



## ANNUAL REPORT 2014 - 2015

# **CARBO-CERAMICS LIMITED**

Registered Office : 31, CHOWRINGHEE ROAD KOLKATA - 700 016





#### DIRECTORS :

MR. M. C. DARAK MR. S. MARDA MR. P. K. JOSHI MS. S. SAHA

#### **AUDITORS :**

LAKHOTIA & CO. CHARTERED ACCOUNTANTS

#### **REGISTERED OFFICE :**

31, CHOWRINGHEE ROAD KOLKATA - 700 016 PHONE : 91-33-2265 9742 CIN : L26999WB1902PLC001537 E-MAIL : secretarial@carbo-ceramics.com WEBSITE : www.carbo-ceramics.com

#### 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 Tuesday, the 22nd September, 2015 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, 2015 together with the Reports of the Board of Directors and Auditors thereon.
- 2. 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) the appointment of Lakhotia & Co., Chartered Accountants (Firm Registration No. 313149E) as Auditors of the Company at the Annual General Meeting (AGM) for a period of three (3) years, until the conclusion of the AGM of the Company for financial year ended 31st March, 2017, which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the AGM for financial year ended 31.3.16, on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors.

#### **SPECIAL BUSINESS**

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder Ms. Sebanka Saha (DIN : 07167322), who was appointed as an Additional Director of the Company with effect from 24th April, 2015 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board For Carbo-Ceramics Limited

> M. C. Darak Director

Kolkata June 30, 2015

#### NOTES :

- a. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 and the additional information pursuant to clause 49 of the Listing Agreement in respect of Directors proposed for appointments at the Meeting are 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 Wednesday, 16th September, 2015 to Tuesday, 22nd September, 2015 (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. 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 by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the forthcoming Annual General Meeting (AGM) on 22nd September 2015 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).
  - 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 19th September, 2015 from 9.00 a.m. (IST) and ends on 21st September, 2015 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 15th September, 2015, 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
  - (iii) Click on Shareholders tab to cast your votes.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to www.evotingindia. com and voted on an earlier voting of any company, then your existing password is to be used.

	For Members holding shares in Demat Form and Physical Form				
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)				
	<ul> <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.				
	• 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).				

(vii) If you are a first time user follow the steps given below :

(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) 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 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.
  - 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 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.

(xix) 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, under help section or write an email to 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 (15th September, 2015) 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) 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

> M. C. Darak Director

Kolkata June 30, 2015

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

#### ITEM NO. 3

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Ms. Sebanka Saha as an Additional Director on 24th April, 2015 in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Ms. Sebanka Saha will hold office only upto the date of ensuing Annual General Meeting.

The Company has received a Notice in writing under the provisions of section 160 of the Companies Act, 2013, along with a deposit of ₹ 1,00,000/- proposing the candidature of Ms. Sebanka Saha for the office of Director. Ms. Sebanka Saha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director.

Ms. Sebanka Saha aged 23 years is a B. Com Graduate and pursuing her CS Final and has more than a year's experience in handling secretarial and legal matters. She does not hold any shares in the Company. She is not a director in any other Company and does not hold committee position in any other company.

The Board of Directors of your Company recommends the resolution in relation to appointment of Ms. Sebanka Saha as Non-Executive Director of the Company liable to retire by rotation, for the approval of the members of the Company.

Except Ms. Sebanka Saha, no other Director and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the Notice.

By Order of the Board For Carbo-Ceramics Limited

Kolkata June 30, 2015 M. C. Darak Director

## DIRECTORS' REPORT

Dear Members,

Your Directors present their Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2015.

### FINANCIAL RESULTS

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

(Amount in ₹)

		. ,
	Year ended 31st March 2015	Year ended 31st March 2014
	2015	2014
Total Revenue	26,45,310	24,64,659
Profit before taxation	21,00,252	22,45,246
Less: Tax Expense – Current Year	2,25,000	2,60,300
– Earlier Year	4,380	-
– Deferred Tax	(63)	(70)
Profit/(Loss) after tax	18,70,935	19,85,016
Add: Balance brought forward from the previous year	1,98,93,586	1,79,08,570
Less : Transfer to Reserve	-	_
Balance Profit carried forward to next year	2,17,64,521	1,98,93,586

Total Revenue during the year was Rs. 26,45,310/- as against Rs. 24,64,659/- for FY 2013-14. Profit after Tax for the year was Rs. 18,70,935/- as against Rs. 19,85,016/- for FY 2013-14.

## 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

Six meetings of the Board of Directors of the Company were held during the year on 29th May, 2014, 1st August, 2014, 14th August, 2014, 30th September, 2014, 14th November,

2014 and 13th February, 2015. Board Meetings attended by Directors during the FY 2014-15 is as under :-

Name of Directors	Number of Board Meeting				
	Held	Attended			
Mr. M C Darak	6	6			
Mr. S R Mundra	6	6			
Mr. S Marda	6	6			
Mr. P K Joshi	6	6			
Ms H Nagori *	6	3			

\* Ms. Himadri Nagori was appointed as an additional director of the Company on 30.09.2014

#### 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 loans or guarantees or made investments under Section 186 of the Companies Act, 2013 during the year under review.

