

**ANNUAL REPORT  
2018 - 2019**

**Carbo-Ceramics Limited**

Registered Office :  
31, CHOWRINGHEE ROAD  
KOLKATA - 700 016

# **CORPORATE INFORMATION**

## **BOARD OF DIRECTORS**

MR. M. C. DARAK  
MR. S. MARDIA  
MR. P. K. JOSHI  
MRS. SAMARPITA DE

## **COMPANY SECRETARY**

MS. KAVITA BIYANI

## **CHIEF FINANCIAL OFFICER**

MR. R. L. KOTHARI

## **CHIEF EXECUTIVE OFFICER**

MR. DEBASIS HALDAR

## **AUDITORS**

ABPP & Associates  
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 is hereby given that the 117<sup>th</sup> 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 Wednesday, the 25<sup>th</sup> day of September, 2019 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, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Samarpita De (DIN 08128103) who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

3. To consider and if thought fit, to pass the following resolution with or without modification, as a Special Resolution.

**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. M.C. Darak (DIN: 00029073), who was appointed as an Independent Director of the Company for a term of five (5) consecutive years from the conclusion of 112<sup>th</sup> AGM of the Company till the 117<sup>th</sup> AGM of the Company being eligible, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years i.e. from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company.

4. To consider and if thought fit, to pass the following resolution with or without modification, as a Special Resolution.

**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. S. Marda (DIN: 00065359), who was appointed as an Independent Director for a term of five (5) consecutive years from the conclusion of 112<sup>th</sup> AGM of the Company till the 117<sup>th</sup> AGM of the Company, being eligible, be and is hereby re-appointed as a Non - Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years i.e. from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company.

5. To consider and if thought fit, to pass the following resolution with or without modification, as a Special Resolution.

**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. P. K. Joshi (DIN: 00556512), who was appointed as an Independent Director for a term of five (5)

consecutive years from the conclusion of 112<sup>th</sup> AGM of the Company till the 117<sup>th</sup> AGM of the Company, being eligible, be and is hereby re-appointed as a Non - Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years i.e. from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company.

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

Kolkata  
May 28, 2019

**K. Biyani**  
Company Secretary

**NOTES:**

- a. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 is attached. Additional Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director being appointed 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 Saturday, the 14<sup>th</sup> day of September, 2019 to Wednesday, the 25<sup>th</sup> day of September, 2019 (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 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 25<sup>th</sup> September, 2019 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 22<sup>nd</sup> September, 2019 from 9.00 a.m. (IST) and ends on 24<sup>th</sup> September, 2019 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 18<sup>th</sup> September, 2019, 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
  - 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](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) 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.
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 (18<sup>th</sup> September, 2019) 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 “Polling 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.

The Results declared along with 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**

Kolkata  
May 28, 2019

**K. Biyani**  
Company Secretary

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

### **ITEM NO. 3**

Mr. M.C. Darak (DIN: 00029073) was appointed as an Independent Director of the Company for a period of five (5) years from the conclusion of 112<sup>th</sup> Annual General Meeting till the 117<sup>th</sup> AGM of the Company. His term as an Independent Director of the Company will end at the forthcoming 117<sup>th</sup> AGM of the Company. The Nomination and Remuneration Committee on the basis of performance evaluation recommended re-appointment of Mr. M.C. Darak as a Non-Executive Independent Director for a second term of five consecutive years on the Board of the Company from the conclusion of 117<sup>th</sup> AGM of the Company till the 122<sup>nd</sup> AGM of the Company. The Board of Directors (“Board”), in its meeting held on May 28<sup>th</sup>, 2019 reviewed the declaration made by Mr. M.C. Darak that he meets the criteria of independence as provided in Section 149(6) of the Act and under “LODR” and was of the opinion that he fulfills the conditions specified in the Act, the rules made there-under and in LODR and is independent of the management. The Board accordingly re-appointed him as a Non-Executive Independent Director not liable to retire by rotation for a further period of five years from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company. His vast and varied experience in the business and corporate world justifies his re-appointment and continuance as an Independent Director of the Company. His contribution towards deliberations in Board/Committee meetings have been beneficial to the Company and the Company looks up to him for advice. The special resolution set out at Item No. 3 of the Notice is accordingly recommended for approval of the members. The above may also be regarded as an appropriate disclosure under the Act and LODR.

Except Mr. M.C. Darak, none of the Directors nor Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the said resolution.

