other Comprehensive Income (Net of Tax)</b>		101810124
<b>Total Comprehensive Income for the year</b>		290600964

**Impact of Ind AS adoption on the Cash Flow Statement for the year ended 31st March, 2017**

There are no significant differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

- iii) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in the financial statements:
- Property, plant and equipments were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Company has elected the carrying values on that dates as deemed cost at the date of transition. Further, the Company had revalued certain freehold land and buildings based on professional valuation as at 30th September, 1985 and had a balance of ₹ 6524522 in revaluation reserve on the date of transition. On transition, such revaluation reserve has been adjusted in retained earnings.
  - Under previous GAAP, investment in subsidiaries was stated at cost and provisions made to recognise the decline, other than temporary. Under Ind AS, the Company has considered the previous GAAP carrying amount on 31.3.2016 as deemed cost at the date of transition.
  - Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS in accordance with Ind AS 101- First-time adoption of Indian Accounting Standards.
- iv) In addition to the above, the principal adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017 are detailed below:
- Under previous GAAP, leasehold land was presented as fixed assets and amortized over the period of the lease. Under Ind AS, such asset has been classified as prepayments within non-current assets (current portion presented as other current assets) and has been amortised over the period of the lease, resulting in decrease in property, plant and equipment by ₹ 4463260 as at 31st March, 2017 and by ₹ 4519757 as at 1st April, 2016 and corresponding increase in other non-current assets by ₹ 4406763 as at 31st March, 2017 and by ₹ 4463260 as at 1st April, 2016 and in other current assets by ₹ 56497 as at 31st March, 2017 and 1st April, 2016 each.
- Such reclassification has resulted in decrease in depreciation and amortisation expense by ₹ 56497 for the year ended 31 March, 2017 and corresponding increase in other expenses by that amount. This has no impact on the profit before tax and total profit for the year ended 31st March, 2017.
- Under the previous GAAP floriculture plants amounting to ₹ 455559 have been written off and charged to the Statement of Profit and Loss for the year ended 31.3.2017. As per Ind AS the same has been adjusted against retained earnings as on 1.4.2016.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

Under the previous GAAP the depreciation / amortisation at Jharsuguda was debited to capital WIP. Under Ind AS the same has been charged to the Statement of Profit and Loss for the year ended 31.3.2017.

- b) Under previous GAAP, dividend paid on preference shares (including the tax thereon) upto the date of redemption i.e. 26th December, 2016 has been directly deducted from the surplus under the head reserves and surplus. Under Ind AS, such dividends has been recognised as finance cost. This has resulted in decrease of profit before tax as well as total profit by that amount for the year ended 31st March, 2017. However, this has no impact on retained earnings.
- c) Under previous GAAP, non-current investments were stated at cost. Where applicable, provision was made to recognise a decline, other than temporary, in valuation of such investments. Under Ind AS, equity instruments other than investment in subsidiary have been classified as Fair Value through Other Comprehensive Income (FVTOCI) through an irrevocable election at the date of transition.

Investment in Mutual Funds classified as non-current investment have been measured at Fair Value through Profit or Loss (FVTPL) through an irrevocable election at the date of transition.

Investments in National Plan Saving Certificate amounting to ₹ 14000 has been written off and adjusted against retained earnings as on 1.4.2016. Under the previous GAAP the write off has been charged to Statement of Profit and Loss for the year ended 31.3.2017.

- d) Other Financial Assets includes Term Deposits with Banks (with more than 12 months maturity) as per Ind AS requirements. Under the previous GAAP it was shown under the head Cash and Bank Balances. Again, security deposit balance as on 1.4.2016 shown in other financial assets amounting to ₹ 3077197 which is the net balance arrived at after deducting old and irrecoverable deposits amounting to ₹ 92792, the same has been adjusted against retained earnings as at 1.4.2016. The irrecoverable amount of ₹ 92792 has been charged to Statement of Profit and Loss for the year ended 31.3.2017 as per previous GAAP.
- e) Under the previous GAAP, deferred tax was accounted using the income statement approach, on timing differences between the taxable profit and accounting profit for the year. Under Ind AS, deferred tax is recognised following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and in its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences. Deferred tax assets on unused capital loss was also not created as it did not meet the recognition criteria under the previous GAAP. However under Ind AS, deferred tax asset on such item is recognised to the extent it meets the recognition criteria under Ind AS 12. Accordingly, deferred tax liabilities (net) as at 31.3.2017 have been increased by ₹ 85157721 (1.4.2016 - ₹ 26238555) with a corresponding adjustment to retained earnings. The total equity has been decreased by an equivalent amount. (Refer Note No.19)
- f) Under previous GAAP, inventory of finished good includes excise duty. Under Ind AS, the value of finished goods is required to be shown at fair value only. Hence excise duty on finished goods is eliminated.
- g) Under previous GAAP, 9.3% cumulative preference shares were shown under share capital heading. As per Ind AS requirement the same is considered as debts.
- h) Retained earnings as at 1.4.2016 and as at 31.3.2017 has been adjusted consequent to above Ind AS transition adjustments.

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as other comprehensive income. Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and liabilities towards employees leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains or losses form part of Remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss. Also the gains or losses arising from the remeasurement of equity instruments to obtain its fair values has been recognised in other comprehensive income and tax effect of the same has also been recognised in OCI. The concept of other comprehensive income did not exist under Previous GAAP. Accordingly, remeasurements on post-employment defined benefit plans for the year ended 31st March, 2017 amounting to ₹ 458733 (Net of current tax of ₹ 242779) and equity instruments amounting to ₹ 102268857 (Net of current tax of ₹ 59200143) have been recognised in other comprehensive income.



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in Rupees)

**4 - PROPERTY, PLANT AND EQUIPMENT**  
**4A. RECONCILIATION OF GROSS AND NET CARRYING AMOUNT OF EACH CLASS OF ASSETS**

	Freehold Land	Buildings	Railway Siding, Roads and Bridges	Plant and Equipment	Research & Development Equipment	Furniture and Fixtures	Utilities, Facilities & service Equipment	Vehicles	Office Equipment	Orchidarium	Total	Capital work-in-progress
<b>Tangible Assets</b>												
<b>As at 1st April 2016</b>												
Gross Block at cost as at 1 April 2016	7473500	71375621	8745898	178682888	5125216	4543797	2857279	22034426	14283405	10576290	325989320	18459725
Accumulated depreciation as at 1 April 2016	0	47111087	8249248	144313722	5059985	4144343	2087226	19435238	13085503	8382408	251868760	0
<b>Deemed Cost as at 1st April 2016</b>	<b>7473500</b>	<b>24264534</b>	<b>496650</b>	<b>34369166</b>	<b>65231</b>	<b>399454</b>	<b>770653</b>	<b>2599188</b>	<b>1197902</b>	<b>2193882</b>	<b>73825560</b>	<b>18459725</b>
<b>Year ended 31st March 2017</b>												
Gross carrying amount as on 1st April 2016	7473500	71375621	8745898	178682888	5125216	4543797	2857279	22034426	14283405	10576290	325989320	18459725
Additions	0	432000	0	37939640	0	8050	31285	1866947	653741	0	40931663	478452
Disposals	432000	0	0	1304076	0	0	0	0	0	0	1736076	0
Closing gross carrying amount as on 31.03.2017	7041500	71807621	8745898	215318452	5125216	4551847	2888564	23901373	14937146	10576290	364993907	23238177
Accumulated depreciation as at 1 April 2016	0	47111087	8249248	144313722	5059985	4144343	2087226	19435238	13085503	8382408	251868760	0
Depreciation charge during the year	0	1389096	8829	9007653	8323	108606	213191	1141607	468535	212004	12557844	0
Disposals	0	0	0	505700	0	0	0	0	0	0	505700	0
Closing accumulated depreciation as on 31.03.2017	0	48500183	8258077	152815675	5068308	4252949	2300417	20576845	1354038	8594412	263920904	0
<b>Net carrying amount as at 31 March 2017</b>	<b>7041500</b>	<b>23307438</b>	<b>487821</b>	<b>62502777</b>	<b>56908</b>	<b>298898</b>	<b>588147</b>	<b>3324528</b>	<b>1383108</b>	<b>1981878</b>	<b>100973003</b>	<b>23238177</b>
<b>Year ended 31st March 2018</b>												
Gross Carrying Amount as on 1st April 2017	7041500	71807621	8745898	215318452	5125216	4551847	2888564	23901373	14937146	10576290	364993907	23238177
Additions	0	4255825	2518776	6095776	0	60720	26217	3464585	2115736	0	18537635	7167509
Disposals	0	0	0	0	0	0	0	531212	2816437	0	3347649	2310218
Closing gross carrying amount as on 31.03.2018	7041500	76063446	11264674	221414228	5125216	4612567	2914781	26834746	14236445	10576290	380083893	28095468
Accumulated depreciation as at 1 April 2017	0	48500183	8250077	152815675	5068308	4252949	2300417	20576845	1354038	8594412	263920904	0
Depreciation charge during the year	0	1409628	11018	10314840	5735	57586	163557	1441556	986057	191518	14581486	0
Disposals	0	0	0	0	0	0	0	489754	2816437	0	3306191	0
Closing accumulated depreciation as on 31.03.2018	0	49903811	8269095	163130515	5074043	4310535	2463974	21528647	11723558	8785930	275196209	0
<b>Net carrying amount as at 31 March 2018</b>	<b>7041500</b>	<b>26153634</b>	<b>2995579</b>	<b>58283713</b>	<b>51173</b>	<b>302032</b>	<b>450807</b>	<b>5306099</b>	<b>2512787</b>	<b>1790360</b>	<b>104887685</b>	<b>28095468</b>

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**4B. Intangible Assets**

	Computer Software (ERP System)
<b>Year ended 31st March, 2018</b>	
<b>Gross Carrying Amount</b>	
Opening Balance	0
Addition	1600000
<b>Closing Balance</b>	1600000
<b>Accumulated Amortisation</b>	
Opening Balance	0
For the Year	200182
<b>Closing Balance</b>	200182
<b>Net Carrying Amount</b>	1399818