#### 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 was constituted during the year on 29.5.14 with Mr. M. C. Darak as its Chairman and Mr. S. R. Mundra and Mr. S. Marda as its members and all were Independent Directors .The terms of reference of Audit Committee is as specified under Section 177 of the Companies Act, 2013. Three meetings of Audit Committee were held during the year on 14.8.14, 14.11.14 and 13.2.15. Mr. S. R. Mundra ceased to be member of the Audit Committee pursuant to his resignation as Director of the Company on 20.4.15. Mr. P. K. Joshi was appointed as member of the Committee with effect from 24.4.15. All recommendations of the Audit Committee were accepted by the Board. Audit Committee Meetings attended by Directors during FY 2014-15 is as under :

Name of Directors	Number of Audit Committee Meeting			
	Held Attende			
Mr. M C Darak	3	3		
Mr. S R Mundra	3	3		
Mr. S Marda	3	3		

#### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted during the year on 29.5.14, with Mr. S. R. Mundra as its Chairman and Mr. M. C. Darak and Mr. S. Marda as its members and all were Independent Directors. The terms of reference include matters included in Section 178 (2) to (4) of Companies Act, 2013. Two meetings of Nomination and Remuneration Committee were held during the year on 1.8.14 and 30.9.14. Mr. S. R. Mundra ceased to be member of the Committee pursuant to his resignation as Director of the Company on 20.4.15. Mr. P. K. Joshi was appointed as member of the Committee with effect from 24.4.15 and Mr. M. C. Darak was appointed as Chairman of the Committee. Nomination and Remuneration Committee Meetings attended by Directors during FY 2014-15 is as under :-

Name of Directors	Number of Nomination and Remuneration Committee Meeting			
	Held	Attended		
Mr. M C Darak	2	2		
Mr. S R Mundra	2	2		
Mr. S Marda	2	2		

#### MANAGERIAL REMUNERATION

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **"Annexure 3"**.

There was no employee of the Company who was in receipt of remuneration for the year, which in aggregate was more than the limit prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 1975.

#### HOLDING COMPANY

Pursuant to the amalgamation of promoter group investment companies with Emerald Company Ltd. (ECL) (also a promoter group Company), the equity shareholding of ECL in the Company exceeded 50% during the year. As such, the Company became subsidiary of ECL. However, by the end of the year the shareholding of ECL was once again reduced below 50% and as such the Company ceased to be subsidiary of ECL.

#### SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE COMPANY

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

#### DIRECTORS

Mr. M. C. Darak, Mr. S. R. Mundra, Mr. S. Marda and Mr. P. K. Joshi were appointed as Independent Directors of the Company for a period of five years from 29.9.14 by the members of the Company at its Annual General Meeting held on 29.9.14, pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013. Miss Himadri Nagori was appointed as an additional director of the Company on 30.9.14.

Mr. S. R. Mundra and Miss Himadri Nagori resigned as Director(s) of the Company on 20.4.15. The Board has placed on record its sincere appreciation of the valuable services rendered by Mr. Mundra and Miss Nagori during their tenure as director of the Company.

All the independent Directors of the Company have furnished declarations that they satisfy the requirements of Section 149(6) of the Companies Act, 2013.

Miss Sebanka Saha was appointed as an additional director of the Company on 24.4.15 and holds office up to the date of the ensuing AGM. Miss Sebanka Saha is eligible for appointment as Director of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying intention to propose the candidature of Miss. Sebanka Saha as Director of the Company. Miss Sebanka Saha will be appointed as a

Non-Executive Director liable to retire by rotation. A brief profile of Miss Sebanka Saha has been given in the Notice convening the Annual General Meeting.

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

#### **KEY MANAGERIAL PERSONNEL**

Mr. R. D. Kaushik was appointed as Chief Financial Officer of the Company on 1.8.14. Mr. Balraj Bhabhra was appointed as Chief Executive Officer of the Company on 30.9.14. Mr. Balraj Bhabhra resigned as Chief Executive Officer of the Company w.e.f. 25.3.15.

#### 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;
- 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 SEBI Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15.9.14, compliance of provisions of Clause 49 of the Listing Agreement is not mandatory for 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

Lakhotia & Co., Chartered Accountants (Firm Registration No. 313149E), existing Auditors of the Company were appointed for a period of three years by the members of the Company in the AGM held on 29th September, 2014. Their appointment for the second year to audit the accounts for the financial year beginning on 1st April, 2015 to 31st March, 2016 requires ratification by the members. They are eligible and available for re-appointment.

As regards Auditors' qualification/observations in the Auditors Report the Board's comments are as under :

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, 2015 as the necessary information regarding the same is not 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.

The land & building relate to very old period and as such, title deed wise cost of land and building could not 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 PS & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith as **"Annexure 4"** to this Report.

As regards Secretarial Auditors' observations in the Secretarial Audit Report the Board's comments are as under :

- 1. The Company is yet to appoint a Company Secretary. Interviews were conducted for some candidates for appointment of Company Secretary. Most of the candidates had shown disinterest as there was not much activity in the Company. However, efforts are being made for appointment of suitable candidate as Company Secretary at the earliest possible.
- 2. Mr. Balraj Bhabhra was appointed as Chief Executive Officer (CEO) of the Company on 30.9.14 and has resigned as CEO w.e.f. 25.3.15. As per Section 203(4) of the Companies Act, 2013 a Company has to fill any vacancy in the office of whole-time key managerial personnel within a period of six months from the date of such vacancy.

#### 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

M. C. Darak Director S. Marda Director

Kolkata May 29, 2015

#### **ANNEXURE 1**

#### FORM NO. MGT – 9 EXTRACT OF ANNUAL RETURN as on the financial year ended 31.03.2015

[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 :

SI. 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,		100%
	Profit on sale of mutual funds etc.		

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

SI. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section				
-	-	-	-	-	-				
The C	The Company does not have any holding, subsidiary and/or associate Company as on 31.03.2015.								

#### 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 1/4/2014				No. of Shares held at the end of the year 31/3/2015				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	year
A. Promoters									
(1) Indian									
(a) Individual /HUF	300	0	300	0.032	68720	0	68720	7.311	7.279
(b) Central Govt.	0	0	0	0.00	0	0	0	0.00	
(c) State Govt.	0	0	0	0.00	0	0	0	0.00	
(d) Bodies Corporates	529420	0	529420	56.321	461000	0	461000	49.043	-7.279
(e) Bank/FI	0	0	0	0.00	0	0	0	0.00	
(f) Any other	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL : (A)(1)	529720	0	529720	56.353	529720	0	529720	56.353	
(2) Foreign									
a) NRI - Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Others	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL (A)(2)	0	0	0	0.00	0	0	0	0.00	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	529720	0	529720	56.353	529720	0	529720	56.353	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	
b) Banks / Fl	0	6970	6970	0.741	0	6970	6970	0.741	
c) Central Govt.	0	100	100	0.011	0	100	100	0.011	
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Companies	12500	0	12500	1.330	12500	0	12500	1.330	
g) FIIs	0	0	0	0.00	0	0	0	0.00	
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	
Sub-total (B)(1)	12500	7070	19570	2.082	12500	7070	19570	2.082	

