





**ANNUAL REPORT  
2016 - 2017**

**CARBO-CERAMICS LIMITED**

Registered Office :  
31, CHOWRINGHEE ROAD  
KOLKATA - 700 016



**BOARD OF DIRECTORS**

MR. M. C. DARAK

MR. S. MARDA

MR. P. K. JOSHI

MS. S. SAHA

**COMPANY SECRETARY**

MS. KAVITA BIYANI

**CHIEF FINANCIAL OFFICER**

MR. R. L. KOTHARI

**AUDITORS**

LAKHOTIA & CO.

CHARTERED ACCOUNTANTS

**REGISTERED OFFICE**

31, CHOWRINGHEE ROAD

KOLKATA 700016

PHONE: 91-33-22659742

CIN: L26999WB1902PLC001537

E-MAIL: [secretarial@carbo-ceramics.com](mailto:secretarial@carbo-ceramics.com)

WEBSITE: [www.carbo-ceramics.com](http://www.carbo-ceramics.com)

**CARBO-CERAMICS LIMITED**

Regd. Off: 31, Chowringhee Road, Kolkata 700 016

CIN: L26999WB1902PLC001537

**NOTICE**

Notice is hereby given that the Annual General Meeting of the members of Carbo-Ceramics Limited will be held at Calcutta Chamber of Commerce 18-H, Park Street, Stephen Court, Kolkata 700071 on Monday, the 25th September, 2017 at 11.30 A.M. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Sebanka Saha, (DIN 07167322) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors of the Company and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re- enactment thereof for the time being in force) M/s ABPP & Associates, Chartered Accountants, (Firm Registration No.328632E) be and are hereby appointed as Auditors of the Company for a term of five consecutive years to hold office from the conclusion of this Annual General Meeting until the conclusion of the AGM to be held in the Year 2022 for approval of accounts of the Company for FY 2021-22 (in place of Lakhotia & Co., Chartered Accountants), on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors.

By Order of the Board  
For **Carbo-Ceramics Limited**

**K. Biyani**  
*Company Secretary*

Kolkata  
May 29, 2017

**NOTES :**

- a. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 is not required to be attached as there is no special business. Additional Information pursuant to Regulation 36(3) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director being reappointed is annexed hereto.
- b. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.

- c. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
- d. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, the 19th day of September, 2017** to **Monday, the 25th day of September, 2017** (both days inclusive).
- e. Members/Proxies should fill in the Attendance Slip for attending the meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting. Members are requested to affix their signature at the space provided in the attendance slip with complete details including the Folio No. annexed to the proxy form and hand over the slip at the entrance of the place of meeting.
- f. Members are requested to notify change in their address, if any, immediately to the Company's Registrar, Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020.
- g. All the documents referred in the accompanying notice will be available for inspection at the Registered Office of the Company between 10:00 a.m. and 2:00 p.m. on all working days till the date of ensuing Annual General Meeting.
- h. We are not mentioning AGM No. in the Notice, since the Company is more than 100 years old.
- i. Voting through electronic means.
  - I In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standard on General Meetings (SS2) issued by The Institute of Company Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the forthcoming Annual General Meeting (AGM) on 25th September 2017 by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL). The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting.
  - II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV **The instructions for shareholders voting electronically are as under:**
    - (i) The remote e-voting period begins on 22nd September, 2017 – from 9.00 a.m. (IST) and ends on 24th September, 2017- at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders tab to cast your votes.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 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.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) 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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
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.
	<ul style="list-style-type: none"> <li>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 (iv).</li> </ul>

- (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 “Carbo-Ceramics 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) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (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 changed 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) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user 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 [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (V) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (18th September, 2017) only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (VI) Mrs. Swati Bajaj, Partner, M/s. PS & Associates, Practicing Company Secretaries, Kolkata has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (VII) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (VIII) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (IX) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company ([www.carbo-ceramics.com](http://www.carbo-ceramics.com)) and on Service Provider’s website (<http://www.evotingindia.com>) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to The Calcutta Stock Exchange Limited.

By Order of the Board  
For **Carbo-Ceramics Limited**

**K. Biyani**  
*Company Secretary*

Kolkata  
May 29, 2017

**Profile of Sebanka Saha, Director being re-appointed.**

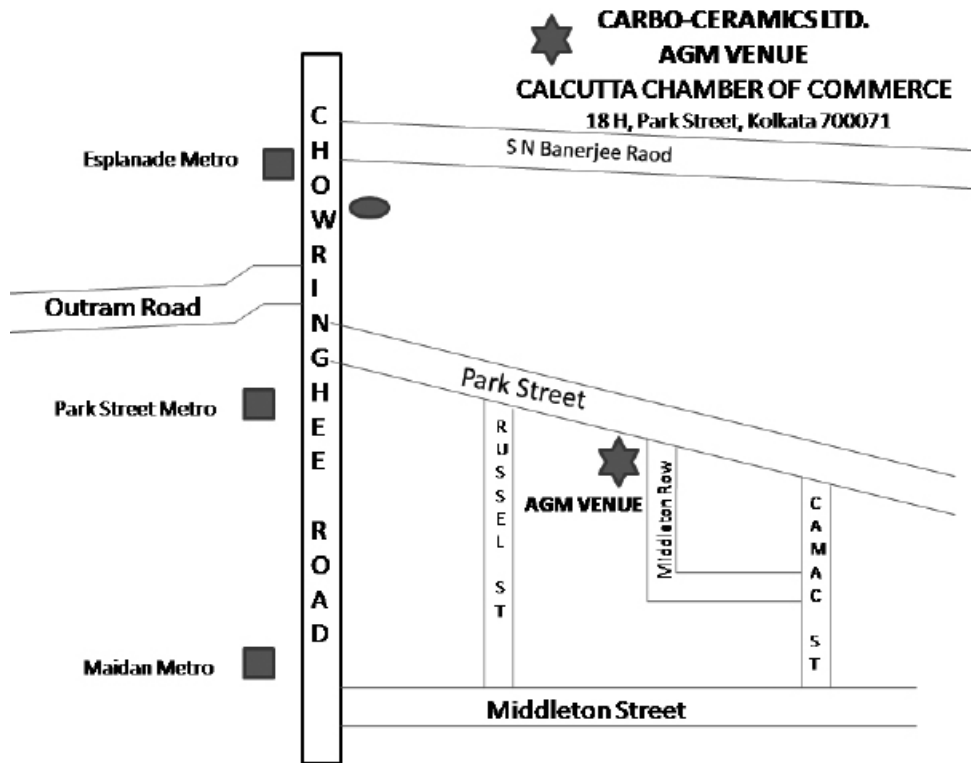
Ms. Sebanka Saha aged 25 years is young and dynamic qualified Company Secretary and B. Com Graduate and has more than three years experience in handling secretarial and legal matters. She is neither a director in any other Company nor holds committee position in any other Company. She is not related to any director of the Company. She does not hold any shares in the Company.

By Order of the Board  
For **Carbo-Ceramics Limited**

**K. Biyani**  
*Company Secretary*

Kolkata  
May 29, 2017

**ROUTE MAP OF AGM VENUE**



**CARBO-CERAMICS LTD.**  
**AGM VENUE**  
**Calcutta Chamber of Commerce**  
18-H, Park Street, Stephen  
Court, Kolkata - 700 071



**DIRECTORS' REPORT**

Dear Members,

Your Directors present their Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2017.

**FINANCIAL RESULTS**

During the year under review, performance of your company was as under:

(Amount in Rs.)