**Note No.5 - NON-CURRENT INVESTMENTS**

Particulars	Face Value (Per Share / Bond / warrant)	No of Shares / Bonds / Warrants		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Investments in Equity Instruments at Cost</b>						
<b>In Subsidiary Companies (Unquoted)</b>						
<b>Fully Paid Equity Shares :</b>						
C & C Investments Limited	10	750130	7501300			
Less: Provision for Diminution in Value (Refer Note No.44)			7501300	0	0	0
<b>Others (at fair value through Other Comprehensive Income)</b>						
<b>Fully Paid Equity Shares (Quoted)</b>						
Amines & Plasticizers Ltd. * (Inclusive of 3495000 Bonus Shares of ₹ 2/- each)	2	6990000		404022000	278551500	117082500
<b>Fully Paid Equity Shares (Unquoted)</b>						
Him Containers Limited (In Liquidation) (Refer Note No.44)	10	1200000		0	0	0
<b>Detachable Warrants-10% Upfront paid (Unquoted)</b>						
Him Containers Limited (In Liquidation) (Refer Note No.44)	10	1200000		0	0	0
<b>Investments In Mutual Funds **</b> (at fair value through Profit and Loss) (Note No. 40 for information about credit risk and market risk on investments.)				271920015	0	0
				<b>675942015</b>	<b>278551500</b>	<b>117082500</b>

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Investments In Mutual Funds \*\***

(at fair value through Profit and Loss)

Particulars	Number of Units As at 31.03.2018	Amount As at 31.03.2018	Number of Units As at 31.03.2017	Amount As at 31.03.2017	Number of Units As at 01.04.2016	Amount As at 31.03.2016
	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
Mirae Asset India Equity Regular Direct -G	41292	1934619	-	-	-	-
L&T Short Term Income Direct-G	668010	12673683	-	-	-	-
UTI Income Opportunities Direct - G	752328	12702301	-	-	-	-
Aditya Birla SL Blanced Advantage Direct - G	128193	6654498	-	-	-	-
L&T India Prudence Direct - G	152540	4110803	-	-	-	-
HDFC Balanced Direct - G	30111	4598270	-	-	-	-
L&T India Value Fund - G	77869	2913685	-	-	-	-
L&T Midcap Direct-G	14692	2129586	-	-	-	-
Kotak Select Focus - D - G	49358	1652263	-	-	-	-
Motilal Oswal Most ultra Short Term Bond Direct-G	642209	8841223	-	-	-	-
Aditya Birla SL Savings Direct - G	9979	3431986	-	-	-	-
L&T Floating Rate Direct - G	915228	16019878	-	-	-	-
HDFC Cash Mgmt Treasury Advantage Retail-G	210042	7975766	-	-	-	-
IDFC Money manager Treasury Direct-G	120110	3352091	-	-	-	-
Kotak Treasury Advantage Direct - G	119931	3385715	-	-	-	-

**Note No.5 - NON-CURRENT INVESTMENTS**

Particulars	Number of Units As at 31.03.2018	Amount As at 31.03.2018	Number of Units As at 31.03.2017	Amount As at 31.03.2017	Number of Units As at 01.04.2016	Amount As at 31.03.2016
	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
Mirae Asset Cash Management Direct - G	1672	3066137	-	-	-	-
Accuracap - Pico Power	1	4682366	-	-	-	-
DSP Black Rock Enhanced Equity Fund	1	10026000	-	-	-	-
IDFC Classic Equity Direct-G	36156	1692994	-	-	-	-
Motilal Oswal Most Focused Dynamic Equity D-G	410425	5022943	-	-	-	-
Motilal Oswal Most Focused Multicap 35 D-G	64482	1761972	-	-	-	-
AMBIT ALPHA FUND	1	10077163	-	-	-	-
L&T Liquid - G	2624	6237073	-	-	-	-
L&T India Value Fund - G	105077	3852010	-	-	-	-
Kotak Liquid - D - G	1769	6231655	-	-	-	-
Kotak Select Focus - D - G	114296	3826067	-	-	-	-
Franklin India Ultra Short Bond - G	129864	3510350	-	-	-	-
Franklin India Smaller COS - G	25672	1542028	-	-	-	-
Franklin India Ultra Short Bond - G	159860	3865280	-	-	-	-
Franklin India Smaller COS - G	19610	1248670	-	-	-	-
Reliance Liquid Fund - TP - G	1810	7678310	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.5 - NON-CURRENT INVESTMENTS**

Particulars	Number of Units As at 31.03.2018	Amount As at 31.03.2018	Number of Units As at 31.03.2017	Amount As at 31.03.2017	Number of Units As at 01.04.2016	Amount As at 31.03.2016
	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
Reliance Top 200 - G	73066	2361536	-	-	-	-
HDFC HOF - I - 1140D Nov 2017(1) - G	1000000	9578000	-	-	-	-
Kotak Eq Arbitrage - D - FDP	632490	14900193	-	-	-	-
Edelweiss Arbitrage Fund - MDP	604384	7401466	-	-	-	-
VEDANTA LIMITED (7.5% PREF 270T18)	953223	9579891	-	-	-	-
Ask Select Focus Fund	4967	4725918	-	-	-	-
Old Bridge - Vantage Equity Fund	24925	7420452	-	-	-	-
White Oak India Equity Fund	471605	9964865	-	-	-	-
IIFL Special Opportunities Fund Series 7	349787	3510634	-	-	-	-
IIFL Blended Fund	24354	2388505	-	-	-	-
INDIA HOUSING FUND	0	2500921	-	-	-	-
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	5015050	-	-	-	-
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	5085250	-	-	-	-
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	5153000	-	-	-	-
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	5087950	-	-	-	-
Principal Protected (NCD's)	100	10549000	-	-	-	-
		271920015		0		-
* Investments carried at fair value through Other Comprehensive Income.		404022000		278551500		117082500
** Investments carried at fair value through Profit and Loss.		271920015		-		-
Aggregate market value of quoted investments		404022000		278551500		117082500
Aggregate amount unquoted investments		20701300		20701300		20701300
Aggregate amount of impairment in value of unquoted investments		20701300		20701300		20701300

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.6 - OTHER FINANCIAL ASSETS**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Non-current</b>						
Unsecured : Considered good						
Security Deposits		3956570		2935417		3077197
Loans and Advances to related parties						
Unsecured : Considered doubtful						
To Subsidiary Company						
C & C Investments Ltd.	4095000		4095000		4095000	
Less: Provision for doubtful advance (Refer Note No.44)	4095000	0	4095000	0	4095000	0
Other Financial Assets						
Deposit for maintenance charges		0		0		49483
On Term Deposits with Banks (With more than 12 months maturity) (Under Lien)		191978		1220822		317926
		4148548		4156239		3444606

**Note No.7 - OTHER NON-CURRENT ASSETS**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
Prepayments (Leasehold Land)		4350266		4406763		4463260

**Note No.8 - INVENTORIES** (At lower of cost or net realisable value)

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Raw Materials</b>		447663853		111347933		159880636
Includes in-transit ₹ 42145123 (As at 31.3.17- ₹ 4094739, As at 01.4.16- ₹ 53678753)						
<b>Finished Goods</b>		130462946		119595760		125893656
Includes in-transit ₹ Nil (As at 31.3.17 - ₹ 1181733, As at 1.4.16 ₹ Nil)						
<b>Stores and Spares</b>		25870705		24276751		17273014
Includes in-transit ₹ Nil (As at 31.3.17 - ₹ 88128, As at 1.4.16 ₹ 1111975)						
		603997504		255220444		303047306

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.9 - CURRENT INVESTMENTS**

Particulars	Number of Units As at 31.03.2018	Amount As at 31.03.2018	Number of Units As at 31.03.2017	Amount As at 31.03.2018	Number of Units As at 31.03.2016	Amount As at 31.03.2018
	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
<b>Investments In Mutual Funds</b> (at fair value through Profit and Loss) (Note No. 40 for information about credit risk and market risk on investments.)						
Reliance Liquid Cash -G		72073391	-	-	-	-
Reliance Liquid Cash -G	26019	70119719	-	-	-	-
Reliance Liquid Cash -G	11148	30041731	-	-	-	-
HDFC Cash Mgmt Treasury						
Advantage Retail-G						
HDFC Cash Mgmt Treasury	4174392	152727212	-	-	-	-
Advantage Retail-G						
ICICI Pru Savings - G	820389	30015341	-	-	-	-
ICICI Pru Savings - G	314747	81963934	-	-	-	-
ICICI Pru Savings - G	269629	70214814	-	-	-	-
	115269	30017521	-	-	-	-
		537173663		0		0

**Note No.10 - TRADE RECEIVABLES**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Unsecured : Considered good</b> (Note No. 40 for information about credit risk and market risk on receivables.)	208404372	85660655	324408905

**Note No.11 - CASH AND CASH EQUIVALENTS**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks *	268069501	8731655	412874
Cash on hand	2013441	604358	218328
	270082943	9336013	631202
* Includes Margin Deposits for Future foreign currency contract amounting to ₹ 7386546/- (As at 31.3.17 and on 1.4.16 ₹ Nil)			

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.12 - OTHER BANK BALANCES**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
For Unclaimed Dividend (Earmarked for payment of unclaimed dividend)		662293		463148		551941
On Term Deposits (With original maturity of more than three months but less than twelve months)		124445890		9857806		26331977
		125108183		10320954		26883918

**Note No.13 - OTHER FINANCIAL ASSETS**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Current</b>						
Unsecured : Considered good						
Interest Receivables		2478192		1325603		441472
Rent Receivables		1509268		860620		725044
Advances & Deposits		44844355		22325100		11285850
Receivable from Statutory Authorities		66087867		227331360		20199922
Advance for Investments in Mutual Funds		92090000		0		0
		207009681		251842682		32652288

**Note No.14 - OTHER CURRENT ASSETS**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Unsecured : Considered good</b>						
Prepaid Expenses		1890377		1736367		1892427
Advances for Raw Materials		111720496		21583632		55856902
Balances with Statutory Authorities		30789917		4718833		3478248
Advances and Deposits		7947196		2117589		3759173
Prepayments (Leasehold Land)		56497		56497		56497
		152404483		30212917		65043247

**Note No.15 - EQUITY SHARE CAPITAL**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Authorised</b>		85000000		85000000		85000000
8500000 Equity Shares of ₹ 10 Each						
<b>Issued, Subscribed and Paid-up</b>		26500000		26500000		26500000
2650000 Equity Shares of ₹ 10 Each						
Fully Paid-up *						

\* There were no changes in number of shares during the years ended 31st March, 2018, 31st March, 2017 and 31st March, 2016

(a) The Company has one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

(b) Details of shareholders holding more than 5 percent of the aggregate shares in the Company:

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Oxbow Calcining LLC, USA	812377	30.66	812377	30.66	812377	30.66
Subhag Mercantile Pvt. Ltd.	0	0.00	250000	9.43	250000	9.43
Kallol Investments Ltd.	0	0.00	145250	5.48	145250	5.48
Sukansuti Tea Company Pvt. Ltd.	142750	5.39	0	0.00	0	0.00
Nobo Bharati Projects India Ltd.	162000	6.11	0	0.00	0	0.00
Anita Himatsingka	209615	7.91	133415	5.03	133415	5.03
Shaurya Veer Himatsingka	237431	8.96	0	0.00	0	0.00

**Note No.16 - OTHER EQUITY**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>RESERVES &amp; SURPLUS</b>						
Securities Premium Reserve		7500000		7500000		7500000
Retained Earnings		962121441		176969124		(11,821,716)
General Reserve		318806239		318806239		319806239
<b>OTHER RESERVES</b>						
Capital Reserves		6400		6400		6400
Capital Redemption Reserve		2000000		2000000		1000000
<b>OTHER COMPREHENSIVE INCOME</b>		263049053		184285069		82474945
		1553483132		689566832		398965868
<b>RETAINED EARNINGS - MOVEMENT DURING THE YEAR</b>						
As per Last Financial Statements	176969124		(11821716)			
Add: Balance in Statement of Profit & Loss	793126011		188790840			
		970095135		176969124		
Less: Dividends on Equity Shares for the year 2016-17	6625000		0			
Add: Dividend Distribution Tax	1348694	7973694	0	0		
		962121441		176969124		
<b>GENERAL RESERVE - MOVEMENT DURING THE YEAR</b>						
As per Last Financial Statements	318806239		319806239			
Less: Transferred to Capital redemption Reserve	0	318806239	1000000	318806239		
<b>CAPITAL REDEMPTION RESERVE - MOVEMENT DURING THE YEAR</b>						
As per Last Financial Statements	2000000		1000000			
Add: Transferred from General Reserve	0	2000000	1000000	2000000		
<b>OTHER COMPREHENSIVE INCOME - MOVEMENT DURING THE YEAR</b>						
Equity Instruments through Other Comprehensive Income	397032000		271561500		110092500	
Less:: Income Tax thereon	130240529	266791471	86817698	184743802	27617555	82474945
Remeasurement of Defined Benefit Plans	(5723051)		(701512)		0	
Less:: Income Tax thereon	(1980633)	(3742418)	(242779)	(458733)	0	0
		263049053		184285069		82474945



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)**Nature and purpose of each Reserve****Securities Premium Reserve**

Premium received on equity shares are recognised in the securities premium account. This reserve may be utilised in accordance with the provisions of Section 52 of the Companies Act 2013.

**Retained Earnings**

Retained earning includes surplus in the Statement of Profit and Loss. IND AS related adjustments as on the date of transition including revaluation reserve amounting to ₹ 6524521 created on revaluation of freehold land and two buildings done on 30th September 1985 by approved valuers. The aforementioned revaluation reserve is not a free reserve as per the Companies Act, 2013 and hence is not available for distribution of dividend.

**General Reserve**

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

**Capital Redemption Reserve**

The Act requires that where a Company redeems its preference shares out of free reserves, a sum equal to the nominal value of the shares so redeemed shall be transferred to Capital Redemption Reserve Account. This reserve may be applied by the Company in issuing fully paid bonus shares. The Company established this reserve pursuant to the redemption of preference shares issued in earlier years.

(Amount in ₹)

**Note No.17 - BORROWINGS NON-CURRENT**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
<b>Secured</b>						
<b>Term Loans</b>						
<b>Home Loans</b>		<b>8760736</b>		9109259		9049146
Home Loans are secured by way of mortgage of Property and have been guaranteed by Mr. Rakesh Himatsingka, Managing Director of the Company.						
Repayable in 180 equal monthly instalments at floating rate of interest and last intalment due on 01.11.2031						
<b>Auto Loans</b>		<b>1067591</b>		0		0
Auto Loans are secured by way of hypothecation of cars.						
Repayable in the range of 36 to 60 equal monthly instalments at fixed rate of interest and last intalment due on 05.09.2020 and 07.11.2022						
		<b>9828327</b>		9109259		9049146

**Note No.18 - PROVISIONS NON-CURRENT**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
Provision for Employee Benefits (Refer Note No.38)		<b>2997048</b>		2182846		2023715

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.19 - DEFERRED TAX LIABILITIES (NET)**

Significant Component and movement in Deferred Tax Assets and Liabilities during the Year

Nature - Liability / (Assets)	Balance Sheet			Statement of Profit and Loss	
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017
<b>Deferred Tax Liabilities</b>					
Arising out of:					
Temporary difference in depreciable assets	6570476	3926187	(555408)	2644289	4481595
Investment (Mutual Funds) through Profit and Loss	1433438	0	0	1433438	0
Investment (Equity Instruments) through Other Comprehensive Income	130240529	86817698	27617555	43422831	59200143
	<b>138244443</b>	<b>90743885</b>	<b>27062147</b>	<b>47500558</b>	<b>63681738</b>
<b>Deferred Tax Assets</b>					
Security Deposits	0	0	28673	0	(28673)
Loans and Advances to Related Party	1417198	1417198	1265355	0	151843
Employee Benefits	829287	1100822	886175	(271535)	214647
Remeasurement of Defined Benefit Plans	1980633	242779	0	1737854	242779
	<b>4227118</b>	<b>2760799</b>	<b>2180203</b>	<b>1466319</b>	<b>580596</b>
	<b>134017325</b>	<b>87983086</b>	<b>24881944</b>	<b>46034239</b>	<b>63101142</b>

<b>Reconciliation of Deferred Tax Liabilities (net)</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
<b>Opening Balance</b>	<b>87983086</b>	<b>24881944</b>
Tax Expense during the period recognised in Statement of Profit and Loss	4349264	4143778
Tax Expense during the period recognised through OCI	41684975	58957364
<b>Closing Balance</b>	<b>134017325</b>	<b>87983086</b>

**Note No.19.1 - INCOME TAX EXPENSE**

Particulars	As at 31.03.2018	As at 31.03.2017
<b>A. Tax Expense recognised in Profit or Loss</b>		
<b>Current Tax</b>		
Current Tax on profit for the Year	226590184	49398987
Adjustment for current Tax of earlier years	0	(10865548)
	<b>226590184</b>	<b>38533439</b>
<b>Deferred Tax</b>		
Origination and Reversal of Temporary Differences	4349264	4143778
Income Tax expense	230939448	42677217
<b>B. Tax on Other Comprehensive Income</b>		
<b>Current Tax</b>		
Remeasurements on Post-employment Defined Benefit Plans	(1737854)	(242779)
Equity Instruments through OCI	43422831	59200143
	<b>41684977</b>	<b>58957364</b>

Note: The Company is availing the benefit under Section 80-IE of the Income Tax Act, 1961. Also the Company had brought forward business loss / unabsorbed depreciation, resulting nil taxable income. The Company has paid income tax under Sec 115JB of the I.T.Act.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.19.2 - NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE**

Particulars	As at 31.03.2018	As at 31.03.2017
Profit before Income Tax Expense	1024065459	231468057
Enacted Statutory Income Tax Rate in India applicable to the Company	21.3416%	21.3416%
<b>Computed Expected Income Tax Expense</b>	<b>218551954</b>	49398987
<b>Adjustments:</b>		
Impact of write offs on assets	0	(123170)
Impact of employee benefit provisions, not funded	271535	(214647)
Impact of depreciation difference between IT and Accounts	2644289	4481595
Adjustment for current Tax of earlier years	0	(10865548)
Income exempt from Income Taxes	(751586)	0
Impact of appreciation in value of investment in mutual funds through profit and loss	1433438	0
Others (Interest)	8789818	0
<b>Income Tax Expense</b>	<b>230939448</b>	42677217

**Note No.20 - BORROWINGS CURRENT**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Secured</b>			
<b>From Banks</b>			
<b>Cash Credit (repayable on demand) *</b>	36747551	50125187	230419434
Buyers Credit Arrangements (in foreign currency) **	581390346	0	153229969
* Secured Loans from Banks are secured by way of hypothecation of Stocks, Stores, Book Debts and equitable mortgage of Fixed Assets of the Company; and have been guaranteed by Mr. Rakesh Himatsingka, Managing Director of the Company. Cash Credit is repayable on demand and carries floating interest @ 11.75 to 13.10% p.a.(31.3.2017 @ 11.75 p.a.to 13.10%, and on 1.4.2016 @12.40% to 14.45% p.a.)			
** The buyers' credits are repayable in 133 days to 180 days and carries interest at LIBOR+ 25bps to 48bps (31.3.2017 - Nil and on 1.4.2016 - LIBOR+25bps to 38bps) and hypothecation of stocks and book debts, both present and future.			
Note No.40 For information about liquidity risk and market risk on borrowings.			
	<b>618137897</b>	50125187	383649403
<b>Unsecured</b>			
<b>From Others</b>			
The National Small Industries Corporation Ltd.	0	0	17500000
<b>Preference Share Capital</b>	0	0	1000000
(10000 9.3% Redeemable Cumulative Preference Shares of ₹ 100 Each)			
(Redeemed in 2016-17)			
(Authorised: 150000 Preference Shares of ₹ 100/- each))			
	0	0	18500000
	<b>618137897</b>	50125187	402149403

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.21 - TRADE PAYABLES**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	106317622	59236507	85942889
	106317622	59236507	85942889
Details of dues to Micro, Medium and Small Enterprises as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, based on the available information with the Company are as under:			
Principal amount as at the end of the year	-	-	-
Interest thereon as at the end of the year	-	-	-
Amount paid beyond the respective due date during the year	-	-	-
Interest paid thereon in terms of Sec.16 during the year	-	-	-

**Note No.22 - OTHER FINANCIAL LIABILITIES**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current Maturities of Long-term Debt	895060	315072	282926
Interest Accrued on borrowings	71502	74694	1297169
Unclaimed Dividends *	662293	463148	551940
Statutory Dues	87851102	4122520	5847185
Subjudiced Adhoc Refund of Excise Incentive against furnishing solvent surety (Note No.45)	80831663	80831663	0
Other Payables	71865418	26049179	9108016
	242177038	111856276	17087236
* Represents dividend amounts not claimed.			