Category of Shareholders	No. of Shares held at the beginning of the year 1/4/2014				No. of Shares held at the end of the year 31/3/2015				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	year
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	0	15170	15170	1.614	0	15170	15170	1.614	
ii) Overseas	0	0	0	0.00	0	0	0	0.00	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	18590	337490	356080	37.881	19140	336940	356080	37.881	
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0.00	0	0	0	0.00	
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	
Clearing Member	0	0	0	0.00	0	0	0	0.00	
Foreign Nationals	0	3810	3810	0.405	0	3810	3810	0.405	
Foreign Company	0	10900	10900	1.160	0	10900	10900	1.160	
Enemy Property (Bangladesh & Pakistan)	0	4750	4750	0.505	0	4750	4750	0.505	
SUB-TOTAL (B)(2)	18590	372120	390710	41.565	19140	371570	390710	41.565	
Total Public Shareholding (B) = (B)(1) + (B)(2)	31090	379190	410280	43.647	31640	378640	410280	43.647	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	
GRAND TOTAL (A+B+C)	560810	379190	940000	100	561360	378640	940000	100	

#### (ii) Shareholding of Promoters

SI. No.	Shareholder's Name		Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the year 31/03/2015			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encum- bered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged/ encum- bered to total shares	holding during the year	
1	Likhami Leasing Ltd	196070	20.859	0	0	0	0	-20.859	
2	The Bond Company Ltd	160450	17.069	0	0	0.00	0	-17.069	
3	Emerald Company Ltd	78600	8.362	0	461000	49.043	0	40.681	
4	H. L. Investment Co. Ltd	74300	7.904	0	0	0.00	0	-7.904	
5	Tandem Fiscal Services Ltd	20000	2.128	0	0	0.00	0	-2.128	
6	Krishna Kumar Bangur	300	0.032	0	68720	7.311	0	7.279	
	Total	529720	56.354	0	529720	56.354	0	0	

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

SI. No.	Shareholder's Name	-	at the beginning e 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.	Likhami Leasing Limited					
	As at 01/04/2014	196070	20.859			
	30/10/2014 - Pursuant to merger with Emerald Co.Ltd.	-196070	-20.859	0	0.00	
	As at 31/03/2015			0	0.00	
2.	The Bond Company Limited					
	As at 01/04/2014	160450	17.069			
	30/10/2014 - Pursuant to merger with Emerald Co.Ltd.	-160450	-17.069	0	0.00	
	As at 31/03/2015			0	0.00	
3.	H L Investment Company Ltd.					
	As at 01/04/2014	74300	7.904			
	30/10/2014 - Pursuant to merger with Emerald Co.Ltd.	-74300	-7.904	0	0.00	
	As at 31/03/2015			0	0.00	
4.	Tandem Fiscal Services Ltd.					
	As at 01/04/2014	20000	2.128			
	30/10/2014 - Pursuant to merger with Emerald Co.Ltd.	-20000	-2.128	0	0.00	
	As at 31/03/2015			0	0.00	

SI. 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
5.	Emerald Company Ltd.				
	As at 01/04/2014	78600	8.362		
	30/10/2014 - Pursuant to merger of Promoter group companies	450820	47.960	529420	56.321
	11/03/2015 - Transfer	-68420	-7.279	461000	49.043
	As at 31/03/2015			461000	49.043
6.	Krishna Kumar Bangur				
	As at 01/04/2014	300	0.032		
	11/03/2015 - Transfer	68420	7.279	68720	7.311
	As at 31/03/2015			68720	7.311

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

SI. 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.	Life Insurance Corporation of India					
	As at 01.04.2014	12500	1.330			
	As at 31.03.2015			12500	1.330	
2.	Habib Bank Limited					
	As at 01.04.2014	10750	1.144			
	As at 31.03.2015			10750	1.144	
3.	Jogendra Kristo Dutt					
	As at 01.04.2014	10450	1.112			
	As at 31.03.2015			10450	1.112	
4.	Hemant Bangur					
	As at 01.04.2014	10000	1.064			
	As at 31.03.2015			10000	1.064	
5.	Amarendro Kristo Dutt					
	As at 01.04.2014	9950	1.059			
	As at 31.03.2015			9950	1.059	
6.	Sulakhana Dasee					
	As at 01.04.2014	9750	1.037			
	As at 31.03.2015			9750	1.037	

SI. 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	
7.	Nirmal Kumar Fatehpuria Sole Executor					
	As at 01.04.2014	6250	0.665			
	As at 31.03.2015			6250	0.665	
8.	Soumendra Kristo Dutt					
	As at 01.04.2014	5950	0.633			
	As at 31.03.2015			5950	0.633	
9.	Nand Gopal Bangur					
	As at 01.04.2014	5500	0.585			
	As at 31.03.2015			5500	0.585	
10.	Balaram Mukherjee					
	As at 01.04.2014	5100	0.543			
	As at 31.03.2015			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 :

SI. No.	Particulars of Remuneration		Name of Directors				
1	Independent Directors	Sri S R Mundra	Sri M C Darak	Sri S Marda	Sri P K Joshi	Smt. H Nagori	
	<ul> <li>Fee for attending board / committee meetings</li> </ul>	2750	2750	2750	1500	750	10500
	Commission	-	-	-	-	-	-
	<ul> <li>Others, please specify</li> </ul>	-	-	-	-	-	-
	Total (1)	2750	2750	2750	1500	750	10500
2	Other Non- Executive Directors						
	<ul> <li>Fee for attending board / committee meetings</li> </ul>	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	<ul> <li>Others, please specify</li> </ul>	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B) = (1+2)	2750	2750	2750	1500	750	10500
	Total Managerial Remuneration						NIL
	Overall Ceiling as per Act						

#### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SI. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		CEO	Company Secretary	CFO	
		B. Bhabhra*		R. D. Kaushik <sup>^</sup>	
1	Gross Salary	99,317	-	80,000	1,79,317
	<ul> <li>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961</li> </ul>	-	-	-	-
	(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	-	-	-	-
	Total	99.317	-	80,000	1,79,317

\* Mr. Balraj Bhabhra was appointed as CEO of the company with effect from 30.09.2014. However, he has resigned as CEO with effect from 25.03.2015.