Particulars	Year ended 31st March 2017	Year ended 31st March 2016
Total Revenue	10,90,295	28,89,623
Profit before taxation	2,24,868	19,74,837
Tax Expense - Current Year	47,000	1,60,000
- Earlier Year	5059	(667)
- Deferred Tax	(64)	(64)
Profit/(Loss) after tax	1,72,873	18,15,568
Balance brought forward from the previous year	2,35,80,089	2,17,64,521
Balance Profit carried forward to next year	2,37,52,962	2,35,80,089

Total Revenue during the year was ₹ 10,90,295/- as against ₹ 28,89,623/- for FY 2015-16. Profit after Tax for the year was ₹ 1,72,873/- as against ₹ 18,15,568/- for FY 2015-16.

**TRANSFER TO RESERVE**

The Board has not proposed to transfer any amount to reserves out of the profits earned during FY 2016-17.

**DIVIDEND**

The Board intends to conserve its resources for business activities and hence, no dividend is recommended.

**FIXED DEPOSITS**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 as provided under Section 92 (3) of Companies Act, 2013 is annexed as "Annexure 1".

**NUMBER OF MEETINGS OF THE BOARD**

Seven meetings of the Board of Directors of the Company were held during the year on 27th May 2016, 11th July 2016, 12th August 2016, 11th November 2016, 15th December 2016,

14th February 2017 and 16th March 2017. Board Meetings attended by Directors during the FY 2016-17 is as under :-

Name of Directors	Number of Board Meeting	
	Held	Attended
Mr. M C Darak	7	7
Mr. S Marda	7	7
Mr. P K Joshi	7	7
Ms. S Saha	7	7

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

Relevant extracts of the Company's policy on directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in section 178(3) of Companies Act, 2013 is annexed as "Annexure 2".

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any guarantees or made investments under Section 186 of the Companies Act, 2013 during the year under review. Particulars of loans covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements forming a part of this Annual Report.

#### **CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any contract or arrangement with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

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

The Company's business does not entail conservation of energy, technology absorption and foreign exchange earnings and outgo. As such, no particulars are required to be disclosed.

#### **RISK MANAGEMENT**

Risk management policy has been developed and implemented identifying the risks associated with the Company and steps to mitigate them. There are no current risks which threaten the existence of the Company.

#### **FORMAL ANNUAL EVALUATION**

Formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors on the basis of a set of criteria framed and approved by the Nomination & Remuneration Committee / Board.

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

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Absolute transparency and reliable operating systems and control measures are necessities of a successful business and its growth. The Company has an effective internal control system resulting into reliable financial reporting, operating effectiveness and overall efficiency. The Company has adequate internal control systems proportionate with the size and nature of its business.

**VIGIL MECHANISM**

The Company has adopted a Vigil Mechanism to deal with instance of fraud and mismanagement, if any and also incorporates a whistle blower policy which has been posted on the Company's website and can be viewed on <http://www.carbo-ceramics.com/investor-relations>.

**AUDIT COMMITTEE**

The Audit Committee comprised of Mr. M. C. Darak as its Chairman with Mr. S. Marda and Mr. P. K. Joshi as its members. All members of Committee are Independent Directors .The terms of reference of Audit Committee is as specified under Section 177 of the Companies Act, 2013. Four meetings of the Committee of the Company were held during the year on 27th May 2016, 12th August 2016, 11th November 2016 and 14th February 2017. All recommendations of the Audit Committee were accepted by the Board. Audit Committee Meetings attended by Directors during FY 2016-17 is as under :-

Name of Directors	Number of Audit Committee Meeting	
	Held	Attended
Mr. M C Darak	4	4
Mr. S Marda	4	4
Mr. P K Joshi	4	4

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of Mr. M. C. Darak as its Chairman with Mr. S. Marda and Mr. P. K. Joshi as its members. Four meetings of the Committee of the Company were held during the year on 27th May 2016, 11th July 2016, 15th December 2016 and 16th March 2017. Nomination and Remuneration Committee Meetings attended by Directors during FY 2016-17 is as under :-

Name of Directors	Number of Nomination and Remuneration Committee Meeting	
	Held	Attended
Mr. M C Darak	4	4
Mr. S Marda	4	4
Mr. P. K. Joshi	4	4

**MANAGEMENT DISCUSSION AND ANALYSIS**

Presently the Company does not have any manufacturing activity. The Company has invested its surplus funds in mutual funds and fixed income bearing securities. Hence, no information is being furnished.

**MANAGERIAL REMUNERATION**

Disclosures as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with Rule 5 (1), Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are contained in “**Annexure 3 and Annexure 4**”.

**HOLDING COMPANY**

The Company does not have any holding Company.

**SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE COMPANY**

The Company does not have any subsidiary, joint venture or associate company.

**DIRECTORS**

Ms Sebanka Saha retires by rotation at the ensuing AGM and being eligible offers herself for re-appointment.

Independent Directors of the company have furnished declaration that they satisfy the requirement of Section 149 (6) of the Companies Act, 2013

No director is related inter-se to any other director of the Company.

**KEY MANAGERIAL PERSONNEL**

Mr. S. C. Agarwal resigned as Chief Executive Officer (CEO) on 11.7.16. Mr. R Bhattar was appointed CEO on 12.7.16 and resigned on 30.11.16. Mr. P. K. Basu was appointed CEO on 15.12.16 and resigned on 15.3.17. Mr. S N Mishra was appointed CEO on 16.3.17 and resigned as CEO on 10.4.17.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors state that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (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 that period;
- (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;
- (e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

**CORPORATE GOVERNANCE REPORT**

As per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliance with the Corporate Governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply to the Company and hence, no Corporate Governance Report has been prepared. However, the Company ensures compliance of good corporate governance practices.

**AUDITORS AND AUDITORS OBSERVATION**

The Board of Directors recommend the appointment of M/s ABPP & Associates, Chartered Accountants, (Firm Registration No.328632E) as the next Statutory Auditors of the Company for a period of five years term beginning from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the AGM to be held in the year 2022 for approval of accounts of the Company for FY 2021-22, in place of Lakhota & Co., Chartered Accountants, pursuant to the provision of the Section 139(2) of the Companies Act 2013.

As regards Auditors’ qualification in the Auditors Report the Board’s comments are as under: The compensation for Zemindary Rights is the amount receivable on abolition of Zemindary rights and any impact on realisability cannot be quantified in the absence of subsequent information.

The Assets and Liabilities of the Company in Bangladesh as at 13th April, 1965 have been taken in the Accounts for the year ended 31st March, 2017 as no further information is available.

No provision has been made in the Accounts in respect of doubtful debts pertaining to rents outstanding as the amount likely to be recovered are yet to be ascertained.

Other observations in the Auditors’ Report are dealt with in the Notes at the appropriate places in the Accounts and are self-explanatory.

**SECRETARIAL AUDIT REPORT**

The Board had appointed M/s P S & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith as “**Annexure 5**” to this Report. There is no qualification, reservation or adverse remark or disclaimer made by the Company Secretary in practice in the secretarial audit report and hence no explanations or comments by the Board is required.

**ACKNOWLEDGEMENT**

Your directors place on record their appreciation of the assistance and support extended by all government authorities, banks, consultants, solicitors, employees and shareholders of the Company.