### **ITEM NO. 4**

Mr. S. Marda (DIN: 00065359) was appointed as an Independent Director of the Company for a period of five (5) years from the conclusion of 112<sup>th</sup> Annual General Meeting till the 117<sup>th</sup> AGM of

the Company. His term as an Independent Director of the Company will end at the forthcoming 117<sup>th</sup> AGM of the Company. The Nomination and Remuneration Committee on the basis of performance evaluation recommended re-appointment of Mr. S. Marda as a Non-Executive Independent Director for a second term of five consecutive years on the Board of the Company from the conclusion of 117<sup>th</sup> AGM of the Company till the 122<sup>nd</sup> AGM of the Company. The Board of Directors ("Board"), in its meeting held on May 28<sup>th</sup>, 2019 reviewed the declaration made by Mr. S. Marda that he meets the criteria of independence as provided in Section 149(6) of the Act and under "LODR" and was of the opinion that he fulfills the conditions specified in the Act, the rules made there-under and in LODR and is independent of the management. The Board accordingly re-appointed him as a Non-Executive Independent Director not liable to retire by rotation for a further period of five years from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company. His vast and varied experience in the secretary and legal field justifies his re-appointment and continuance as an Independent Director of the Company. His contribution towards deliberations in Board / Committee meetings have been beneficial to the Company and the Company looks up to him for advice. The special resolution set out at Item No. 4 of the Notice is accordingly recommended for approval of the members. The above may also be regarded as an appropriate disclosure under the Act and LODR.

Except Mr. S. Marda, none of the Directors nor Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the said resolution.

#### **ITEM NO. 5**

Mr. P. K. Joshi (DIN: 00556512) was appointed as an Independent Director of the Company for a period of five (5) years from the conclusion of 112<sup>th</sup> Annual General Meeting till the conclusion of 117<sup>th</sup> AGM of the Company. His term as an Independent Director of the Company will end at the forthcoming 117<sup>th</sup> AGM of the Company. The Nomination and Remuneration Committee on the basis of performance evaluation recommended re-appointment of Mr. P. K. Joshi as a Non-Executive Independent Director for a second term of five consecutive years on the Board of the Company from the conclusion of 117<sup>th</sup> AGM of the Company till the 122<sup>nd</sup> AGM of the Company. The Board of Directors ("Board"), in its meeting held on May 28<sup>th</sup>, 2019 reviewed the declaration made by Mr. P. K. Joshi that he meets the criteria of independence as provided in Section 149(6) of the Act and under "LODR" and was of the opinion that he fulfills the conditions specified in the Act, the rules made there-under and in LODR and is independent of the management. The Board accordingly re-appointed him as a Non-Executive Independent Director not liable to retire by rotation for a further period of five years from the conclusion of 117<sup>th</sup> AGM of the Company till the conclusion of 122<sup>nd</sup> AGM of the Company. His vast and varied experience in the business and corporate world justifies his re-appointment and continuance as an Independent Director of the Company. His contribution towards deliberations in Board / Committee meetings have been beneficial to the Company and the Company looks up to him for advice. The special resolution set out at Item No. 5 of the Notice is accordingly recommended for approval of the members. The above may also be regarded as an appropriate disclosure under the Act and LODR.

Except Mr. P. K. Joshi, none of the Directors nor Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the said resolution

#### **Profile of Directors being appointed/reappointed in the order of the items mentioned in the notice**

**Mrs. Samarpita De (DIN 08128103)**, aged 32 years, is a B.Sc. Graduate and qualified MBA in Human Resource Management having over 12 years of experience in various fields including HR, Administration and Co-ordination. 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.

**Mr. Manak Chand Darak**, aged 64 years, is a Non-Executive Independent Director of the Company. He is a Bachelor of Commerce and has more than forty five years of experience in the field of accounts, finance and taxation matters. He does not hold any shares in the Company.



**Other Directorships**

Sl. No.	Name of the Company	Position
1	Bangur Land development Corporation Ltd	Director
2	Innovative Properties Private Limited	Director
3	Emerald Highrise Private Ltd	Director
4	Emerald Company Private Limited	Director
5	Extreme Learning Private Limited	Director
6	Shree Laxmi Agents Limited	Director

**Committee Memberships**

Sl. No.	Name of the Company	Committee	Position
1	Emerald Company Private Limited	Corporate Social Responsibility Committee	Member

**Mr. Sanjeev Marda**, aged 46 years, is a Non-Executive Independent Director of the Company. He is an Associate Member of ICSI, a Cost Accountant and also a Law Graduate and has more than 17 years of experience in managing legal and secretarial matters. He does not hold any shares in the Company.

**Other Directorships:**

Sl. No.	Name of the Company	Position
1	Matrix Commercial Private Limited	Director
2	Salasar Towers Private Limited	Director
3	Shree Laxmi Agents Limited	Director
4	Emerald Company Private Limited	Director

**Committee Memberships**

Sl. No.	Name of the Company	Committee	Position
1	Emerald Company Private Limited	Corporate Social Responsibility Committee	Member

**Mr. Pawan Kumar Joshi**, aged 59 years, is a Non-Executive Independent Director of the Company. He is a Bachelor of Commerce and has more than 30 years of experience in the field of accounts, finance and taxation matters. He does not hold any shares in the Company.