^ Mr. R. D. Kaushik was appointed as CFO of the Company with effect from 01.08.2014.

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.

#### **ANNEXURE 2**

## 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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 are as under:

SI. No.	Name of the Director / KMP and Designation	Remuneration of Director/ KMP for Financial Year 2014-15	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Sita Ram Mundra [Non - Excecutive Director]	2,750	175%	0.03
2	Mr. Manak Chand Darak [Non - Executive Director]	2,750	175%	0.03
3	Mr. Sanjeev Marda [Non - Executive Director]	2,750	175%	0.03
4	Mr. Pawan Kumar Joshi [Non - Executive Director]	1,500	175%	0.02
5	Ms. Himadari Nagori @ [Non - Executive Director]	750		0.01
7	Mr. R. D. Kaushik \$ [Chief Financial Officer]	80,000		Not Applicable
8	Mr. Balraj Bhabhra \$\$ [Chief Executive Officer]	99,317		Not Applicable
		189,817		

@ : Details not given as Ms. Himadari Nagori was not a Director in the Financial Year 2013-14.

\$ : Mr. R. D. Kaushik was appointed Chief Financial Officer with effect from 1st August. 2014.

\$\$ : Mr. Balraj Bhabhra was appointed Chief Executive Officer with effect from 30th Sept.2014, however he resigned on 25th March, 2015.

- (ii) The percentage increase in median remuneration of employees in the financial year : There was no employee in the F Y ended 31.03.2014 hence the said increase can not be calculated.
- (iii) There was only one (1) permanent employee on the rolls of Company as on March 31, 2015.

- (iv) Relationship between average increase in remuneration and company performance:-The Profit before Tax for the financial year ended March 31, 2015 decreased by 6.46%. There is no decrease or increase in median remuneration of employees as there was no employee during F Y ended 31.03.2014
- (v) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company :

Remuneration paid to KMP during F Y ended 31.03.2015	179,317
Profit before tax (PBT) for the year ended 31.03.2015	2,100,252
Remuneration of KMP (as % of PBT)	8.54%

(vi) a) Variations in the market capitalisation of the Company :

	Share Price (Rs.)	Market Capitalisation	Increase/ Decrease in Market Capitalisation
As on 31st March 2014	*	*	*
As on 31st March 2015	*	*	*

b) Variations in Price Earnings Ratio :

As on 31st March 2014 - \*

As on 31st March 2015 - \*

\* There was no trading in Company's Shares during the Financial Year ended 31.03.2014 and 31.03.2015 at Calcutta Stock Exchange where the shares of the Company are listed , hence no Market Capitalisation and Price Earning Ratio has been calculated.

c) Percentage increase in the market quotation of the shares in comparison to the rate at which the Company came out with the last public offer :

Last Public offer : No public offer in last 40 years

Market price (Face value Rs. 8.50p) as on 31.3.2015 (CSE) : Not traded

% increase : N.A.

- (vii) There was no employee in F Y 2013-14, hence no Average percentage increase made in the salaries of employees in the financial year 2014-15 could be calculated.
- (viii) No Variable pay in the form of commission was paid to the Directors.
- (ix) Ratio of Remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : 0.03
- (x) It is affirmed that the remuneration is as per the remuneration policy of the Company.

#### **ANNEXURE 4**

#### SECRETARIAL AUDIT REPORT for the financial year ended 31st March 2015

[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").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 2015, 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, 2015, 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. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- 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 Acts, Rules, Regulations and Guidelines were not applicable to the Company under the financial year under report :
  - a. 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.
- 3. 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
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- 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: Presently not applicable to the Company.
  - (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited.
- 5. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
- 6. 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.
- 7. Observations :
  - a. Key Managerial Personnel (KMP) as required u/s 203(1)(ii) has not been appointed by the Company. KMP u/s 203(1)(i) has resigned w.e.f 25th March, 2015.

- 8. We further report that :
  - (a) The Board of Directors of the Company is constituted with Independent Directors only.

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.
- 9. 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.
- 10. We further report that :

During the year, pursuant to the amalgamation of promoter group investment companies with Emerald Co. Ltd. (ECL) (also a promoter group Company), the equity shareholding of ECL in the Company exceeded 50%. As such, the Company became subsidiary of ECL. However, by the end of the year the shareholding of ECL was once again reduced below 50% and thereafter, the Company ceased to be subsidiary of ECL.

#### For PS & Associates

Swati Bajaj Partner C.P.No.: 3502, ACS: 13216 Place : Kolkata Date : 28/04/2015

## **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 2015, 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, but not for the purpose of expressing an opinion on

whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015 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, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143 (3) of the Act, we report that :
  - (a) We have sought 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, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, 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 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, 2015, 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.

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

Kolkata 29th May, 2015 Naresh Lakhotia Partner Membership number : 51249

## 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, 2015.

- (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.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
  - (b) In our opinion, the procedures of Physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company's activities during the year do not include purchase of inventory and fixed assets and sale of goods and services and as such clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted deposits from the public.
- vi. The Central Government has not specified 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 sax, wealth 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, 2015, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited on account of any dispute.
  - (c) According to the information and explanations given to us and the records of the Company examined by us, no amounts were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and rules made thereunder.

- viii. The Company has neither accumulated losses as at 31st March, 2015 nor has it incurred any cash losses during the financial year ended on that date and in the immediately preceding financial year.
- ix. According to the records of the Company, it has not taken any loan from any financial institution or bank or against debentures and as such clause 3(ix) of the Order is not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the order are not applicable to the company.
- xi. According to the information and explanations given to us, the Company has not taken any term loan and as such clause 3(xi) of the Order is not applicable to the Company.
- xii. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the management.