For and on behalf of the Board

Kolkata  
May 29, 2017

**M. C. Darak**  
*Director*

**S. Marda**  
*Director*

**FORM NO. MGT – 9****EXTRACT OF ANNUAL RETURN  
as on the financial year ended 31.03.2017**

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

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	L26999WB1902PLC001537
ii)	Registration Date	02.10.1902
iii)	Name of the Company	Carbo-Ceramics Limited
iv)	Category / Sub-Category of the Company	Public Company / Company Limited by shares
v)	Address of the Registered office and contact details	31, Chowringhee Road, Kolkata 700016 Phone: 033-22659742 E-mail: secretarial@carbo-ceramics.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. 59C, Chowringhee Road 3rd Floor, Kolkata – 700020

**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.	The Company has income only from other sources i.e. Dividend, Interest from Bank, Profit on sale of mutual funds etc.	64990	100%

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
-	-	-	-	-	-

The company does not have any holding, subsidiary and / or associate company as on 31.03.2017.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% 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	68720	0	68720	7.311	0	0	0	0.000	-7.311
b) Central Govt.	0	0	0	0.000	0	0	0	0.000	0.000
c) State Govt.	0	0	0	0.000	0	0	0	0.000	0.000
d) Bodies Corporates	461000	0	461000	49.043	461000	0	461000	49.043	0.000
e) Bank/FI	0	0	0	0.000	0	0	0	0.000	0.000
f) Any other	0	0	0	0.000	0	0	0	0.000	0.000
<b>SUB TOTAL:(A) (1)</b>	<b>529720</b>	<b>0</b>	<b>529720</b>	<b>56.353</b>	<b>461000</b>	<b>0</b>	<b>461000</b>	<b>49.043</b>	<b>-7.311</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0.000	68720	0	68720	7.311	7.311
b) Other-Individuals	0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corporates	0	0	0	0.000	0	0	0	0.000	0.000
d) Banks/FI	0	0	0	0.000	0	0	0	0.000	0.000
e) Any other	0	0	0	0.000	0	0	0	0.000	0.000
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>68720</b>	<b>0</b>	<b>68720</b>	<b>7.311</b>	<b>7.311</b>
<b>"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"</b>	<b>529720</b>	<b>0</b>	<b>529720</b>	<b>56.353</b>	<b>529720</b>	<b>0</b>	<b>529720</b>	<b>56.353</b>	<b>0.000</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0.000	0	0	0	0.000	0.000
b) Banks/FI	0	6970	6970	0.741	0	6970	6970	0.741	0.000
c) Central Govt	0	0	0	0.000	0	0	0	0.000	0.000
d) State Govt.	0	100	100	0.011	0	100	100	0.011	0.000
e) Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies	12500	0	12500	1.330	12500	0	12500	1.330	0.000
g) FIs	0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Others (specify)	0	0	0	0.000	0	0	0	0.000	0.000
<b>SUB TOTAL (B)(1):</b>	<b>12500</b>	<b>7070</b>	<b>19570</b>	<b>2.082</b>	<b>12500</b>	<b>7070</b>	<b>19570</b>	<b>2.082</b>	<b>0.000</b>

## CARBO-CERAMICS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies Corporates									
i) Indian	0	15170	15170	1.614	0	15170	15170	1.614	0.000
ii) Overseas	0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	24451	331535	355986	37.871	24451	331535	355986	37.871	0.000
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.000	0	0	0	0.000	0.000
c) Others (specify)									
Foreign Nationals	1310	3500	4810	0.512	1310	3500	4810	0.512	0.000
Hindu Undivided Family	94	0	94	0.010	94	0	94	0.010	0.000
Foreign Company	14500	0	14500	1.543	14500	0	14500	1.543	0.000
Overseas Bodies Corporate	0	150	150	0.016	0	150	150	0.016	0.000
<b>SUB TOTAL:(B) (2)</b>	<b>40355</b>	<b>350355</b>	<b>390710</b>	<b>41.565</b>	<b>40355</b>	<b>350355</b>	<b>390710</b>	<b>41.565</b>	<b>0.000</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>52855</b>	<b>357425</b>	<b>410280</b>	<b>43.647</b>	<b>52855</b>	<b>357425</b>	<b>410280</b>	<b>43.647</b>	<b>0.000</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.000	0	0	0	0.000	0.000
<b>Grand Total (A+B+C)</b>	<b>582575</b>	<b>357425</b>	<b>940000</b>	<b>100.000</b>	<b>582575</b>	<b>357425</b>	<b>940000</b>	<b>100.000</b>	<b>0.000</b>

### (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Shareholding at the end of the year 31/03/2017			% 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	Emerald Company Ltd	461000	49.043	0	461000	49.043	0	0.000
2	Krishna Kumar Bangur	68720	7.311	0	68720	7.311	0	0.000
	<b>Total</b>	<b>529720</b>	<b>56.353</b>	<b>0</b>	<b>529720</b>	<b>56.353</b>	<b>0</b>	<b>0.000</b>



**(iii) Change in Promoters' Shareholding**

Sl. No.	Shareholder's Name	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
<b>There is no change in promoters shareholding during the year.</b>					

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

Sl. No.	Shareholder's Name	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	<b>Life Insurance Corporation of India</b>				
	As at 01.04.2016	12500	1.330		
	As at 31.03.2017			12500	1.330
2	<b>Habib Bank Limited</b>				
	As at 01.04.2016	10750	1.144		
	As at 31.03.2017			10750	1.144
3	<b>Jogendra Kristo Dutt</b>				
	As at 01.04.2016	10450	1.112		
	As at 31.03.2017			10450	1.112
4	<b>Hemant Bangur</b>				
	As at 01.04.2016	10000	1.064		
	As at 31.03.2017			10000	1.064
5	<b>Amarendra Kristo Dutt</b>				
	As at 01.04.2016	9950	1.059		
	As at 31.03.2017			9950	1.059
6	<b>Sulakhana Dassee</b>				
	As at 01.04.2016	9750	1.037		
	As at 31.03.2017			9750	1.037
7	<b>Nirmal Kumar Fatehpuria</b>				
	Sole Executor				
	As at 01.04.2016	6250	0.665		
	As at 31.03.2017			6250	0.665
8	<b>Soumendra Kristo Dutt</b>				
	As at 01.04.2016	5950	0.633		
	As at 31.03.2017			5950	0.633
9	<b>Nand Gopal Bangur</b>				
	As at 01.04.2016	5500	0.585		
	As at 31.03.2017			5500	0.585

Sl. No.	Shareholder's Name	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
10	Balaram Mukherjee				
	As at 01.04.2016	5100	0.543		
	As at 31.03.2017			5100	0.543

**v) Shareholding of Directors and Key Managerial Personnel: None of the Director and/or KMP held any share(s) in the company either at the beginning of the year, during the year or at the end of the year.**

**V. INDEBTEDNESS**

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

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:** There is no Managing Director, Whole-time Directors and/or Manager.