**Note No.23 - OTHER CURRENT LIABILITIES**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advances and Deposits	166896310	5833393	790169
Other Payables	0	0	51547
	166896310	5833393	841716

**Note No.24 - PROVISIONS CURRENT**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Employee Benefits (Refer Note No.38)	1670230	997985	844166
	1670230	997985	844166

**Note No.25 - CURRENT TAX LIABILITIES (NET)**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Income Tax (Net of Advance Tax)	60979700	10527979	1660434
	60979700	10527979	1660434

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.26 - REVENUE FROM OPERATIONS**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
<b>Sale of Products: *</b>				
Calcined Petroleum Coke	3146987046		1268539378	
Electrode Carbon Paste	159275235		122871752	
Thermal Carbon (Tamping) Paste	7465375		2674900	
Raw Petroleum Coke (Trading Goods)	106245321		22392639	
		3419972977		1416478669
<b>Sale of Services:</b>				
Technical Assistance		2500000		1500000
<b>Other Operating Revenues:</b>				
Conversion Charges		7052252		4533298
		3429525229		1422511967
* Sale of products includes excise duty collected from customers amounting to ₹ 43254382 upto 30.6.2017 (31.3.2017 - ₹ 134471400 )				

**Note No.27 - OTHER INCOME:**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Interest Income				
From Banks	5096279		2030684	
From Others	27143899	32240178	2091026	4121710
Dividend Income		3521696		0
Other Non-operating Income				
Rent	604800		2224800	
Sales Tax Refund in respect of earlier years	0		212211042	
Liability no longer required written back	61142		45254	
Refunds & Claims Received	49603098		11367660	
(Includes refund of IGST ₹ 48394732, previous year - ₹ Nil)				
Miscellaneous Receipts	152837		153773	
Net Gain / (Loss) on Sale of Investments	3143051		0	
Net Gain on Investment in Mutual Funds carried at fair value through profit or loss	4141928	57706855	0	226002529
Other Gains & Losses				
Net Gain (Loss) on Sale of Assets	110302		14390	
Net Gain on Exchange Difference	(235557)	(125255)	40637	55027
		93343475		230179265

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.28 - COST OF MATERIALS CONSUMED**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Opening Stock		111347933		159880636
Add: Purchases				
Raw Petroleum Coke	1684992394		742696426	
Green Needle Coke	52084650		0	
Calcined Petroleum Coke	588358125		181810409	
Pitch	42009228		30140404	
Others	155645	2367600042	6271580	960918819
		2478947975		1120799455
Deduct: Cost of Materials Sold		104209061		18365378
Deduct: Closing Stock		447663853		111347933
Cost of Materials Consumed				
Raw Petroleum Coke	1288134936		803354601	
Green Needle Coke	58322590		0	
Calcined Petroleum Coke	538801386		157599703	
Pitch	40519511		27405714	
Others	1296639		2726126	
		1927075061		991086144

**Note No.29 - COST OF MATERIALS SOLD**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Raw Petroleum Coke	104209061		18365378	
Others	0	104209061	0	18365378

**Note No.30 - CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Opening Inventory		119595760		125893656
Less: Closing Inventory		130462946		119595760
		(10867186)		6297896

**Note No.31 - EXCISE DUTY \***

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
(Net of refund )				
Calcined Petroleum Coke		37302654		45543515
Electrode Carbon Paste		2197832		81939245
Thermal Carbon (Tamping) Paste		76250		16250
Raw Petroleum Coke		0		6708840
Others		0		263550
		39576736		134471400

\* Upto 30.06.2017 - from 1.7.2017 excise duty discontinued.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.32 - EMPLOYEE BENEFITS EXPENSE**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Salaries and Wages		153222106		71853359
Contribution to Provident and other Funds		8064186		4520764
Staff Welfare Expenses		5284837		3994111
		166571129		80368234

**Note No.33 - FINANCE COSTS**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Interest Expense		17167229		15727016
Dividend on Preference Shares & Tax on Dividend		0		529610
Other Borrowing Costs		14832369		5235570
		31999599		21492197

**Note No.34 - OTHER EXPENSES**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
Stores, Spare-parts and Packing Materials		25044477		20058272
Power, Fuel and Water		38082205		31123744
Carriage and Handling		38014018		28030118
Research and Development Expenses				
Repairs and Maintenance to Buildings		6765288		4823319
Repairs and Maintenance to Machinery		9875093		10832718
Repairs and Maintenance to Others		10705119		6760409
Insurance		2566685		3008780
Rent		633650		722697
Rates and Taxes		8726480		7282998
Net Loss (Gain) on Foreign Currency transactions and translation		5892233		5061865
Miscellaneous Expenses				
Freight and Forwarding	41274917		5224178	
Advertisement and Publicity	599398		173289	
Commission on Sales	78822		388080	
Travelling, Transport and Conveyance	13458722		10230033	
Professional and Legal Expenses	3667934		4795671	
Donations and Subscriptions	776081		1749904	
Corporate Social Responsibility	3080815		79318	
Establishment Expenses	14946325		10592606	
Board Meeting Fees	1070000		655000	
Bad Debts / Advances written off	0	78953014	4664992	38553070
Auditors' Remuneration				
As Auditors	150000		150000	
For Tax Audits	0		45000	
For Other Audits and Certifications	32000		117800	
Travelling Expenses	16906	198906	13294	326094
		225457168		156584082

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.35 - EARNING PER EQUITY SHARES**

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
<b>(A) Basic</b>				
(i) Number of Equity Shares at the beginning of the year		2650000		2650000
(ii) Number of Equity Shares at the end of the year		2650000		2650000
(iii) Weighted Average Number of Equity Shares outstanding during the Year		2650000		2650000
(iv) Face Value of each Shares (₹)		10		10
(v) Profit after Tax Available for Equity Shareholders				
Profit for the Year		793126011		188790840
(vi) Basic earning per Equity Shares (₹) [(v)/(iii)]		299.29		71.24
<b>(B) Diluted</b>				
(i) Dilutive Potential Equity Shares		—		—
(ii) Dilutive Earnings per Equity Shares (₹) [Same as (A)(vi) above]		299.29		71.24

**Note No.36 - CONTINGENT LIABILITIES AND COMMITMENTS** (To the extent not provided for)

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 01.04.2016
<b>Contingent Liabilities</b>			
Claims against the Company not acknowledged as debts;			
i) Income Tax	0	0	0
ii) Sales Tax	2279983	147304	1106799
iii) Excise duty		0	0
iv) Custom Duty	0	0	12625733
v) Employees State Insurance	1554020	1554020	1554020
vi) Entry Tax	39576274	37745158	34011021
vii) Kolkata Port Trust	0	0	42960
It is not probable that an outflow of economic resources will be required to settle the obligations and therefore, no provision is considered necessary.			
Indemnity Bonds/Guarantees through Banks	66194131	26962379	87632634
Letter of Credit		-	-
Letter of Credits	82100000	-	-
<b>Commitments</b>			
Estimated Amount of contracts remaining to be executed on capital account and not provided for.	1120000	1849150	0
Dividend on Cumulative Preference Shares		0	0
Other Commitments	7201087	7852494	9381875



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.37 - RELATED PARTIES DISCLOSURE****List of related parties**

Subsidiary Company

C &amp; C Investments Ltd.

Key Management Personnel

Mr. Rakesh Himatsingka, Managing Director

Mr. Shaurya Veer Himatsingka, Deputy Managing Director

Mr. Bhaskar Rakshit, Company Secretary

Mr. Pankaj Kumar Misra, Chief Finance Officer

Company in which Directors are interested as Director in

Assam Carbon Products Ltd. (Appointed on 25.05.2016)

Khatu Investments &amp; Trading Co. Ltd. (Appointed on 09.05.2017)

Shree Shyam Orchids Estates Ltd. (Appointed on 09.12.2016)

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 01.04.2016
Detail of Transactions taken place with Key Management Personnel			
Nature of Transactions			
Remuneration of :			
Managing Director	51783481	12860017	
Deputy Managing Director	51783481	12860017	
Company Secretary	445977	424041	
Chief Finance Officer	677002	608504	

Outstanding Payable	As at 31.01.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
Mr. Rakesh Himatsingka, Managing Director	30441738	8506407	
Mr. Shaurya Veer Himatsingka, Deputy Managing Director	30465837	8792250	
Company Secretary	51303	60414	
Chief Finance Officer	106089	63412	

The Company has incurred expenses of C & C Investments Limited, the Subsidiary Company amounting to ₹ 9800 (2016-17 - ₹ 12466) towards Audit Fees, Filing Fees and Compliance Certificate Fees.

The Company has sold goods amounting to ₹ 536753 (2016-17 - ₹ 520098), Stores for ₹ Nil (2016-17- ₹ 100117) and purchased Stores amounting to ₹ 8100 (2016-17 ₹ - Nil) net of tax to Assam Carbon Products Ltd. Balance outstanding as on 31.3.2018 ₹ 354331 (2016-17 ₹ - Nil)

The Company has taken services amounting to ₹ 1758056 (2016-17 - ₹ Nil) from Khatu Investments & Trading Co. Ltd. Balance outstanding as on 31.3.2018 ₹ 212480 (2016-17- ₹ Nil)

The Company has taken services amounting to ₹ 2399462 (2016-17 - ₹ 660300) from Shree Shyam Orchids Estates Ltd. Balance outstanding as on 31.3.2018 ₹ 163412 (2016-17 ₹ 79973)

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)**Note No.38 - EMPLOYEE BENEFITS****I. Post Employment Defined Benefit Plans :****(A) Gratuity (Funded)**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and is funded by the Company to make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2 based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company :

(Amount in ₹)

	31 March 2018	31 March 2017
<b>(a) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation :</b>		
Present value of obligation at the beginning of the year	11,662,302	10,557,672
Current service cost	1,333,759	1,009,105
Interest cost	846,683	792,473
Past Service cost	2,281,197	–
<u>Remeasurement Losses</u>		
Actuarial losses arising from changes in financial assumptions	(360,350)	556,327
Actuarial losses arising from changes in experience adjustments	4,592,401	(457,756)
Benefits paid	(755,727)	(795,519)
Present value of obligation at the end of the year	19,600,265	11,662,302
<b>(b) Reconciliation of opening and closing balances of the fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	11,662,302	10,557,672
Interest income	846,683	842,391
<u>Remeasurement Gains</u>		
Return on plan assets	(391,933)	(222,176)
Contribution from employer	–	1,279,934
Benefits paid	(755,727)	(795,519)
Fair value of plan assets at the end of the year	11,361,325	11,662,302
<b>(c) Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets</b>		
Present value of obligation at the end of the year	19,600,265	11,662,302
Fair value of plan assets at the end of the year	11,361,325	11,662,302
Liabilities recognised in the balance sheet	8,238,940	–
<b>(d) Actual Return on plan assets</b>	454,750	620,215
<b>(e) Expense recognised in the other comprehensive income</b>		
Remeasurement losses / (gain)	3,840,118	(123,605)

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

		31 March 2018	31 March 2017
(f)	<b>Expenses recognised in Profit or Loss</b>		
	Current service cost	1,333,759	1,009,105
	Net Interest cost (Income)	0	(49,918)
	Total *	1,333,759	959,187
	* Recognised under Contribution to Provident and Other Funds (Note 32)		
(g)	<b>Category of plan assets</b>		
	Funded with Gratuity Fund Trust	100%	100%
(h)	<b>Maturity profile of defined benefit obligation</b>		
	1st year	7162806	943482
	2-5 years	3638249	2389135
	6-10 years	7827115	6272664
	More than 10 years	18070353	16137599
(i)	<b>Principal actuarial assumptions</b>		
	Discount Rate	7.55%	7.26%
	Salary growth rate	5%	5%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India for both years.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

	Changes in assumption	Impact on defined benefit obligation 31 March 2018	Impact on defined benefit obligation 31 March 2017
(j)	<b>Sensitivity analysis</b>		
	Discount rate		
	Increase by 1 %	Decrease by ₹ 1140836	Decrease by ₹ 983996
	Decrease by 1 %	Increase by ₹ 1305447	Increase by ₹ 1132665
	Salary growth rate		
	Increase by 1 %	Increase by ₹ 1216129	Increase by ₹ 1049541
	Decrease by 1 %	Decrease by ₹ 1083712	Decrease by ₹ 928918

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior periods.