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

Kolkata 29th May, 2015 Naresh Lakhotia Partner Membership number : 51249

	C	ARBO-CERAMICS	S LIMITED =
BALANCE SHEET AS AT 31ST N	/IARCH, 2015		
	Notes	As at 31-03-15 ₹	As at 31-03-14 ₹
EQUITY AND LIABILITIES	-		
Shareholders' Fund			
Share Capital	2	7,990,000	7,990,000
Reserves and Surplus	3	23,615,921	21,744,986
Non-Current Liabilities			
Deferred Tax Liabilities	4	1,982	2,045
Long Term Provisions	5	18,709	18,709
Current Liabilities			
Trade Payables	6	20,525	15,917
Other Current Liabilities	7	1,687,235	1,686,286
	-	33,334,372	31,457,943
<u>ASSETS</u>	-		
Non Current Assets			
Fixed Assets			
Tangible Assets	8	13,824	14,237
Zemindary Rights	9	3,724,400	3,724,400
Non Current Investments	10	14,165,014	12,868,935
Long Term Loan and Advances	11	40,180	40,180
Current Assets			
Inventories	12	58,547	58,547
Trade Receivables	13	908,842	908,842
Cash and Bank Balances	14	13,846,021	12,849,241
Short Term Loans and Advances	15	526,767	881,314
Other Current Assets	16	50,777	112,247
	-	33,334,372	31,457,943
Summary of significant accounting	policies 1		
The notes are an integral part of the	ese financial statem	ents	
As per our report of even date			
For Lakhotia & Co.			
Firm Registration No. 313149E			
Chartered Accountants			
Naresh Lakhotia	R. D. Kaushik	M.C. Darak	S. Marda
	Chief Financial Offi	cer Director	Director
Membership No. 51249 Place : Kolkata			

		CARBO-CERAMIC	S LIMITED ====
STATEMENT OF PROFIT AND LOSS F	OR THE Y Notes	<b>EAR ENDED 31ST I</b> Year ended	MARCH, 2015 Year ended
	Notes	31-03-15 ₹	31-03-14 ₹
Income			
Revenue From Operations		-	-
Other Income	17	2,645,310	2,464,659
Total Revenue		2,645,310	2,464,659
Expenses			
Changes in Inventory of Stock-in-trade	18	-	-
Employees Benefits Expense	19	179,317	-
Finance Costs	20	18,358	1,093
Depreciation and Amortization Expense	e 21	413	458
Other Expenses	22	346,970	217,862
Total Expenses		545,058	219,413
Profit before Tax		2,100,252	2,245,246
Tax Expense			
Current Tax		225,000	260,300
Earlier Years		4,380	-
Deferred Tax		(63)	(70)
Profit for the year		1,870,935	1,985,016
Earnings per Equity Share (Nominal Value per Share ₹8.50) (Previous Year: ₹8.50)	e 23		
Basic and Diluted (₹)		1.99	2.11
Summary of significant accounting policies	1		
The notes are an integral part of these fina As per our report of even date <b>For Lakhotia &amp; Co.</b> Firm Registration No. 313149E <i>Chartered Accountants</i>			
	<b>D. Kaushik</b> Financial Oj		<b>S. Marda</b> Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

		2014-15 ₹	2013-14 ₹
Α.	Cash Flows from Operating Activities		
	Profit before Taxation	2,100,252	2,245,246
	Adjustments for:		
	Depreciation and amortization expense	413	458
	Interest Income	(1,228,816)	(1,039,181)
	Net gain on Sale of Long Term Investments	-	(72,220)
	Dividend Income	(1,416,494)	(1,353,258)
	Provision for diminution in value of Long Term Investments	3,821	2,448
	Operating Profit/(Loss) before Working Capital Changes	(540,824)	(216,507)
	Adjustment for :		
	(Increase)/Decrease in Short Term Loans & Advances	(998,000)	(2,124,813)
	Increase/(Decrease) in Trade Payables	4,608	487
	Increase/(Decrease) in Other Current Liabilities	949	470
	Cash generated from Operations	(1,533,267)	(2,340,363)
	Taxes Paid (Net)	123,167	(267,880)
	Net Cash from/(used in) Operating Activities	(1,410,100)	(2,608,243)
В.	Cash Flows from Investing Activites		
	Purchase of Long Term Investments	(1,299,900)	(400,000)
	Sale of Long Term Investments	-	703,500
	Interest received	1,290,286	974,833
	Dividend received	1,416,494	1,353,258
	Net Cash from / (used in) Investing Activities	1,406,880	2,631,591
С.	Cash Flow From Financing Activities	-	
	Net Cash Flow from/(used in) Financing Activities	<u> </u>	
	Net Cash Inflow/(Outflow) [A+B+C]	(3,220)	23,348
	Cash and Cash Equivalents Opening	649,241	625,893
	Cash and Cash Equivalents Closing	646,021	649,241
	Net Cash Inflow/(Outflow)	(3,220)	23,348
Note	• •		
	The above Cash Flow Statement has been prepared under t Accounting Standard - 3 on Cash Flow Statement prescribe		' as set out in the

2. The Note referred to above forms an integral part of the Cash Flow Statement.

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	R. D. Kaushik	M.C. Darak	S. Marda
Partner	Chief Financial Officer	Director	Director
Membership No. 51249			
Place : Kolkata			
Dated : 29th Day of May, 2015			

#### 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) Pursuant to the enactment of Companies Act, 2013('the Act'), the Company has effective 1st April, 2014 provided Depreciation on Tangible Assets on written down value basis over the estimated useful lives of the assets in accordance with Schedule II to the Act instead of at the rates specified in Schedule XIV to the Companies Act, 1956 upto 31st March, 2014.

#### 1.3 Investments

Investments made by the Company are intended to be held for more than one year from the date, on which such investments are made are classified as long term investments which are stated at cost. Provision for diminution in the value, other than temporary, shall be made.