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rupees)
		Mr. M C Darak	Mr. S Marda	Mr. P K Joshi	Ms. S. Saha	
1	Independent Directors					
	• Fee for attending board / committee meetings	4000	4000	4000	-	12000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>4000</b>	<b>4000</b>	<b>4000</b>	<b>-</b>	<b>12000</b>
2	Other Non- Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	1750	1750
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1750</b>	<b>1750</b>
	<b>Total (B) = (1+2)</b>	<b>4000</b>	<b>4000</b>	<b>4000</b>	<b>1750</b>	<b>13750</b>
	<b>Total Managerial Remuneration</b>					<b>NIL</b>
	<b>Overall Ceiling as per Act</b>					

<b>C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD</b>					
<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>			<b>Total Amount (Rupees)</b>
		<b>CEO *</b>	<b>Company Secretary</b>	<b>CFO</b>	
			<b>K. Biyani</b>	<b>R. L Kothari</b>	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	<b>2,22,687</b>	<b>1,44,000</b>	<b>1,20,000</b>	<b>4,86,687</b>
	(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, please specify	-	-		-
5	Others, please specify	-	-		-
	<b>Total</b>	<b>2,22,687</b>	<b>1,44,000</b>	<b>1,20,000</b>	<b>4,86,687</b>

Details of Remuneration paid during the year to the CEO's is as hereunder:

1. Mr. Subhash Chandra Agarwal, CEO of the Company, resigned on 11.07.2016 and a salary of Rs. 46,968/- was paid to him.
2. Mr. Rajiv Bhattar was appointed as CEO w.e.f. 12.7.2016 and he resigned on 30.11.2016. A salary of Rs. 1,00,751/- was paid to him.
3. Mr. Prabhat Kumar Basu was appointed as CEO w.e.f. 15.12.2016 and he resigned on 15.03.2017. A salary of Rs. 66,710/- was paid to him.
4. Mr. Sidh Nath Mishra was appointed as CEO on 16.03.2017. A salary of Rs. 8,258/- was paid to him. Mr. Mishra has resigned w.e.f. 10.04.2017.

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

No penalties/ punishment/ compounding of offences were imposed by RD/ NCLT/ Court on the Company/ Directors/ other officer in default during the year.

**NOMINATION AND REMUNERATION POLICY****The objectives of this Policy include the following:**

- to lay down criteria for identifying persons who are qualified to become Directors;
- to formulate criteria for determining qualification, positive attributes and independence of a Director;
- recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- to frame guidelines on the diversity of the Board;

**DEFINITIONS**

Unless the context requires otherwise, the following terms shall have the following meanings:

“Director” means a Director of the Company.

“Key Managerial Personnel” or “KMP” means-

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed under the applicable law.

**Criteria for identifying persons who are qualified to be appointed as Director, Key Managerial Personnel and senior management personnel of the Company:**

Section 164 of the Act provides for the disqualifications for appointment of any person to become Director of any company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in (A) the Act and the Rules made thereunder (including but not limited to Section 149 of the Act and Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014); and (B) the Listing Agreement.

The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether

the qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

**Evaluation**

The Committee shall carry out evaluation of every director's performance. Independent Director's shall at its separate meeting review the performance of the Board as a whole and shall also review the performance of non-independent directors and Chairperson of the Company. The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the independent director being evaluated).

**Remuneration Policy for Directors, Key Managerial Personnel and senior management personnel**

The remuneration payable to Directors, key managerial personnel and senior management personnel should be reasonable and sufficient to attract, retain, motivate and reward them. The remuneration/ compensation/ commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

The remuneration/compensation/commission payable to Managing/Whole-time/Executive Director and remuneration of KMP and Senior Management personnel shall be based on the experience, qualification and expertise of the related personnel, Company's overall performance and profitability and may be paid fixed salary and/or variable salary depending upon long term performance objectives and goals of the Company.

The remuneration payable shall be governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The Non- Executive Directors including Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Independent Directors may also be paid commission in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force.

**Board Diversity**

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company while appointing may consider the following criteria; i.e. appoint those persons who possess relevant experience, integrity, understanding, knowledge or other skill sets that may be considered by the Board as relevant in its absolute discretion, for the business of the Company.

The Board shall have the optimum combination of Directors of different genders, age, areas, fields, cultural and educational backgrounds, knowledge and skill sets as maybe deemed absolutely necessary.

The Board shall have members who have accounting or related financial management expertise and are financially literate.

**ANNEXURE 3**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE 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 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

Sl. No.	Name of the Director / KMP and Designation	Remuneration of Director/ KMP for Financial Year 2016-17 ₹	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Manak Chand Darak [Non- Executive Director]	<b>4,000</b>	-16%	3%
2	Mr. Sanjeev Marda [Non- Executive Director]	<b>4,000</b>	-16%	3%
3	Mr. Pawan Kumar Joshi [Non- Executive Director]	<b>4,000</b>	-11%	3%
4	Ms. Sebanka Saha [Non- Executive Director]	<b>1,750</b>	-13%	1%
5	Mr. Subhas Chandra Agarwal [Chief Executive Officer]	<b>46,968</b>	**	Not Applicable
6	Mr. Rajiv Bhattar [Chief Executive Officer]	<b>1,00,751</b>	**	Not Applicable
7	Mr. Prabhat Kumar Basu [Chief Executive Officer]	<b>66,710</b>	**	Not Applicable
8	Mr. Sidh Nath Mishra [Chief Executive Officer]	<b>8,258</b>	**	Not Applicable
9	Mr. Ratan Lal Kothari [Chief Financial Officer]	<b>1,20,000</b>	**	Not Applicable
10	Ms. Kavita Biyani [Company Secretary]	<b>1,44,000</b>	**	Not Applicable
	<b>TOTAL</b>	<b>5,00,437</b>		

\*\* % Increase could not be calculated as the KMP was not employed / employed for part of the Financial Year 2015-16

- (ii) The percentage increase in median remuneration of employees in the financial year : 44%
- (iii) There was only 3 permanent employee on the rolls of the Company as on March 31, 2017.
- (iv) Average percentage increase made in the salaries of employees other than managerial personnel in the financial year 2016-17 could not be computed as there were no employees other than the managerial personnel and the increase in the managerial remuneration for the same financial year was 72%.
- (v) It is affirmed that the remuneration is as per the remuneration policy of the Company.

**ANNEXURE 4****STATEMENT PURSUANT TO RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2017**

Sl. No.	Name	Remuneration (₹)	Designation	Nature of Employment	Qualification & Experience (Years)	Date of Commencement of Employment	Age (Years)	Last employment held
1.	Mr. Subhas Chandra Agarwal	46,968	Chief Executive Officer	Permanent	H.S. & (15 years)	23.09.2015	48	Self employed
2.	Mr. Rajiv Bhatler	100,751	Chief Executive Officer	Permanent	B.Com(H) & (11 years)	12.07.2016	34	Advance Power Products
3.	Mr. Prabhat Kumar Basu	66,710	Chief Executive Officer	Permanent	B.Com. & (32 years)	15.12.2016	59	Graphite India Limited
4.	Mr. Sidh Nath Mishra	8,258	Chief Executive Officer	Permanent	B.Com(H) & (27 years)	16.03.2017	45	Self employed
5.	Mr. Ratan Lal Kothari	120,000	Chief Financial Officer	Permanent	B.Com. & LLB & (40 years)	28.03.2016	64	Graphite India Limited
6.	Ms. Kavita Biyani	144,000	Company Secretary	Permanent	B.Com(H), M.Com. & CS & (3 years)	01.08.2015	35	V. Singhi & Associates

**Notes:**

1. None of the above persons are related to any Director, nor hold by themselves or along with their spouse and dependent children, 2% or more of the Equity Shares of the Company.
2. There was no employee who was in receipt of ₹ 1,02,00,000/- for the financial year, in the aggregate.
3. There was no employee who was employed for a part of the financial year and was in receipt of remuneration for any part of the year at a rate which, in aggregate, was not less than ₹ 8,50,000/- per month.

**SECRETARIAL AUDIT REPORT  
for the financial year ended 31st March 2017**

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

To,

The Members,

**Carbo-Ceramics Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Carbo-Ceramics Limited (hereinafter called "the Company").