(k) The company expects to contribute ₹ 7937963 (Previous Year ₹ 1279934) the funded gratuity plan during the next financial year.

(l) The adjusted future service of the Defined Benefit Obligation as at 31st March, 2018 is 8.42 years (as at 31st March, 2018 is 11.25 years)

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)***(B) Provident fund**

Contributions towards provident funds are recognised as expense for the year. The Company has set up Provident Fund Trusts in respect of employees which are administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

In view of the Company's obligation to meet shortfall, if any, on account of interest, Provident Fund trusts set up by the Company are treated as defined benefit plans.

During the year, the Company's contribution of ₹ 1733859 (Previous year – ₹ 1528565) to the Provident Fund Trusts has been expensed under the 'Contribution to Provident and Other Funds' in Note 32.

**II. Post Employment Defined Contribution Plans****(A) Superannuation Fund**

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Trustees. The Company makes quarterly contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

**(B) The Employees Pension Scheme 1995**

The employees of the Company received benefits from the above mentioned scheme, a defined contribution plan. The employer makes monthly contributions to a Government administered fund at specified percentage. The Company has no further obligation under the plan beyond its monthly contributions.

During the year the Company has made contribution amounting to ₹ 1733859 (Previous Year ₹ 1581151) has been recognised as expenditure towards above defined benefit plans of the Company.

**III. Leave Obligations**

The Company provides for accumulation of leave by its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was ₹ 4667276, ₹ 3180831 and ₹ 2867881 as at 31 March, 2018, 31st March, 2017 and 1st April, 2016 respectively. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. ₹ 7,883 is not expected to be taken or paid within the next 12 months.

(Amount in ₹)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Leave provision not expected to be settled within the next 12 months	2997048	2182846	2023715

**IV. Risk Exposure**

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

**Discount Rate Risk**

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Salary Growth Risks**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**Demographic Risk**

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

**Note No.39 - FAIR VALUE MEASUREMENTS**

Financial Instruments by category	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
		Carrying Amount / Fair Value	Carrying Amount / Fair Value	Carrying Amount / Fair Value
<b>Financial Assets</b>				
<b>Assets Carried at Fair Value through Profit or Loss / OCI</b>				
Investments				
Equity Instrument	5	404022000	278551500	117082500
Mutual Funds	5,9	809093678	0	0
Advance for Investments in Mutual Funds	13	92090000		
Foreign Exchange Future Contracts	11	7386546	0	0
<b>Assets Carried at Amortised Cost</b>				
Investments				
Trade Receivables	10	208404372	85660655	324408905
Cash and Cash Equivalents	11	262696396	9336013	631202
Other Bank Balances	12	125108183	10320954	26883918
Other Financial Assets	6,13	119068230	255998921	36096894
<b>Total Financial Assets</b>		<b>2027869406</b>	<b>639868043</b>	<b>505103419</b>
<b>Financial Liabilities</b>				
<b>Liabilities Carried at Amortised Cost</b>				
Borrowings (including current maturities and interest accrued)	17,20,22	628861284	59549518	411481475
Trade Payables	21	106317622	59236507	85942889
Other Financial Liabilities	22	241281978	111541204	16804310
<b>Total Financial Liabilities</b>		<b>976460884</b>	<b>230327229</b>	<b>514228674</b>

\* Amounts are below the rounding off norm adopted by the Company

**(ii) Fair Values**

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2017.

The following methods and assumptions were used to estimate the fair values:

- In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

- (b) The fair value of foreign exchange future contracts is determined using closing exchange rates at the Balance Sheet date.
- (c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

For financial assets carried at fair value, the carrying amounts are equal to their fair values.

**(iii) Fair Value Hierarchy**

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31st March, 2018 and 31st March, 2017.

(Amount in ₹)

	31st March, 2018			31st March, 2017			31st March, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Recognised and Measured at Fair Value - Recurring Measurements</b>									
<b>Financial Assets</b>									
Equity Instrument	404022000			278551500			117082500		
Mutual Funds	809093678			0			0		
Advance for Investments in Mutual Funds			92090000	0		0	0		0
Foreign Exchange Future Contracts		7386546			0			0	
	1213115678	7386546	92090000	278551500	0	0	117082500	0	0

**Note No.40 - FINANCIAL RISK MANAGEMENT**

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimize potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimization/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Company does not enter into derivative financial instruments for speculative purposes. The following table explains the sources of risk and how the entity manages the risk in its financial statements. The management reviews the status of all principal risks with a significant potential impact. Additionally, the Audit Committee carried out focused risk reviews of each Plant and divisions. These reviews included an analysis of both the principal risks, and the controls, monitoring and assurance processes established to mitigate those risks to acceptable levels. As a result of these reviews, a number of actions were identified to continue to improve internal controls and the management of risk.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Cash Flow forecasts	Credit facilities
Market Risk – foreign exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow forecasts	Monitoring of currency movement.
Market Risk – interest rate	Long Term Borrowings/Liabilities	...	Monitoring of interest rate movements
Market Risk – security prices	Investment in Securities	...	Portfolio Management

**A. Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risk arises from cash and cash equivalents, investment carried at amortised cost, deposit with banks and financing institutions as well as credit exposure to customer and other parties.

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the entity assesses and manages credit risk based on internal credit evaluation. It monitors party-wise exposure and based on evaluation credit rating is allotted for each party. Thereafter a credit limit is assigned to each party depending on the solvency of the said party.

The entity considers the probability of default on ongoing basis and at each reporting period. Micro-economic information is incorporated as part of internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

The ageing of Trade receivables i.e. receivables which are past due (net of allowances / provisions) are given below :

<b>Age of receivables</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>	<b>01-Apr-16</b>
1 – 30 days past dues	<b>21867327</b>	18520849	51883246
31 – 60 days past dues	<b>15523074</b>	8507125	16113379
61 – 90 days past dues	<b>19146512</b>	9897276	13006998
91 – 180 days past dues	<b>5185102</b>	876099	8692281

**B. Liquidity Risk**

The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing to meet its additional need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Company does not breach borrowing limits or covenants (where applicable ) on any of its borrowing facilities.

The company is required to maintain debt equity ratio as mentioned in the loan agreements at specified levels. In the event to meet any ratios these become callable at the option of the lenders, except where exception is provided by lender.

**C. Market Risk**

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments).

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

- (i) **Foreign Exchange Risk** - The company transacts business by way of purchase of raw materials in local currency and foreign currency (primarily in US dollars). The Company has taken buyer's credit facility and is therefore exposed to foreign currency risk.

The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure using Future Purchase Contracts.

(a) **Foreign Currency Risk Exposer**

The Company's exposure to foreign currency (in US dollar) risk at the end of the reporting period expressed in INR, are as follows:

	31st March, 2018	31st March, 2017	1st April, 2016
<b>Financial Liabilities</b>			
Buyers Credit (US \$ 8973576.97; as at 31.3.2017 - Nil; 1.4.2016 US \$ 2310014.62)	581390346	0	153229969

(b) **Sensitivity**

The sensitivity of profit or loss to change in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

	<b>Impact on profit before tax</b>	
	31st March, 2018	31st March, 2017
<b>USD Sensitivity</b>		
INR/USD - Increase by 5% *	29069517	0
INR/USD - Decrease by 5% *	29069517	0

\* Holding all other variables constant.

- (ii) **Interest Rate Risk** - Interest rate exposure of the Company is mainly on Borrowing from Bank/FI, which is linked to their prime lending rate and the Company does not foresee any risk on the same.
- (iii) **Security Price Risk** – (a) The Management invests its surplus funds in mutual funds operated by only high rated institutions. To manage price risk arising from investment in mutual funds, The Company diversifies its portfolio.
- (b) **Sensitivity**

The sensitivity of profit or loss to change in Net Assets Value (NAVs) at the year end for investments in mutual funds.

	<b>Impact on profit before tax</b>	
	31st March, 2018	31st March, 2017
<b>USD Sensitivity</b>		
NAV - Increase by 1% *	8090937	0
NAV - Decrease by 1% *	8090937	0

\* Holding all other variables constant.

**Note No.41 - DIVIDENDS ON EQUITY SHARES**

- (a) Final dividend for the year ended 31st March, 2017 @25% i.e. ₹ 2.50 per share on face value of ₹ 10 each totalling ₹ 6625000 is paid during the year. Dividend distribution tax of ₹1348694 was also paid.
- (b) The Board has recommended payment of Dividend for the Financial Year ended 31st March, 2018 @ 150 % i.e. ₹ 15 per equity shares on face value of ₹ 10/- each totalling ₹ 39750000 subject to approval of the members. Dividend distribution tax on above is ₹ 8172600.



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note No.42**

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Central Excise have been replaced by GST. In accordance with Indian Accounting Standard -18 on Revenue and Schedule III of the Companies Act, 2013, GST are not included in Gross Revenue from sale of products and services for applicable periods. In view of the aforesaid restructuring of indirect taxes, Gross Revenue from sale of products and services and Excise Duty for the year ended 31st March, 2018 are not comparable with the previous year. Following additional information is being provided to facilitate such comparison:

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Gross Sales Value(Net of rebates & discounts)	3927954357	1416478669
GST	507981380	—
Net Revenue from sale of products (Net of GST)	3419972977	1416478669

**Note No.43**

The total assets of the subsidiary company (C & C Limited) is negligible as compared to the total assets of India Carbon Limited, the holding company (0.0004%). In view of above and also severe long term restriction on transfer of funds, consolidation of Financial Statements have not been considered.