#### 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/ Expendiure 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.

				As at 31-03- ₹		As at 31-03-14 ₹
2.	SHARE CAPI					
	Authorised	:				
	1,000,000	(Previous Year: 1,000 Shares of ₹ 8.50 each	,000) Equit	γ <b>8,500</b>	,000	8,500,000
	16,238	(Previous Year: 1 Cumulative Preference ₹ 100/- each	6,238) 59 e Shares c	% <b>1,623</b> of	,800	1,623,800
				10,123	,800	10,123,800
	Issued :					
	940,000	(Previous Year : 940 Shares of ₹ 8.50 each fu		γ <b>7,990</b>	,000	7,990,000
	Subscribed a	and Fully Paid-up :				
	940,000	(Previous Year : 940 Shares of ₹ 8.50 each fu		y <b>7,990</b>	,000	7,990,000
			Total	: 7,990	,000	7,990,000
2.1	Reconciliatio	on of the number of Equi	tv shares			
			As at 31	-03-15	As	at 31-03-14
			No. of	Amount	No. d	of Amount
			Shares	(₹)	Share	es (₹)
	Balance as at	the beginning of the year	940,000	7,990,000	940,	000 7,990,000
	Balance as at	the end of the year	940,000	7,990,000	940,	000 7,990,000
2.2	Rights, prefe	erences and restrictions a	attached to s	shares		

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

	31-0	3-15	31-03-14		
Name of Shareholders	No. of	% held	No. of	% held	
	Shares		Shares		
Likhami Leasing Limited	-	-	196,070	20.86%	
The Bond Company Limited	-	-	160,450	17.07%	
H.L. Investment Company Limited	-	-	74,300	7.90%	
Emerald Company Limited	461,000	49.04%	78,600	8.36%	
Krishna Kumar Bangur	68,720	7.31%	300	0.03%	

distribution of all preferential amounts, in proportion to their shareholding.

### NOTES TO THE FINANCIAL STATEMENTS

- **2.4** The Company had become a subsidiary of Emerald Company Limited (ECL) pursuant to a scheme of amalgamation of The Bond Company Limited, Guardian Leasing Limited, Likhami Leasing Limited, HL Investment Company Limited, Tandem Fiscal Services Limited, Uttam Fiscal Services Limited, D.C.Mercantile Private Limited and SCL Investments Private Limited with ECL as sanctioned by the Hon'ble High Court at Calcutta vide its order dated 16th May, 2014 which became effective from 3rd July, 2014 with appointed date being 1st April, 2013. The said Holding-Subsidary relationship existed upto 11th March, 2015 and thereafter the company has become an Associate Company of ECL.
- **2.5** No shares have been allotted during the period of five years immediately preceding March 31, 2015 pursuant to contracts without payment received In cash or by way of bonus shares and there has been no buy back during the said period.

Ca	ESERVES AND SURPLUS apital Reserve Balance as at the beginning of the year Balance as at the end of the year neestment Allowance Reserve Balance as at the beginning of the year Balance as at the end of the year urplus in Statement of Profit and Loss	1,263,300 1,263,300 588,100 588,100	1,263,300 1,263,300 588,100 588,100
In	Balance as at the beginning of the year Balance as at the end of the year <b>Exercise Convestment Allowance Reserve</b> Balance as at the beginning of the year Balance as at the end of the year <b>Exercise Conversion</b> Balance as at the end of the year	1,263,300	1,263,300
	Balance as at the end of the year <b>Exercise 1</b> Second Sec	1,263,300	1,263,300
	Balance as at the beginning of the year Balance as at the end of the year Balance as at the end of the year Balance in Statement of Profit and Loss	588,100	588,100
	Balance as at the beginning of the year Balance as at the end of the year urplus in Statement of Profit and Loss		
Sı	Balance as at the end of the year urplus in Statement of Profit and Loss		
Su	urplus in Statement of Profit and Loss	588,100	588 100
Sı	-		500,100
	Balance as at the beginning of the year	19,893,586	17,908,570
	Profit for the year	1,870,935	1,985,016
	Balance as at the end of the year	21,764,521	19,893,586
		23,615,921	21,744,986
4. D	EFERRED TAX LIABILITIES		
	Depreciation difference	1,982	2,045
		1,982	2,045
5. LC	ONG TERM PROVISIONS		
	Others		
	Contingent Rent liabilities	18,709	18,709
		18,709	18,709
6. TI	RADE PAYABLES		
Tr	rader Payables (including in Bangladesh ₹ 2,267/-)	20,525	15,917
		20,525	15,917

### NOTES TO THE FINANCIAL STATEMENTS

	As at 31-03-15 ₹	As at 31-03-14 ₹
7. OTHER CURRENT LIABILITIES		
Other Payables :		
Bills Payable	1,388,087	1,388,087
Other Advances	111,994	111,994
Statutory Dues	1,149	200
Employees Security Deposit (including in Bangladesh ₹ 200/-)	112,550	112,550
Repayment of Capital	73,455	73,455
	1,687,235	1,686,286

#### 8. TANGIBLE ASSETS

**Current Year** 

	GROSS BLOCK - AT COST			DEPRECIATON				NET BLOCK	
DESCRIPTION	As at 31-0 3-14	Additions during the year	Sales/ Adjust- ments during the year	As at 31-03-15	Up to 31-03-14	For the year	On Sales/ Adjust- ments during the year	Up to 31-03-15	As at 31-03-15
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Land and buildings	50,966	-	-	50,966	45,422	-	-	45,422	5,544
Buildings	36,555	-	-	36,555	27,862	413	-	28,275	8,280
GRAND TOTAL	87,521	-	-	87,521	73,284	413	-	73,697	13,824