Based on our verification of the Company'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. 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;



2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. Presently the Company does not have any manufacturing activity. The Company has invested its surplus funds in mutual funds and fixed deposit. No Act specifically for the aforesaid businesses is/are applicable to the Company.
4. We 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 Listing Agreement entered into by the Company with Stock Exchange as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of:
  - (i) External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - (ii) Foreign Direct Investment (FDI) were not attracted to the company under the financial year under report;
  - (iii) Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad were not attracted to the company under the financial year under report.
6. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
7. As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

8. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
9. We further report that:
  - (a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) 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.
10. We 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.

**For PS & Associates**

**Swati Bajaj**

*Partner*

C.P.No.: 3502, ACS: 13216

Place : Kolkata

Date : 12.05.2017

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**CARBO-CERAMICS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Carbo-Ceramics Limited ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow statement 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made

by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

**Basis for Qualified Opinion**

The compensation for Zemindary Rights etc. acquired by Bangladesh Government and Bihar and West Bengal State Governments has been estimated at Rs. 37,24,400/-. In the absence of adequate information, we are unable to form an opinion as to the realisability of the same. We are also unable to form an opinion as to the realisability of cash and bank balances of Rs. 2,57,691/- in Bangladesh and discharge of liabilities of Rs. 2,467/- in Bangladesh and also the amounts that may prove to be irrecoverable out of doubtful outstanding rents of Rs. 9,08,842/- not provided for included under trade receivables to be collected by State Government of West Bengal and Bangladesh Government and doubtful advances amounting to Rs. 135/- in Bangladesh.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph above obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act,

read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164 (2) of the Act; and
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) 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"
- (i) 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 the impact of pending litigations as on 31st March, 2017, on its financial position in its financial statements as detailed in Note 27 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note-31

**For Lakhotia & Co.**  
*Chartered Accountants*  
Firm's Registration Number : 313149E

**Naresh Lakhotia**  
*Partner*  
Membership number : 51249

Kolkata  
29th May, 2017

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Statement referred to in our Independent Auditors report to the Members of the Company on the financial statements for the year ended 31st March 2017.

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets excepting title deedwise cost of land and building.  
(b) According to information and explanations given to us, the fixed assets have been physically verified by the management 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 excepting for Land and Buildings having an original cost of Rs. 50,966/- which are appearing in the Company's former names.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- 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 Section 189 of the Act and as such clauses 3(iii)(a),3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the company has not given any loan or guarantee or provided any security covered by the provisions of Section 185 and in respect of loans, investments, guarantees and security, the company has complied with provisions of Section 186 of the Act.
- v. The Company has not accepted deposits from the public.
- vi. The Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Act.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities.  
(b) As at 31st March, 2017, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited on account of any dispute.
- viii. There are no loans or borrowing from any financial institution, bank, Government or dues to debenture holders and as such clause 3(viii) of the Order is not applicable to the Company.

- ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and any term loans during the year and as such clause 3(ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company by the officers or employees, either noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The company has not paid or provided any managerial remuneration during the year and as such clause 3(xi) of the Order is not applicable to the Company.
- xii. The company is not a Nidhi company and as such clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and records of the Company, transactions with 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 financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review..
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Lakhotia & Co.**  
*Chartered Accountants*  
Firm's Registration Number : 313149E

**Naresh Lakhotia**  
*Partner*  
Membership number : 51249

Kolkata  
29th May, 2017

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF CARBO-CERAMICS LIMITED****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 Carbo-Ceramics Limited ("the Company") as of March 31, 2017 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**

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide



a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and 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.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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, 2017, 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 **Lakhotia & Co.**  
*Chartered Accountants*  
Firm's Registration Number : 313149E

**Naresh Lakhotia**  
*Partner*  
Membership number : 51249

Kolkata  
29th May, 2017

**BALANCE SHEET AS AT 31ST MARCH, 2017**

	Notes	As at 31-03-17 ₹	As at 31-03-16 ₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Fund</b>			
Share Capital	2	79,90,000	79,90,000
Reserves and Surplus	3	2,56,04,362	2,54,31,489
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	4	1,854	1,918
Long Term Provisions	5	18,709	18,709
<b>Current Liabilities</b>			
Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		61,067	13,717
Other Current Liabilities	7	16,88,916	16,91,756
		<u>3,53,64,908</u>	<u>3,51,47,589</u>
<b><u>ASSETS</u></b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	8	13,055	13,430
Zemindary Rights	9	37,24,400	37,24,400
Non Current Investments	10	1,42,69,164	1,42,70,042
Long Term Loan and Advances	11	40,180	40,180
<b>Current Assets</b>			
Inventories	12	58,547	58,547
Trade Receivables	13	9,08,842	9,08,842
Cash and Bank Balances	14	58,76,703	1,56,00,762
Short Term Loans and Advances	15	1,04,06,264	5,14,333
Other Current Assets	16	67,753	17,053
		<u>3,53,64,908</u>	<u>3,51,47,589</u>
<b>Summary of significant accounting policies</b>	1		

The notes are an integral part of these financial statements

As per our report of even date

**For Lakhotia & Co.**

Firm Registration No. 313149E

*Chartered Accountants*

**Naresh Lakhotia**

*Partner*

Membership No. 51249

Place : Kolkata

Dated : 29th day of May, 2017

**M.C. Darak**

*Director*

**K. Biyani**

Company Secretary

**S. Marda**

*Director*

**R. L. Kothari**

*Chief Financial Officer*

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Notes	Year ended 31-03-17 ₹	Year ended 31-03-16 ₹
Income			
Revenue From Operations		–	–
Other Income	17	<b>10,90,295</b>	28,89,623
Total Revenue		<b>10,90,295</b>	28,89,623
Expenses			
Changes in Inventory of Stock-in-trade	18	–	–
Employees Benefits Expense	19	<b>4,86,687</b>	2,82,912
Finance Costs	20	<b>39</b>	903
Depreciation and Amortization Expense	21	<b>375</b>	394
Other Expenses	22	<b>3,78,326</b>	6,30,577
Total Expenses		<b>8,65,427</b>	9,14,786
Profit before Tax		<b>2,24,868</b>	19,74,837
Tax Expense			
Current Tax		<b>47,000</b>	1,60,000
Earlier Years		<b>5,059</b>	(667)
Deferred Tax		<b>(64)</b>	(64)
Profit for the year		<b>1,72,873</b>	18,15,568

Earnings per Equity Share (Nominal Value per Share ₹ 8.50) (Previous Year: ₹ 8.50) 23