**Note No.44**

Hon'ble Gauhati High Court on 1.9.2000 ordered for winding up of Him Containers Limited (HCL) and appointed Registrar of Companies, Assam as the official liquidator of HCL. Consequently there was diminution in the value of Company's investments in HCL (in liquidation) and also in its wholly owned subsidiary C & C Investments Limited (CCIL) whose resources are fully invested in HCL. Full provision was made for diminution in the value of such investments and also advances to CCIL, as extraordinary item, totaling ₹ 24796300 by charge to Statement of Profit and Loss during the year ended 31st March, 2001.

**Note No.45**

Incentive declared by the Government of India to eligible industrial units under North East Industrial & Investment Promotion Policy, 2007 towards refund of Excise Duty paid on finished products was reduced from 100% to 36% for Calcined Petroleum Coke and 100% to 34% for Carbon Paste, by way of Notification No.20/2008 Central Excise dated 1st April, 2008. Some of the beneficiaries approached the Hon'ble Gauhati High Court challenging the said notification. Thereafter Hon'ble Gauhati High Court had passed an order for full refund of excise duty in terms of the original notification. The order of Gauhati High Court was then challenged before the Hon'ble Supreme Court by the Union of India. The Supreme Court had directed the government through an interim order dated 7th December, 2015 to refund 50% of the differential amount which comes to ₹ 8,08,31,663 (Rupees Eight Crore Eight Lakh Thirty-one Thousand Six hundred and Sixty-three only) to the company on furnishing solvent surety. Thus, till the final order is passed by the Supreme Court the 50% of the differential amount is liable to be refunded on demand by the Government. Therefore, the same has been treated as Other Current Liabilities in the Balance Sheet. (Note No.22) and the final order is still awaited.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

**S. Samanta**

Partner

Place: Kolkata,

Date: 16th May, 2018

**Rakesh Himatsingka**

Chairman &amp; Managing Director

DIN: 00632156

**Shaurya Veer Himatsingka**

Deputy Managing Director &amp; CEO

DIN:01200202

**Sunirmal Talukdar**

Director

Din:00920608

**Pankaj Kumar Misra**

Chief Financial officer

**Hemant Kumar Khaitan**

Director

Din: 00220049

**Bhaskar Rakshit**

Company Secretary

## DIRECTORS' REPORT

TO

THE MEMBERS

**C & C Investments Limited**

The Directors submit the Forty-Second Annual Report for the year ended 31st March, 2018.

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Profit & Loss Statements for the year ended 31st March, 2018 resulted in nil profit as there was neither any income nor any expenses during the usual course of business. The accumulated loss now stands at ₹ 1, 31, 86,293/- which is in excess of the paid-up share capital and reserves of the Company.

Hon'ble Guwahati High Court vides order dated 1st September, 2000 ordered for winding up of Him Containers Ltd. (HCL) and Registrar of Companies, Assam has been appointed as its official Liquidator. Consequent upon the said winding up order of HCL, provision for diminution in the value of investments of ₹ 74,36,500/- held by the Company in HCL(in liquidation) and advance of ₹ 57,50,000/- given by the Company to HCL was made as an Extraordinary item by charging the same to the Profit & Loss Account during the year ended 31st March, 2001.

Consequent upon the execution of joint guarantee with regard to the loans taken by HCL from their Bankers amounting to ₹ 26,88,80,000/-, the Banker has filed a petition before the Debt Recovery Tribunal, Kolkata praying recovery of ₹ 41,24,76,480 including proportionate interest from the defendants including your company as a Guarantor.

Debt Recovery Tribunal vide its interim order dated 20.06.2003 has restrained the Company by way of injunction to transfer, encumber or otherwise dispose of the movable and immovable properties, except in the usual course of business, till the disposal of the case. In view of the situation as explained above, the Directors are of the view that since your Company operates under Long Term restriction in dealing with the funds, it may be just and equitable for the Company to be wound up.

#### ▪ **DIVIDEND**

No Dividend was declared for the current financial year due to loss incurred by the Company.

#### ▪ **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report

#### ▪ **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

#### ▪ **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

#### ▪ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

#### ▪ **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

## DIRECTORS' REPORT *(Contd.)*

Auditors Remuneration, Filing Fees & other expenses of ₹ 9,800/- has been incurred by M/s. India Carbon Limited, the holding company.

### ▪ PARTICULRS OF EMPLOYEES

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had no employee during the Financial year 2017-18.

### ▪ EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

### ▪ COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### ▪ ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 and the same is being attached to this Report as Annexure A.

### ▪ NUMBER OF BOARD MEETINGS AND AUDIT COMMITTEE MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the Financial year under review (4) Board Meetings were convened and held on 8th May 2017, 21st August 2017, 10th November 2017 and 5th February 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### ▪ DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed;
- (b) the directors had 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 at the end of the financial year and of the profit and loss of the company for the year under review;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ▪ SUBSIDIARIES

The company is a subsidiary company of M/s. India Carbon Limited.

**DIRECTORS' REPORT** (Contd.)**HIM CONTAINERS LTD. (HCL)**

Consequent upon the winding-up order of HCL, its Directors ceased to hold office except for the purpose of filling Statement of Affairs, which has been filed with the Official Liquidator on 30th October, 2000. As a result, C & C Investments Limited (CCIL) can no longer control the composition of the Board of Directors of HCL (in Liquidation) and hence, HCL is not considered to be a subsidiary of CCIL.

- **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

- **DIRECTORS**

In accordance with the Articles of Association of the Company, Mr. Dwijen Kumar Dutta, Director nominated by ICL retires by rotation and being eligible offers himself for re-appointment.

- **AUDITORS**

The Board wishes to recommend the appointment of M/s. S. K. Singhania & Co (Firm Registration No.302206E), as statutory auditors for a period of five years from the conclusion of the ensuing Annual General Meeting. A resolution to this effect proposed at the forthcoming Annual General Meeting.

- **AUDITOR'S REPORT**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013

- **SHARES**

- a. **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

- b. **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

- c. **BONUS SHARES**

No Bonus Shares were issued during the year under review.

- d. **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

- **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to shareholders, bankers, Financial Institutions, business associates, customers, suppliers and various Government Authorities for their extended support and confidence reposed on Companies activities during the year under review.

Your Directors also acknowledges the support and services of all its workers, staffs and executives, which is largely reflected in the performance of the company.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place : Guwahati, 15th May, 2018

Registered Office:

Noonmati, Guwahati - 781 020, Assam

**D. K. Dutta**  
Director

**S. K. Bhattacharjya**  
Director

**DIRECTORS' REPORT** (Contd.)**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

1. CIN	U67120AS1976PLC001654
2. Registration Date	22/03/1976
3. Name of the Company	C & C INVESTMENT LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5. Address of the Registered office & contact details	NOONMATI, GUWAHATI, ASSAM-781020
6. Whether listed company	NO
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	N.A.	N.A.	N.A.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	INDIA CARBON LIMITED	L23101AS1961PLC001173	HOLDING	99.99%	2(46)

**IV. A. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>	–	–	–	–	–	–	–	–	–
<b>(1) Indian</b>	–	–	–	–	–	–	–	–	–
a) Individual/ HUF	–	10	10	–	–	10	10	0.001%	NO CHANGE
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	750130	750130	99.99%	–	750130	750130	99.99%	NO CHANGE
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
<b>Total shareholding of Promoter (A)</b>	–	<b>750140</b>	<b>750140</b>	<b>99.99%</b>	–	<b>750140</b>	<b>750140</b>	<b>99.99%</b>	<b>NO CHANGE</b>

**DIRECTORS' REPORT** (Contd.)

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		60	60	0.01%	-	60	60	0.01%	NO CHANGE
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		<b>750200</b>	<b>750200</b>	<b>100%</b>	<b>-</b>	<b>750200</b>	<b>750200</b>	<b>100%</b>	<b>NO CHANGE</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>		<b>750200</b>	<b>750200</b>	<b>100%</b>	<b>-</b>	<b>750200</b>	<b>750200</b>	<b>100%</b>	<b>NO CHANGE</b>

**DIRECTORS' REPORT** (Contd.)**B) Shareholding of Promoter-**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SHYAMAL KUMAR BHATTACHARJYA	10	0.001%	–	10	0.001%	–	NO CHANGE
2	INDIA CARBON LIMITED	750130	99.99%	–	750130	99.99%	–	NO CHANGE

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	750140	99.99%	–	–
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	–	–	–	–
3.	At the end of the year	750140	99.99%	–	–

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of the Shareholder	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	MR. SANTOSH KUMAR MOUR	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
2.	MR. B.K. JAIN	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
3.	MR. SANTOSH KUMAR BAJAJ	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
4.	MR. SANDIP MODI	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
5.	MR. PRANAB JYOTI BORA	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
6.	MR. SUSHEEL KUMAR SHARMA	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Name of the Director and KMP	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SHYAMAL KUMAR BHATTACHARJYA	10	0.001%	10	0.001%	10	0.001%

**DIRECTORS' REPORT** (Contd.)**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	56,94,173	—	56,94,173
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	<b>56,94,173</b>	—	<b>56,94,173</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	—	—	—	—
* Reduction	—	—	—	—
<b>Net Change</b>	—	—	—	—
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	—	56,94,173	—	56,94,173
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	—	<b>56,94,173</b>	—	<b>56,94,173</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

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



**DIRECTORS' REPORT** (Contd.)**B. Remuneration to other Directors**

<b>S N.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>				<b>Total Amount</b>
1	Independent Directors	—	—	—	—	—
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	<b>Total (1)</b>	—	—	—	—	—
2	Other Non-Executive Directors	—	—	—	—	—
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	<b>Total (2)</b>	—	—	—	—	—
	<b>Total (B)=(1+2)</b>	—	—	—	—	—
	Total Managerial Remuneration	—	—	—	—	—
	Overall Ceiling as per the Act	—	—	—	—	—

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTd**

<b>S N</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>			
		<b>CEO</b>	<b>CS</b>	<b>CFO</b>	<b>Total</b>
1	Gross salary	N.A.	N.A.	N.A.	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

**DIRECTORS' REPORT** (Contd.)**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board of Directors

Place : Guwahati, 15th May, 2018  
Registered Office:  
Noonmati, Guwahati - 781 020, Assam

Sd/-

**D. K. Dutta**  
Director

Sd/-

**S. K. Bhattacharjya**  
Director

## **INDEPENDENT AUDITOR'S REPORT**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

#### **C & C INVESTMENTS LIMITED**

##### **Report on the Standalone Ind As Financial Statements**

We have audited the accompanying Standalone Ind AS financial statements of C & C INVESTMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income) and Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

##### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

##### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards including Ind AS and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

##### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the company as at 31st March, 2018 and its financial performance including other comprehensive income, its cash flow and the statement of changes in equity for the year ended on that date.