Previous Year

	(	GROSS BLO	CK - AT COS	т		DEPI	RECIATON		NET BLOCK
DESCRIPTION	As at 31-03-13	Additions during the year	Sales/ Adjust- ments during the year	As at 31-03-14	Up to 31-03-13	For the year	On Sales/ Adjust- ments during the year	Up to 31-03-14	As at 31-03-14
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Land and buildings	50,966	-	-	50,966	45,422	-	-	45,422	5,544
Buildings	36,555	-	-	36,555	27,404	458	-	27,862	8,693
GRAND TOTAL	87,521	-	-	87,521	72,826	458	-	73,284	14,237
<ol> <li>Zemindary Rights Government, Biha Governments (a Government - ₹ 718</li> </ol>	ir and acquired	West	Benga	nglades al Stat nglades	e	3,724,4	400	3,72	24,400

3,724,400

3,724,400

## \_\_\_\_\_ CARBO-CERAMICS LIMITED \_\_\_\_

## NOTES TO THE FINANCIAL STATEMENTS

NOT	ES TO THE FINANCIAL STATEN	IENTS	As 31-0: ₹	3-15	As a 31-03 ₹	-14
		Face Value ₹	Number	₹	Number	₹
10.	NON CURRENT INVESTMENTS					
	(Long Term Investments)					
	Other Investments (Value at Cost)					
Α.						
	Investments in Preference shares - fully paid up :	100				10.150
	8.75% The Gourepore Company Ltd. Less: Provision for diminution in value	100	145	13,458	145	13,458
	Less. Provision for diminution in value		-	13,458	-	13,458
	Investments in Equity Instruments - fully paid up :				-	
	Graphite India Ltd.	2	386645	3,317,263	386645	3,317,263
				3,317,263		3,317,263
	Total - (A)	:		3,317,263		3,317,263
B.	UNQUOTED					
	Investments in Equity Instruments - fully paid up :					
	Bangur Land Development Corporation Ltd.	100	100	32,080	100	32,080
	Less : Provision for diminution in value		-	7,234	-	3,413
	Investments in Preference shares - fully paid up :			24,846	-	28,667
	7% Birds Jute & Exports Ltd.	100	100	8,966	100	8,966
	Less : Provision for diminution in value	100	100	8,966	100	8,966
			-	-	-	-
	Investments in Mutual Funds:				-	
	HDFC Cash Mangmt Fund Savings Plan-Retail-Growth	10	15591.918	349,800	15591.918	349,800
	HDFC Cash Mangmt Fund T.A.Plan-Retail-Growth	10	13547.192	301,245	13547.192	301,245
	HDFC Liquid Fund-Growth	10	32019.431	749,900	32019.431	749,900
	HDFC MF Monthly Income Plan-Long Term-Growth	10	51990.455	1,000,000	51990.455	1,000,000
	HDFC Short Term Plan-Growth	10	131962.203	2,622,060	131962.203	2,622,060
	Kotak Equity Arbitrage Fund - Monthly Dividend	10 1000	120725.523	1,299,900	-	4 500 000
	Reliance Money Manager Fund-Retail Plan-Growth	1000	3521.138	4,500,000 10,822,905	3521.138	4,500,000 9,523,005
	Total - (B)	:	-	10,847,751	-	9,551,672
C.	INVESTMENTS IN FOREIGN COMPANIES				-	-, <u>-</u>
	Investments in Preference shares - fully paid up :					
	5% Barnagore Jute Factory plc.	£ 1	1000	8,265	1000	8,265
	Less: Provision for diminution in value		-	8,265	-	8,265
	Total - (C)		-	14.105.014	-	12.000.025
	Total AGGREGATE AMOUNT OF QUOTED INVESTMENTS:	:	-	<u>14,165,014</u> 3,317,263	-	12,868,935 3,317,263
	MARKET VALUE OF QUOTED INVESTMENTS:			32,110,867		34,430,737
	AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS:			10,847,751		9,551,672
	AGGREGATE PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS	:		37,923		34,102
				As at	Δ	s at
				L-03-15		03-14
			21		21-0	
				₹		₹
	LONG TERM LOANS AND ADVANC					
	Unsecured, considered good (unless oth	erwise state	ed);			
	Security Deposits			40,045		40,045
	Advances			-		
	Considered doubtful (in Banglad	och)		135		135
	considered doubtrui (in ballgiadi	conj				40,180
				40,180		40,180

		ARBO-CERAMIC	S LIMITED =
NO	TES TO THE FINANCIAL STATEMENTS		
		As at 31-03-14 ₹	As at 31-03-13 ₹
12.	INVENTORIES		
	At cost or market value whichever is lower :		
	Stock-in-trade - Land	58,547	58,547
		58,547	58,547
13.	TRADE RECEIVABLES		
	Unsecured, considered doubtful		
	Outstanding for a period exceeding six month from the date they are due from payment Outstanding Rents (including in Bangladesh ₹ 238864/-)	908,842	908,842
		908,842	908,842
14.	CASH AND BANK BALANCES		
	Cash and cash equivalents		
	Cash on hand (including in Bangladesh ₹ 233/-) Bank Balances	6,609	936
	In Current Accounts (including in Bangladesh ₹ 257458/-)	639,412	648,305
		646,021	649,241
	Other Bank Balances		
	Fixed deposits with Banks with maturity perio more than 3 months but less than 12 months	d <b>13,200,000</b>	12,200,000
		13,846,021	12,849,241
16	SHORT TERM LOANS AND ADVANCES		
15.	Unsecured, considered good		
	Other Loans and Advances		
	Advance Income Tax (Net of Provision)	92,383	373,423
	MAT Credit Entitlement	434,384	505,891
	Advance for Expenses	_	2,000
	·	526,767	881,314
16	OTHER CURRENT ASSETS	<u> </u>	· · ·
10.	Unsecured, considered good		
	Interest accrued on deposits with bank	50,777	112,247
		50,777	112,247