Basic and Diluted (₹) 0.18 1.93

Summary of significant accounting policies 1

The notes are an integral part of these financial statements

As per our report of even date

**For Lakhotia & Co.**

Firm Registration No. 313149E

Chartered Accountants

**Naresh Lakhotia**

Partner

Membership No. 51249

Place : Kolkata

Dated : 29th day of May, 2017

**M.C. Darak**

Director

**K. Biyani**

Company Secretary

**S. Marda**

Director

**R. L. Kothari**

Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

	2016-17 ₹	2015-16 ₹
<b>A. Cash Flows from Operating Activities</b>		
Profit before Taxation	2,24,868	19,74,837
Adjustments for:		
Depreciation and amortization expense	375	394
Interest Income	(10,10,580)	(11,97,297)
Net gain on Sale of Long Term Investments	-	(56,445)
Dividend Income	(79,715)	(16,35,881)
Provision for diminution in value of Long Term Investments	878	9,337
Operating Profit/(Loss) before Working Capital Changes	<u>(8,64,174)</u>	<u>(9,05,055)</u>
Adjustment for :		
(Increase) / Decrease in Short Term Loans & Advances	(1,00,02,500)	-
Increase / (Decrease) in Trade Payables	47,350	(6,808)
Increase / (Decrease) in Other Current Liabilities	(2,840)	4,521
Cash generated from Operations	<u>(1,08,22,164)</u>	<u>(9,07,342)</u>
Less : Taxes Paid (Net)	<u>(58,510)</u>	<u>1,40,997</u>
Net Cash from/(used in) Operating Activities	<u>(1,07,63,654)</u>	<u>(10,48,339)</u>
<b>B. Cash Flows from Investing Activities</b>		
Fixed Deposits with Banks (Net)	1,04,00,000	(10,00,000)
Purchase of Long Term Investments	-	(2,57,920)
Sale of Long Term Investments	-	2,00,000
Interest received	9,59,880	12,25,119
Dividend received	79,715	16,35,881
Net Cash from / (used in) Investing Activities	<u>1,14,39,595</u>	<u>18,03,080</u>
<b>C. Cash Flow From Financing Activities</b>		
Net Cash Flow from/(used in) Financing Activities	-	-
<b>Net Cash Inflow/(Outflow) [A+B+C]</b>	<u>6,75,941</u>	<u>7,54,741</u>
Cash and Cash Equivalents Opening	14,00,762	6,46,021
Cash and Cash Equivalents Closing	<u>20,76,703</u>	<u>14,00,762</u>
Net Cash Inflow/(Outflow)	<u>6,75,941</u>	<u>7,54,741</u>

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement prescribed under the Act.

This is the Cash Flow Statement referred to in our report of even date.

**For Lakhotia & Co.**

Firm Registration No. 313149E

*Chartered Accountants*

**Naresh Lakhotia**

*Partner*

Membership No. 51249

Place : Kolkata

Dated : 29th day of May, 2017

**M.C. Darak**

*Director*

**K. Biyani**

Company Secretary

**S. Marda**

*Director*

**R. L. Kothari**

*Chief Financial Officer*

**NOTES TO THE FINANCIAL STATEMENTS****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of Preparation**

- i) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Act .
- ii) The Company has classified all its assets / liabilities into current / non-current based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non current.

**1.2 Tangible Assets**

- i) Tangible Assets are stated at cost of acquisition and subsequent improvements thereto including taxes, duties and other incidental expenses related to acquisition net of accumulated depreciation.
- ii) Depreciation on Tangible Assets is provided on written down value basis over the estimated useful lives of the assets in accordance with Schedule II to the Act.

**1.3 Investments**

Investments made by the Company, intended to be held for more than one year from the date on which such investments are made, are classified as long term investments and are stated at cost less write down for diminution, other than temporary, in carrying value. All other investments are classified as Current Investments and are carried at lower of cost and fair value.

**1.4 Inventories**

Stock-in-trade is valued at cost or market value whichever is lower.

**1.5 Recognition of Income and Expenditure**

- i) Revenues/ Income and Costs/ Expenditure are generally accounted on accrual basis as they are earned or incurred.
- ii) Purchases/ Sales are recorded when supply of goods/transfer takes place in accordance with the terms thereof.
- iii) Dividend income is recognised when the right to receive dividend is established.
- iv) Interest Income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

**1.6 Current and Deferred tax**

Provision for taxation comprises current tax and deferred tax. Current tax is provided considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised subject to consideration of prudence on all timing differences, between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods and is measured using tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are reviewed at each Balance-Sheet date to re-assess realisation.

**NOTES TO THE FINANCIAL STATEMENTS**

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>2. SHARE CAPITAL</b>		
<b>Authorised :</b>		
10,00,000 (Previous Year: 10,00,000) Equity Shares of ₹ 8.50 each	<b>85,00,000</b>	85,00,000
16,238 (Previous Year: 16,238) 5% Cumulative Preference Shares of ₹ 100/- each	<b>16,23,800</b>	16,23,800
	<b>1,01,23,800</b>	1,01,23,800
<b>Issued :</b>		
940,000 (Previous Year : 940,000) Equity Shares of ₹ 8.50 each fully paid-up	<b>79,90,000</b>	79,90,000
<b>Subscribed and Fully Paid-up :</b>		
940,000 (Previous Year : 940,000) Equity Shares of ₹ 8.50 each fully paid-up	<b>79,90,000</b>	79,90,000
<b>Total :</b>	<b>79,90,000</b>	79,90,000

**2.1 Reconciliation of the number of Equity shares**

	As at 31-03-17		As at 31-03-16	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Balance as at the beginning of the year	<b>9,40,000</b>	<b>79,90,000</b>	9,40,000	79,90,000
Balance as at the end of the year	<b>9,40,000</b>	<b>79,90,000</b>	9,40,000	79,90,000

**2.2 Rights, preferences and restrictions attached to shares**

The Company has only one class of Equity Shares having a par value of Rs.8.50 per share and confer similar right as to dividend and voting. 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.

**2.3 Details of Shareholder holding more than 5% Shares**

Name of Shareholders	31-03-17		31-03-16	
	No. of Shares	% held	No. of Shares	% held
Emerald Company Limited	<b>4,61,000</b>	<b>49.04%</b>	4,61,000	49.04%
Mr. Krishna Kumar Bangur	<b>68,720</b>	<b>7.31%</b>	68,720	7.31%

**2.4** No shares have been allotted during the period of five years immediately preceding March 31, 2017 pursuant to contracts without the payment being received in cash or by way of bonus shares and there has been no buy back during the said period.

**NOTES TO THE FINANCIAL STATEMENTS**

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>3. RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as at the beginning of the year	<b>12,63,300</b>	12,63,300
Balance as at the end of the year	<b>12,63,300</b>	12,63,300
<b>Investment Allowance Reserve</b>		
Balance as at the beginning of the year	<b>5,88,100</b>	5,88,100
Less: Transfer to General Reserve	<b>5,88,100</b>	-
Balance as at the end of the year	-	5,88,100
<b>General Reserve</b>		
Balance as at the beginning of the year	-	-
Add: Transfer from Investment Allowance Reserve	<b>5,88,100</b>	-
Balance as at the end of the year	<b>5,88,100</b>	-
<b>Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	<b>2,35,80,089</b>	2,17,64,521
Profit for the year	<b>1,72,873</b>	18,15,568
Balance as at the end of the year	<b>2,37,52,962</b>	2,35,80,089
	<b>2,56,04,362</b>	2,54,31,489
<b>4. DEFERRED TAX LIABILITIES</b>		
Depreciation difference	<b>1,854</b>	1,918
	<b>1,854</b>	1,918
<b>5. LONG TERM PROVISIONS</b>		
Others		
Contingent Rent liabilities	<b>18,709</b>	18,709
	<b>18,709</b>	18,709
<b>6. TRADE PAYABLES</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (including in Bangladesh Rs. 2267/-)	<b>61,067</b>	13,717
	<b>61,067</b>	13,717

**NOTES TO THE FINANCIAL STATEMENTS**

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>7. OTHER CURRENT LIABILITIES</b>		
Other Payables :		
Bills Payable	<b>13,88,087</b>	13,88,087
Other Advances	<b>1,11,994</b>	1,11,994
Statutory Dues	<b>2,830</b>	5,670
Employees Security Deposit (including in Bangladesh Rs. 200/-)	<b>1,12,550</b>	1,12,550
Repayment of Capital	<b>73,455</b>	73,455
	<b>16,88,916</b>	16,91,756