**INDEPENDENT AUDITOR'S REPORT** (Contd.)**Emphasis of Matters**

We draw your attention to the financial statements which indicates that as at 31st March 2018, the accumulated losses amounting to ₹ 131.86 lakhs has eroded the entire net worth of the Company, indicating the existence of a material uncertainty about the Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis for the reasons stated in the said note.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of books and other records as considered appropriate, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought & obtained all the information & explanation which to best of our knowledge and belief were necessary for purpose of our audit of the aforesaid Standalone Ind AS financial statements read with as reported in "Emphasis of Matters" paragraph above.
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial statements have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.
  - (e) On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B, and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The company has disclosed its pending litigations under Note 12 of the Standalone Ind AS financial statement. The impact of the litigations will be given effect to as and when the same are determined/settled.
    - (ii) The company has no long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.

For **S. K. SINGHANIA & CO.**  
Chartered Accountants,  
(Firm Registration No. 302206E)

**(RAJESH KR. SINGHANIA)**  
M. NO. 52722  
Partner

19A, Jawaharlal Nehru Road,  
Kolkata - 700 087  
Dated : 15.05.2018

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of C & C INVESTMENTS LIMITED on the financial statements of the Company for the year ended 31st March 2018)**

1. Since the company does not have any tangible fixed assets, clause (a), (b) & (c) of section (i) of para 3 of the Order is not applicable.
2. Since the company does not hold any inventory, section (ii) of para 3 of the Order is not applicable.
3. The company had granted unsecured loans of ₹ 57.50 lakhs to M/S. Him Containers Ltd. (parties covered in the register-maintained u/s. 189 of the Act) in earlier years which company is under liquidation and full provision has been made for such loan as the chances of recovery is not there.
4. In our opinion and according to the information & explanations given to us the company has complied with the provision of Section 185 & 186 of the Act, with respect to loans and investments made.
5. Since the company has not accepted any deposits, section (v) of para 3 of the Order is not applicable.
6. Since maintenance of cost records has not been specified by the Central Government under sub section (1) of the section 148 of the Act, nothing is reportable under section (vi) of para 3 of the Order.
7. (a) The company is regularly depositing statutory dues applicable to the company with appropriate authorities & there are no any outstanding statutory dues as at last date of financial year concerned for period of six months from date they became payable.  
(b) Since there are no such dues of income tax, sales tax, service tax or excise duty which have not been deposited on account of any dispute, clause (b) of section (vii) of para 3 of the Order is not applicable.
8. Since the company has not taken any loan from Bank or Financial Institutions, section (viii) of para 3 of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
10. According to the information and explanations give to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. Since the company has not paid / provided any managerial remuneration, section (xi) of para 3 of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, as such section (xii) of para 3 of the Order is not applicable.
13. According to the information and explanations give to us and based our or examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not make any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them, as such section (xv) of para 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For S. K. SINGHANIA & CO.**

*Chartered Accountants,*

(Firm Registration No. 302206E)

**(RAJESH KR. SINGHANIA)**

M. NO. 52722

*Partner*

19A, Jawaharlal Nehru Road,  
Kolkata - 700 087  
Dated : 15.05.2018

## ANNEXURE B TO THE AUDITOR'S REPORT

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of C & C INVESTMENTS LIMITED ('the Company') as of 31st March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT** *(Contd.)***Inherent Limitation of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. K. SINGHANIA & CO.**

*Chartered Accountants,*

(Firm Registration No. 302206E)

**(RAJESH KR. SINGHANIA)**

M. NO. 52722

*Partner*

19A, Jawaharlal Nehru Road,

Kolkata - 700 087

Dated : 15.05.2018

**BALANCE SHEET** as at 31st March, 2018

(Amount in ₹)

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Non-current assets</b>				
(a) Financial Assets				
(i) Investment	3	—	—	—
<b>Total Non - Current Assets</b>		—	—	—
<b>Current assets</b>				
(b) Financial Assets				
Cash and cash equivalents	4	13,246	13,895	14,528
<b>Total Current Assets</b>		13,246	13,895	14,528
<b>Total Assets</b>		13,246	13,895	14,528
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	5	7,502,000	7,502,000	7,502,000
(b) Other Equity	6	(13,186,293)	(13,185,644)	(13,185,011)
<b>Total equity</b>		(5,684,293)	(5,683,644)	(5,683,011)
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	7	5,694,173	5,694,173	5,694,173
(ii) Trade and other payables	8	3,366	3,366	3,366
<b>Total Current Liabilities</b>		5,697,539	5,697,539	5,697,539
<b>Total liabilities</b>		5,697,539	5,697,539	5,697,539
<b>Total Equity &amp; Liabilities</b>		13,246	13,895	14,528

In terms of our report of even date annexed on the Balance Sheet.

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

**Rajesh Kumar Singhania**

M. NO. 52722

Partner

Place : Kolkata

Date : 15th May, 2018

For and on behalf of the Board of Directors

Sd/-

**D. K. Dutta**

Director

Sd/-

**S. K. Bhattacharjya**

Director



**PROFIT AND LOSS STATEMENT** for the year ended 31st March, 2018

(Amount in ₹)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Revenue from operations		—	—
<b>Total income</b>		—	—
<b>Expenses</b>			
Bank charges		649	633
<b>Total expenses</b>		649	633
<b>Loss before tax</b>		(649)	(633)
Income tax expenses			
- Current tax		—	—
- Deferred tax		—	—
<b>Total tax expense</b>		—	—
<b>Loss after tax</b>		(649)	(633)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>		—	—
<i>Items that will not be reclassified to profit or loss</i>			
(i) Equity Instruments through Other Comprehensive Income		—	—
(ii) Remeasurements of the defined benefit plans		—	—
Less:			
Income tax relating to items that will not be reclassified to profit or loss		—	—
(i) Equity Instruments through Other Comprehensive Income		—	—
(ii) Remeasurements of the defined benefit plans		—	—
<b>Other comprehensive income for the year, net of tax</b>		—	—
<b>Total comprehensive income for the year</b>		(649)	(633)
<b>Profit is attributable to:</b>			
Owners of India Carbon Limited		(649)	(633)
Non-controlling interests		—	—
		(649)	(633)
<b>Other comprehensive income is attributable to:</b>			
Owners of India Carbon Limited		—	—
Non-controlling interests		—	—
		—	—
<b>Total comprehensive income is attributable to:</b>			
Owners of India Carbon Limited		(649)	(633)
Non-controlling interests		—	—
		(649)	(633)
<b>Total comprehensive income attributable to owners of India Carbon Limited arises from:</b>			
Continued operations		(649)	(633)
Discontinued operations		—	—
		(649)	(633)
<b>Earnings per equity share attributable to owners of India Carbon Limited:</b>			
Basic earnings per share			
Diluted earnings per share			

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

**Rajesh Kumar Singhania**

M. NO. 52722

Partner

Place : Kolkata

Date : 15th May, 2018

For and on behalf of the Board of Directors

Sd/-

**D. K. Dutta**

Director

Sd/-

**S. K. Bhattacharjya**

Director

**CASH FLOW STATEMENT** for the year ended 31st March, 2018

(Amount in ₹)

	Year ended 31.3.2018		Year ended 31.3.2017	
	₹	₹	₹	₹
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Profit before tax		(649)		(633)
<b>NET CASH USED IN OPERATING ACTIVITIES - (A)</b>		(649)		(633)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		NIL		NIL
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		NIL		NIL
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT</b>		649		633
Balance of Cash and Cash Equivalents As At 31.3.2017	13895		14528	
Balance of Cash and Cash Equivalents As At 31.3.2018	13246	(649)	13895	(633)

**Note:** The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS - 7 issued by the Institute of Chartered Accountants of India.

Per Our Report attached.

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

**Rajesh Kumar Singhania**

M. NO. 52722

Partner

Place : Kolkata

Date : 15th May, 2018

For and on behalf of the Board of Directors

Sd/-

**D. K. Dutta**

Director

Sd/-

**S. K. Bhattacharjya**

Director

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2018

### 1. Corporate Information

C & C Investments Limited is a public limited company domiciled in India. The company was formed on 22.03.1976 with the main objective of carrying on business of debentures, debenture-stock, bonds, notes, obligations and securities issued or guaranteed by any Government, commissioners, public bodies or authorities, trust, municipal, local or other authorities in any part of the world. The Registered office is in Guwahati, Assam, India.

It is a subsidiary of India Carbon Limited, which is a listed Company.

### 2.1 Summary of Significant Accounting Policies

#### 2.1 Basis of preparation

##### 2.1.1 Compliance with Indian Accounting Standards (Ind AS)

The Financial Statements are prepared on accrual basis of accounting, on principal of going concern, and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

The Financial Statements upto year ended 31st March, 2017 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

Accordingly, these Financial Statements are the first Financial Statements of the Company under IND AS and IND AS 101 "First Time Adoption of Indian Accounting Standards" has been applied. Refer Note 9 for an explanation of how the transition from previous GAAP to IND AS has affected the Company's Financial Position, Financial Performance and Cash Flows.

Accounting policies have been consistently applied except where a newly-used accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### 2.1.2 Basis of Accounting

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

- certain Financial Assets and Liabilities is measured at fair value;

##### 2.1.3 Reporting Currency

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

### 2.2 Use of Estimates and Management Judgements

#### (a) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has been made on the basis of best judgement by management regarding probable outflow of economic resources. Such estimation can change due to unforeseeable developments.

### 2.3 Financial Instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables, which are initially measured at transaction prices. Regular way purchase and sale of financial assets are accounted for at the trade date.

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

A financial asset which is not a derivative financial instrument, nor as classified above, is subsequently fair valued through profit or loss.

Financial liabilities are subsequently carried at amortised cost using the effective interest method.

**Loans**

Loans are Financial assets which are subsequently measured at amortised cost if these are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

**Trade Payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

**Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**2.4 Revenue recognition**

The revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of taxes in the Statement of profit and Loss.