(	ARBO-CERAMI	CS LIMITED :
NOTES TO THE FINANCIAL STATEMENTS		
	Year ended 31-03-15 ₹	Year ended 31-03-14 ₹
17. OTHER INCOME		
Interest Income		
On Fixed Deposit with Banks	1,206,976	1,039,181
On Income Tax Refunds	21,840	-
Net Gain on Sale of Long Term Investments	-	72,220
Dividend Income on Long Term Investments	1,416,494	1,353,258
	2,645,310	2,464,659
18. CHANGES IN INVENTORY OF STOCK-IN-TRADE	E	
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
		-
19. EMPLOYEE BENEFITS EXPENSE		
Salary and Wages	179,317	-
	179,317	
20. FINANCE COSTS		
Interest Expense		
on Taxes	18,358	1,093
	18,358	1,093
21. DEPRECIATION AND AMORTIZATION EXPENSI	E	
Depreciation on Tangible Assets	413	458
	413	458

## NOTES TO THE FINANCIAL STATEMENTS

Listing fees11,79811Securities custodial fees13,48213Professional and law charges101,04867Advertisement charges70,34061Filing fees20,30012Printing and stationery charges25,53912Postal charges44,37933Bank charges72512Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	1,507 1,798 3,482
Listing fees11,79811Securities custodial fees13,48213Professional and law charges101,04867Advertisement charges70,34061Filing fees20,30012Printing and stationery charges25,53912Postal charges44,37933Bank charges72512Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	,798 3,482
Securities custodial fees13,48213Professional and law charges101,04867Advertisement charges70,34061Advertisement charges20,30011Filing fees20,30012Printing and stationery charges25,53912Postal charges44,37933Bank charges72510Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	8,482
Professional and law charges101,04867Advertisement charges70,34061Filing fees20,3001Printing and stationery charges25,53912Postal charges44,3793Bank charges725Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	-
Advertisement charges70,34061Filing fees20,30012Printing and stationery charges25,53912Postal charges44,37933Bank charges72512Payment to Auditors11,23610Other Services6,50072Directors' Fees10,5004	220
Filing fees20,3001Printing and stationery charges25,53912Postal charges44,3793Bank charges725Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	,238
Printing and stationery charges25,53912Postal charges44,3793Bank charges725Payment to Auditors11,23610Other Services6,5007Directors' Fees10,5004	,658
Postal charges44,3793Bank charges725Payment to Auditors11,236Audit Fee11,236Other Services6,500Directors' Fees10,500	,500
Bank charges725Payment to Auditors11,236Audit Fee11,236Other Services6,500Directors' Fees10,500	2,800
Payment to Auditors Audit Fee 11,236 10 Other Services 6,500 7 Directors' Fees 10,500 4	8,844
Audit Fee       11,236       10         Other Services       6,500       7         Directors' Fees       10,500       4	545
Other Services         6,500         7           Directors' Fees         10,500         2	
Directors' Fees 10,500 4	),000
	,000
Miscellaneous Expenses 22,113 17	<i>,</i> 000
	,042
Provision for diminution in value of Investments <b>3,821</b>	2,448
<b>346,970</b> 217	7,862
23. BASIC AND DILUTED EARNINGS PER SHARE 2014-15 2013-	14
i) Number of Equity Shares at the beginning of <b>9,40,000</b> 9,40 the year	),000
ii) Number of Equity Shares at the end of the year <b>9,40,000</b> 9,40	),000
iii) Weighted Average number of Equity Shares	
outstanding during the year <b>9,40,000</b> 9,40	),000
iv) Face Value of each Equity Share (₹) 8.50	8.50
v) Profit after Tax available for Equity Shareholders <b>1,870,935</b> 1,985	8.50
vi) Basic and Diluted Earnings per Share (₹) [(v)/(iii)] <b>1.99</b>	

- 24. The maximum compensation for Zemindary Rights etc. receivable from the State governments and Bangladesh government is estimated at ₹ 3,724,400/- (Previous year ₹ 3,724,400/-)
- **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)

As explained in Note 2.4, the Company had become a subsidiary of Emerald Company Limited and the related party relationships and transactions have been accordingly shown with corresponding figures of the previous year.

29.1 a) Parties exercising control over the Company

,	Name Emerald Company Limited (ECL) Mr. K. K. Bangur	<u>Relationship</u> Refer Note 2.4 A shareholder owning
		controlling interest in the company in conjunction with his voting power in ECL.
b)	Other related parties with whom the Company had transactions during the year/ balances outstanding at the year end : Name	Relationship
	i) Graphite India Limited	A Fellow Subsidiary upto 11th March, 2015 and an enterprise over which Mr. K K Bangur is able to exercise significant influence.
	ii) Bangur Land Development Corporation Limited	A Fellow Subsidiary upto 3rd March, 2015 and an enterprise over which Mr. K K Bangur is able to exercise significant

influence.

			•		
NOT	ES TO T	THE FINANCIAL S	TATEMENTS		
	iii)	Mr. Rameshwar D Chief Financial Of		Key Management	Personnel
	iv)	Mr. Balraj Bhabhr Chief Executive O	a, fficer ing the period from	Key Management	Personnel
29.2	Particu	lars of transactions	during the year	2014-15 ₹	2013-14 ₹
		lating to Enterprise uity Dividends rece	mentioned in 29.1(b) ived		
	ii) Re	Graphite India Limit lating to Key Manag lary		1,353,258	1,353,258
	a)	Mr. Rameshwar Das	s Kaushik	80,000	-
	b)	Mr. Balraj Bhabhra		99,317	-
29.3		e outstanding at the			
	Non-Cu (at Cost		Equity instruments		
	Graphit	e India Limited		3,317,263	3,317,263
	Bangur	Land Development	Corporation Limited	32,080	32,080
30.	in keep revisior	ing with the provision in useful lives do	e estimated useful live ions of Schedule II to les not have any mat d 31st March, 2015.	the Companies Act,	2013. The said
31.	Previou	ıs year's figures hav	e been regrouped / re	-arranged wherever	necessary.
Firm F Charte Nares Partne Meml Place	ered Acc sh Lakho er bership I : Kolkata	ion No. 313149E countants tia No. 51249	<b>R. D. Kaushik</b> Chief Financial Offi	<b>M.C. Darak</b> cer Director	<b>S. Marda</b> Director

If undelivered, please return to : **CARBO-CERAMICS LIMITED** 31, CHOWRINGHEE ROAD KOLKATA - 700 016