**8. TANGIBLE ASSETS**

Current Year

DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
	As at 31-03-16	Additions during the year	Sales/ Adjust- ments during the year	As at 31-03-17	Up to 31-03-16	For the year	On Sales/ Adjust- ments during the year	Up to 31-03-17	As at 31-03-17
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Land and buildings	50,966	-	-	50,966	45,422	-	-	45,422	5,544
Buildings	36,555	-	-	36,555	28,669	375	-	29,044	7,511
<b>GRAND TOTAL</b>	<b>87,521</b>	<b>-</b>	<b>-</b>	<b>87,521</b>	<b>74,091</b>	<b>375</b>	<b>-</b>	<b>74,466</b>	<b>13,055</b>

Previous Year

DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
	As at 31-03-15	Additions during the year	Sales/ Adjust- ments during the year	As at 31-03-16	Up to 31-03-15	For the year	On Sales/ Adjust- ments during the year	Up to 31-03-16	As at 31-03-16
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Land and buildings	50,966	-	-	50,966	45,422	-	-	45,422	5,544
Buildings	36,555	-	-	36,555	28,275	394	-	28,669	7,886
<b>GRAND TOTAL</b>	<b>87,521</b>	<b>-</b>	<b>-</b>	<b>87,521</b>	<b>73,697</b>	<b>394</b>	<b>-</b>	<b>74,091</b>	<b>13,430</b>

<b>9. Zemindary Rights etc. acquired by Bangladesh Government, Bihar and West Bengal State Governments (acquired by Bangladesh Government - Rs. 7,18,198/-)</b>	<b>37,24,400</b>	37,24,400
	<b>37,24,400</b>	37,24,400



**NOTES TO THE FINANCIAL STATEMENTS**

	Face Value ₹	As at 31-03-17 ₹		As at 31-03-16 ₹	
		Number	₹	Number	₹
<b>10. NON CURRENT INVESTMENTS (Long Term Investments)</b>					
Other Investments (Valued at Cost)					
<b>A. QUOTED</b>					
<u>Investments in Preference shares - fully paid up :</u>					
8.75% The Gourepore Company Ltd.	100	145	13,458	145	13,458
Less: Provision for diminution in value			13,458		13,458
			-		-
<u>Investments in Equity Instruments - fully paid up :</u>					
Graphite India Ltd.	2	386645	33,17,263	386645	33,17,263
			33,17,263		33,17,263
<b>Total - (A) :</b>			33,17,263		33,17,263
<b>B. UNQUOTED</b>					
<u>Investments in Equity Instruments - fully paid up :</u>					
Bangur Land Development Corporation Ltd.	100	1140	2,90,000	1140	2,90,000
Less : Provision for diminution in value			14,998		16,571
			2,75,002		2,73,429
<u>Investments in Preference shares - fully paid up :</u>					
7% Birds Jute & Exports Ltd.	100	100	8,966	100	8,966
Less : Provision for diminution in value			8,966		8,966
			-		-
<u>Investments in Mutual Funds :</u>					
HDFC Cash Management Fund Savings Plan - Retail - Growth	1000	155.919	3,49,800	155.919	3,49,800
HDFC Cash Mangmt Fund T.A.Plan-Retail-Growth	10	7091.414	1,57,690	7091.414	1,57,690
HDFC Liquid Fund-Growth	1000	320.194	7,49,900	320.194	7,49,900
HDFC MF Monthly Income Plan-Long Term-Growth	10	51990.455	10,00,000	51990.455	10,00,000
HDFC Short Term Plan-Growth	10	131962.203	26,22,060	131962.203	26,22,060
Kotak Equity Arbitrage Fund - Monthly Dividend	10	120725.523	12,99,900	120725.523	12,99,900
Reliance Money Manager Fund-Retail Plan-Growth	1000	3521.138	45,00,000	3521.138	45,00,000
			1,06,79,350		1,06,79,350
Less: Provision for diminution in value			2,451		-
			1,06,76,899		1,06,79,350
<b>Total - (B) :</b>			1,09,51,901		1,09,52,779
<b>C. INVESTMENTS IN FOREIGN COMPANIES</b>					
<u>Investments in Preference shares - fully paid up :</u>					
5% Barnagore Jute Factory plc.	₹ 1	1000	8,265	1000	8,265
Less: Provision for diminution in value			8,265		8,265
			-		-
<b>Total - (C) :</b>			-		-
<b>Total :</b>			1,42,69,164		1,42,70,042
<b>AGGREGATE AMOUNT OF QUOTED INVESTMENTS:</b>			33,30,721		33,30,721
<b>MARKET VALUE OF QUOTED INVESTMENTS:</b>			4,33,42,905		2,77,80,443
<b>AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS:</b>			1,09,86,581		1,09,86,581
<b>AGGREGATE PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:</b>			48,138		47,260

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>11. LONG TERM LOANS AND ADVANCES</b>		
Unsecured, considered good (unless otherwise stated);		
Security Deposits	40,045	40,045
Advances		
Considered doubtful (in Bangladesh)	135	135
	40,180	40,180

**NOTES TO THE FINANCIAL STATEMENTS**

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>12. INVENTORIES</b>		
At cost or market value whichever is lower :		
Stock-in-trade - Land	58,547	58,547
	<u>58,547</u>	<u>58,547</u>
<b>13. TRADE RECEIVABLES</b>		
<b>Unsecured, considered doubtful</b>		
Outstanding for a period exceeding six months from the date they are due from payment		
Outstanding Rents	9,08,842	9,08,842
(including in Bangladesh ₹ 238,864/-)	<u>9,08,842</u>	<u>9,08,842</u>
<b>14. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on hand (including in Bangladesh ₹ 233/-)	9,991	1,132
Bank Balances		
In Current Accounts	20,66,712	13,99,630
(including in Bangladesh ₹ 257,458/-)	<u>20,76,703</u>	<u>14,00,762</u>
<b>Other Bank Balances</b>		
Fixed deposits with Banks with maturity period more than 3 months but less than 12 months	38,00,000	1,42,00,000
	<u>58,76,703</u>	<u>1,56,00,762</u>
<b>15. SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Other Loans and Advances		
Loan to related party (Refer Note 29.3 )	1,00,00,000	-
Advance Income Tax (Net of Provision)	70,281	1,65,748
MAT Credit Entitlement	3,33,483	3,48,585
Advance for Expenses	2,500	-
	<u>1,04,06,264</u>	<u>5,14,333</u>
<b>16. OTHER CURRENT ASSETS</b>		
Unsecured, considered good		
Interest accrued on deposits with bank	51,972	17,053
Interest accrued on Loan to related party	15,781	-
	<u>67,753</u>	<u>17,053</u>

**NOTES TO THE FINANCIAL STATEMENTS**

	Year ended 31-03-17 ₹	Year ended 31-03-16 ₹
<b>17. OTHER INCOME</b>		
Interest Income		
On Fixed Deposit with Banks	9,85,110	11,91,395
On Other Deposits	17,534	-
On Income Tax Refunds	7,936	5,902
Net Gain on Sale of Long Term Investments	-	56,445
Dividend Income on Long Term Investments	79,715	16,35,881
	<u>10,90,295</u>	<u>28,89,623</u>
<b>18. CHANGES IN INVENTORY OF STOCK-IN-TRADE</b>		
Inventory at the end of the year		
Stock-in-trade - Land	58,547	58,547
Inventory at the beginning of the year		
Stock-in-trade - Land	58,547	58,547
	<u>-</u>	<u>-</u>
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salary and Wages	4,86,687	2,82,912
	<u>4,86,687</u>	<u>2,82,912</u>
<b>20. FINANCE COSTS</b>		
Interest Expense		
on Taxes	39	903
	<u>39</u>	<u>903</u>
<b>21. DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Tangible Assets	375	394
	<u>375</u>	<u>394</u>