**2.5 Income Tax**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in Other Comprehensive Income, OCI.

Owing to loss, provision for taxation has not been made. Moreover, provision for Deferred Tax Assets for carry forward of losses and unabsorbed depreciation has not been made as there is no convincing evidence that sufficient future taxable income shall be available against which such Deferred Tax Assets can be realized.

**2.6 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)*

between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole :

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

**2.7 Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

**2.8 Cash flow statement**

Cash flows are recognised using the indirect method, whereby profits for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.9 Earnings per Share**

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.10 Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**2.11 First Time Adoption of Ind AS**

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 *(Contd.)***2.12 Ind AS optional exemptions****Deemed Cost**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for investments in subsidiary and use that as its deemed cost at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value after adjusting the relevant provisions.

**2.12 Ind AS mandatory exemptions****(a) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP.

Ind AS estimates at 1st April, 2016 are consistent with the estimates as at the same date made with conformity with previous GAAP.

**(b) De-recognition of Financial Assets and Liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition retrospectively from a date of entity's choosing.

The entity has elected to apply the de-recognition provisions prospectively from the date of transition.

**(c) Classification and Measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification and measurement of assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

The entity has applied this exception.

**(d) Fair Valuation of Investments**

Under the previous GAAP, investments were classified as long term investments or current investments based on the intended holding period and realisability. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

**2.13 Transition to Ind AS - Reconciliations**

The profit after tax, equity and cash flow statement in previous GAAP does not have reconciling item with those reported under Ind AS. Consequently, no reconciliations have been presented.

**Note 3 Investment**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Equity Investments in subsidiary company (unquoted)			
Him Containers Limited (In Liquidation)	—	—	—
676150 equity shares of ₹ 10 each			
Investments carried at amortised cost			
Detachable Warrants-10% Upfront paid			
Him Containers Limited (In Liquidation)			
676150 of ₹ 10 each	—	—	—
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>—</b>

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

Note: 676150 Numbers of Equity Shares (Unquoted) of ₹10 each amounting to ₹ 6761500/- and 675000 numbers of Detachable Warrants - 10% Upfront Paid (Unquoted) of ₹ 10 each amounting to ₹ 6750000/- in Him Containers Limited (In Liquidation) have been fully provided.

**Note 4 Cash and Cash Equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Balances with banks			
(1) Unrestricted Balance with banks			
(i) In Current Account	13,246	13,895	14,528
<b>Cash and cash equivalents as per balance sheet</b>	<b>13,246</b>	<b>13,895</b>	<b>14,528</b>
(a) Earmarked Balances with banks			
(1) Earmarked Balance with banks			
(i) In Current Account	—	—	—
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Cash and Cash Equivalents</b>	<b>13,246</b>	<b>13,895</b>	<b>14,528</b>

**Note 5 Equity Share Capital**

Authorised Share Capital	Equity Shares	
	No. of Shares	₹
At 1st April 2015	1,500,000	15,000,000
Increase/(decrease) during the year	—	—
At 31st March 2016	1,500,000	15,000,000
Increase/(decrease) during the year	—	—
<b>At 31st March 2017</b>	<b>1,500,000</b>	<b>15,000,000</b>
<b>Issued equity capital</b>		
<b>Equity shares of ₹ 10 each issued, subscribed and fully paid</b>	<b>No. of Shares</b>	<b>₹</b>
At 1st April 2015	750,200	7,502,000
Changes during the period	—	—
At 31st March 2016	750,200	7,502,000
Changes during the period	—	—
<b>At 31st March 2017</b>	<b>750,200</b>	<b>7,502,000</b>
Changes during the period	—	—
<b>At 31st December 2017</b>	<b>750,200</b>	<b>7,502,000</b>

**Details of shareholders holding more than 5 percent equity shares:**

Name of Shareholder	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Carbon Limited	750,130	99.99	750,130	99.99	750,130	99.99

**Note 6 Other equity**

Other Equity		
--------------	--	--

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Attributable to Equity Share holders of the Company**

	<b>Reserves and surplus</b>	
	<b>Retained earnings</b>	<b>Total</b>
<b>Balance at 1 April 2016</b>	(13,185,011)	(13,185,011)
Profit/(Loss) for the year	(633)	(633)
Other comprehensive income (Net of Tax)	–	–
<b>Balance at 31 March 2017</b>	<b>(13,185,644)</b>	<b>(13,185,644)</b>
Profit/(Loss) for the year	(649)	(649)
Other comprehensive income	–	–
<b>Balance at 31 March 2018</b>	<b>(13,186,293)</b>	<b>(13,186,293)</b>

**Note 7 Borrowings**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>Unsecured Loans</b>			
1. From Related Parties - Holding Company	<b>4,095,000</b>	4,095,000	4,095,000
2. Others	<b>1,599,173</b>	1,599,173	1,599,173
<b>Total Borrowings</b>	<b>5,694,173</b>	5,694,173	5,694,173

**Note 8 Trade Payables**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
Total outstanding dues of micro enterprises and small enterprises	–	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>3,366</b>	3,366	3,366
<b>Total</b>	<b>3,366</b>	3,366	3,366

**Note 9 Reconciliation between previous GAAP and Ind AS****(A) Reconciliation of Equity as at the Date of Transition (1st April, 2016)**

	<b>Note</b>	<b>Previous GAAP *</b>	<b>Adjustments</b>	<b>Ind AS</b>
<b>EQUITY</b>				
(a) Equity Share capital		7,502,000.00	–	7,502,000.00
(b) Other Equity		(13,185,011.00)	–	(13,185,011.00)
<b>Total equity</b>		<b>(5,683,011.00)</b>	–	<b>(5,683,011.00)</b>

**(B) Reconciliation of Equity as at 31.03.2017**

	<b>Note</b>	<b>Previous GAAP *</b>	<b>Adjustments</b>	<b>Ind AS</b>
<b>EQUITY</b>				
<b>Equity</b>				
(a) Equity Share capital		7,502,000.00	–	7,502,000.00
(b) Other Equity		(13,185,644.00)	–	(13,185,644.00)
<b>Total equity</b>		<b>(5,683,644.00)</b>	–	<b>(5,683,644.00)</b>



**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note 10 Financial Risk Management**

The entity's activities expose it to market risk, liquidity risk and credit risk. In order to minimise effects of the above, various arrangements are entered into by the entity. The following table explains the sources of risk and how the entity manages the risk in its financial statements.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Cash Flow forecasts	Credit facilities
Market Risk – foreign exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow forecasts	Monitoring of currency movement.
Market Risk – interest rate	Long Term Borrowings/Liabilities	...	Monitoring of interest rate movements
Market Risk – security prices	Investment in Securities	...	Portfolio Management

**[A] Credit Risk**

Credit risk arises from cash and cash equivalents, investment carried at amortised cost, deposit with banks and financing institutions as well as credit exposure to customer and other parties.

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the entity assesses and manages credit risk based on internal credit evaluation. It monitors party-wise exposure and based on evaluation credit rating is allotted for each party. Thereafter a credit limit is assigned to each party depending on the solvency of the said party.

The entity considers the probability of default on ongoing basis and at each reporting period.

Micro-economic information is incorporated as part of internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 60 days past due.

**[B] Liquidity Risk**

Prudent risk liquidity management implies maintaining sufficient cash and cash equivalents and the availability of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the group's liquidity position on the basis of expected cash flow.

**[C] Market Risk**

The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk.

**Note 11 Capital Management**

The Company funds its operations mainly through internal accruals and influx of fund as working capital from its holding company, India Carbon Limited.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31st March, 2018 (Contd.)

(Amount in ₹)

**Note 12 Related parties disclosure:****(A) List of related parties**

- (a) Holding Company  
India Carbon Limited
- (b) Key Management Personnel
  - (i) Mr. D. K Dutta, Director
  - (ii) Mr. P. K. Misra, Director
  - (iii) Mr. S. K. Bhattacharjya, Director

**(B) Details of Transaction taken place**

With Holding Company:

Auditors' Remuneration, Filing Fees & other expenses of ₹ 9800 (Previous Year ₹ 12466) have been incurred by M/S. India Carbon Ltd., the holding Company.

**Note 13 Contingent Liabilities for Joint Guarantees/Guarantees given in respect of Him Containers Limited (in liquidation)**

	As at 31.03.2018	As at 31.03.2017
Joint Guarantees/Guarantees given to Financial Institutions for Term & Other Loans	₹ 15800000	₹ 15800000
Do	St ₹ 656740 (INR60606988.20)	St ₹ 656740
Do	US \$ 517183 (INR 33639702.77)	US \$ 517183
Bank for Loans & Others purposes	₹ 268880000*	₹ 268880000*

\*Against above guarantee(s), the Bankers have filed a petition before the Debt Recovery Tribunal, Kolkata, claiming recovery of ₹ 412,476,480 from Him Containers Limited, and has also made C & C Investments Ltd. a party as Guarantor.

Debt Recovery Tribunal vide its interim order dated 20.06.2003 has restrained the Company by way of; injunction to transfer, encumber or otherwise dispose off the movable and immovable properties, except in the usual course of business, till the disposal of the case. The case is being contested by the Company at the appropriate levels.

14. Hon'ble Gauhati High Court vides order dated 1st September 2000 has issued order for winding up of Him Containers Limited (HCL) and Registrar of Companies, Assam has been appointed as its Official Liquidator. Consequent upon the said winding up order of HCL, its directors ceased to hold office except for the purpose of filing Statement of Affairs which has been filed with the Official Liquidator on 30.10.2000. As a result, C & C Investments Limited can no longer control the composition of the Board of Directors of HCL (in liquidation) and therefore, ceased to be the holding company of HCL.

The Company's involvement in Him Containers Limited (in Liquidation), is to the extent of 676,150 Equity Shares of ₹ 10/- each amounting to ₹ 6,761,500/- and 675,000 Detachable Warrants with upfront payment @ Re.1/- per Warrant amounting to ₹ 675,000/-. The Investment and unsecured loan has been fully provided/ written-off in earlier years.

15. Figures for the previous year have been rearranged/ regrouped as and when necessary to conform to current year classifications and IND-AS requirement.

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

**Rajesh Kumar Singhania**

M. NO. 52722

Partner

Place : Kolkata

Date : 15th May, 2018

For and on behalf of the Board of Directors

Sd/-

**D. K. Dutta**

Director

Sd/-

**S. K. Bhattacharjya**

Director



*If undelivered, please return to :*



**India Carbon Limited**

Temple Chambers, 4th Floor

6, Old Post Office Street

Kolkata - 700 001

CIN : L23101AS1961PLC001173