**NOTES TO THE FINANCIAL STATEMENTS**

	Year ended 31-03-17 ₹	Year ended 31-03-16 ₹
<b>22. OTHER EXPENSES</b>		
Rates and taxes	7,026	7,720
Listing fees	28,625	28,090
Securities custodial fees	20,610	20,610
Professional and law charges	1,01,855	3,16,006
Advertisement charges	61,805	82,437
Filing fees	12,000	21,500
Printing and stationery charges	30,389	38,784
Travelling & conveyance expenses	2,700	3,200
Postal charges	43,547	31,474
Bank charges	115	352
Payment to Auditors		
Audit Fee	11500	11,450
Other Services	19,540	18,835
Directors' Fees	13,750	16,000
Miscellaneous Expenses	23,986	24,782
Provision for diminution in value of Investments	878	9,337
	<b>3,78,326</b>	<b>630,577</b>
<b>23. BASIC AND DILUTED EARNINGS PER SHARE</b>	<b>2016-17</b>	<b>2015-16</b>
i) Number of Equity Shares at the beginning of the year	9,40,000	9,40,000
ii) Number of Equity Shares at the end of the year	9,40,000	9,40,000
iii) Weighted Average number of Equity Shares outstanding during the year	9,40,000	9,40,000
iv) Face Value of each Equity Share (₹)	8.50	8.50
v) Profit after Tax available for Equity Shareholders	1,72,873	18,15,568
vi) Basic and Diluted Earnings per Share (₹) [(v)/(iii)]	0.18	1.93

**24.** The maximum compensation for Zemindary Rights etc. receivable from the State governments and Bangladesh government is estimated at ₹ 37,24,400/- (Previous year ₹ 37,24,400/-)

**25.** The collection of outstanding rents shown under sundry debtors is in the hands of West Bengal state government and Bangladesh government and as the amounts likely to be collected by them and made over to the Company can not yet be ascertained, the same are continued to be shown as doubtful.

**NOTES TO THE FINANCIAL STATEMENTS**

26. The assets and liabilities of the Company in Bangladesh have been taken into account at par.
27. Company's writ petition against the order of the Block Land and Land Reforms Officer, Midnapore (BL&LRO) for vesting of company's land under the West Bengal Estate Acquisition Act, 1954 (WBEA Act) on the grounds of excess retention of land by the company is pending for adjudication before the Land Reforms and Tenancy Tribunal, Kolkata. The said litigation, however, does not have material impact on the financial position of the Company, considering the order of the Hon'ble High Court at Calcutta in favour of the Company earlier on the dispute raised by BL&LRO in the matter of excess retention of land under the WBEA Act.
28. There are no separate reportable segments as per Accounting Standard - 17 prescribed under the Act.

**29. Related Party Disclosure :**

(In accordance with Accounting Standard - 18 as specified under the Act)

**29.1 Related Parties :**

- i) Where control exists :

<u>Name</u>	<u>Relationship</u>
Mr. K. K. Bangur	A shareholder owning controlling interest in the company in conjunction with his voting power in Emerald Company Limited.

- ii) Others with whom transactions have taken place :

<u>Name</u>	<u>Relationship</u>
a) Matrix Commercial Private Limited	An enterprise over which Mr. K K Bangur is able to exercise significant influence.
b) Graphite India Limited	An enterprise over which Mr. K K Bangur is able to exercise significant influence.
c) Bangur Land Development Corporation Limited	An enterprise over which Mr. K K Bangur is able to exercise significant influence.
d) Mr. Ratan Lal Kothari, Chief Financial Officer	Key Management Personnel.
e) Mr. Rameshwar Das Kaushik, Chief Financial Officer	Key Management Personnel (till 23.12.2015)
f) Mr. Subhas Chandra Agarwal, Chief Executive Officer	Key Management Personnel (from 23.09.2015 to 04.07.2016)
g) Mr. Rajiv Bhattar, Chief Executive Officer	Key Management Personnel (from 12.07.2016 to 30.11.2016)
h) Mr. Prabhat Kumar Basu, Chief Executive Officer	Key Management Personnel (from 15.12.2016 to 14.03.2017)
i) Mr. Sidh Nath Mishra, Chief Executive Officer	Key Management Personnel (from 15.03.2017 to 09.04.2017)
j) Ms. Kavita Biyani, Company Secretary	Key Management Personnel

**NOTES TO THE FINANCIAL STATEMENTS**

<b>29.2 Particulars of transactions with related parties :</b>	<b>2016-17</b> ₹	<b>2015-16</b> ₹
	₹	₹
i) Relating to Enterprises over which Mr. K.K.Bangur is able to exercise significant influence :		
Equity Dividends received from		
Graphite India Limited	–	1,546,580
Investment made in Equity Shares of :		
Bangur Land Development Corporation Limited	–	257,920
Loan given to :		
Matrix Commercial Private Limited	<b>1,00,00,000</b>	–
Interest Income on Loan given to :		
Matrix Commercial Private Limited	17,534	–
ii) Relating to Key Management Personnel		
Salary		
a) Late Rameshwar Das Kaushik	–	87,419
b) Mr. Ratan Lal Kothari	<b>1,20,000</b>	1,290
c) Mr. Subhas Chandra Agrawal	<b>46,968</b>	98,203
d) Mr. Rajiv Bhattar	<b>100,751</b>	–
e) Mr. Prabhat Kumar Basu	<b>66,710</b>	–
f) Mr. Sidh Nath Mishra	<b>8,258</b>	–
g) Ms. Kavita Biyani	<b>1,44,000</b>	96,000
<b>29.3 Balance outstanding at the year end :</b>		
<b>A. Short Term Loans and Advances</b>		
Matrix Commercial Private Limited	<b>1,00,00,000</b>	–
<b>B. Other Current Assets</b>		
Matrix Commercial Private Limited	15,781	–

## CARBO-CERAMICS LIMITED

	As at 31-03-17 ₹	As at 31-03-16 ₹
<b>30. Particulars of Loans given pursuant to the requirements of section 186(4) of the Companies Act, 2013. Details of Loan given to a body corporate</b>		
Name	Purpose	
Matrix Commercial Private Limited	Business needs	1,00,00,000
		-

### 31. Disclosure of Specified Bank Notes (SBNs)

The details of Specified Bank Notes (SBNs)\* held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016 (₹)	Nil	2,196 **	2,196
(+) Permitted receipts (₹)	Nil	Nil	Nil
(+) Amount withdrawn from Bank (₹)	Nil	10,000	10,000
(-) Permitted payments (₹)	Nil	700	700
(-) Amount deposited in Bank (₹)	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016 (₹)	Nil	11,496	11,496

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

\*\* Does not include cash in hand at Bangladesh.

**32.** Previous year's figures have been regrouped / re-arranged wherever necessary.

#### For Lakhotia & Co.

Firm Registration No. 313149E  
Chartered Accountants

#### **Naresh Lakhotia**

Partner

Membership No. 51249

Place : Kolkata

Dated : 29th day of May, 2017

#### **M.C. Darak**

Director

#### **K. Biyani**

Company Secretary

#### **S. Marda**

Director

#### **R. L. Kothari**

Chief Financial Officer

**NOTES**

Ruled area for notes, containing 24 horizontal lines.





**NOTES**

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*If undelivered, please return to :*

**CARBO-CERAMICS LIMITED**

31, CHOWRINGHEE ROAD

KOLKATA - 700 016