**Other Directorships**

Sl. No.	Name of the Company	Position
1	Salasar Towers Private Limited	Director
2	Bangur Land Development Corporation Ltd	Director
3.	Emerald Highrise Private Limited	Director

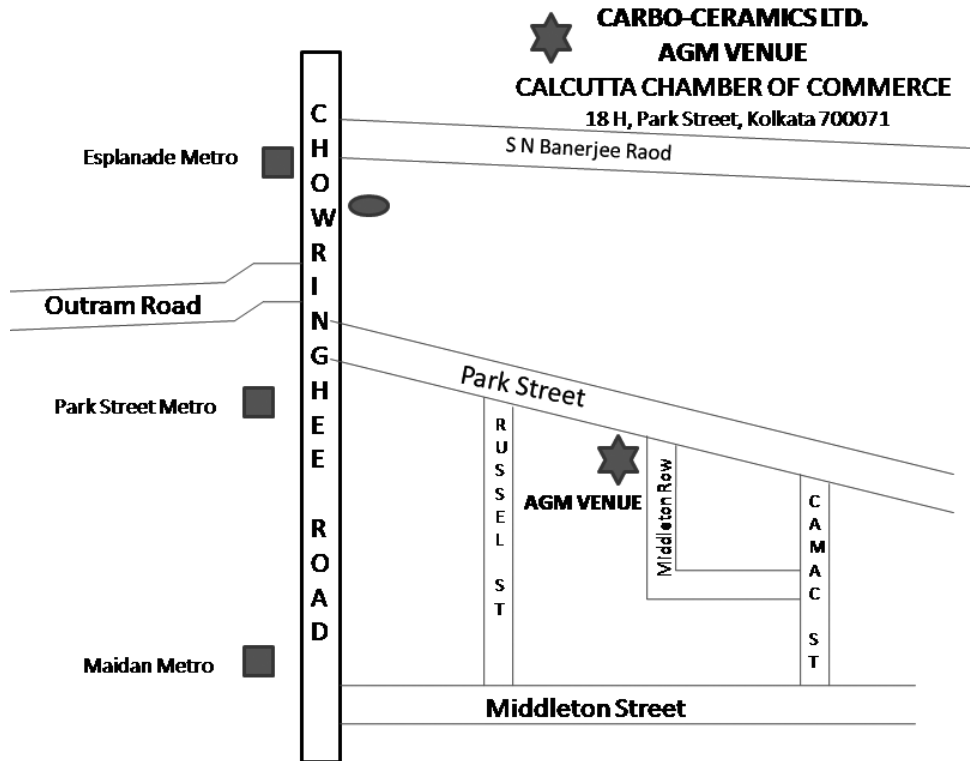
**Committee Memberships: Nil**

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

Kolkata  
May 28, 2019

**K. Biyani**  
Company Secretary

### ROUTE MAP OF AGM VENUE



## DIRECTORS' REPORT

Dear Members,

Your Directors present their 117th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2019.

### FINANCIAL RESULTS

The financial highlights of your Company for the Financial Year ended 31st March, 2019 are summarized as follows:

(Rupees)

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Total Revenue	154,37,262	49,59,060
Profit before taxation	1,44,71,454	42,81,539
Tax Expense - Current Year	6,60,398	5,41,215
- Deferred Tax	(1,41,219)	(9,88,733)
Profit/(Loss) after tax	139,52,275	47,29,057
Other Comprehensive Income(net of tax)	(846,88,457)	18,62,38,683
Total Comprehensive Income	(707,36,182)	19,09,67,740

Total Revenue during the year was Rs.154,37,262/- as against Rs.49,59,060/- for FY 2017-18. Profit after Tax for the year was Rs.139,52,275/- as against Rs. 47,29,057/-for FY 2017-18.

### 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

Five meetings of the Board of Directors of the Company were held during the year on 17th May 2018, 29th May 2018, 13th August 2018, 14th November 2018 and 14th February 2019. Board Meetings attended by Directors during the FY 2018-19 is as under:-

Name of Directors	Number of Board Meeting	
	Held	Attended
Mr. M C Darak	5	5
Mr. S Marda	5	5
Mr. P K Joshi	5	5
Mrs. Samarpita De	5	5

### 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 29th May 2018, 13th August 2018, 14th November 2018 and 14th February 2019. All recommendations of the Audit Committee were accepted by the Board. Audit Committee Meetings attended by Directors during FY 2018-19 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. Two meetings of the Committee of the Company were held during the year on 17th May 2018 and 29th May 2018. Nomination and Remuneration Committee Meetings attended by Directors during FY 2018-19 is as under:-

Name of Directors	Number of Nomination and Remuneration Committee Meeting	
	Held	Attended
Mr. M C Darak	2	2
Mr. S Marda	2	2
Mr. P. K. Joshi	2	2

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

Relevant extracts of the Company's policy on director's 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.

#### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

CSR provisions are not applicable to the Company. Hence, no CSR Policy has been prepared by the Company. 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.

#### **REQUIREMENT FOR COST RECORDS**

The provisions of Section 148 of the Companies Act, 2013 relating to Cost Audit is not applicable on the Company and hence no cost audit has been conducted.

#### **INTERNAL COMPLAINTS COMMITTEE**

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. No complaint pertaining to sexual harassment of women employees was received during the

year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**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>.

**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**

During the year, Ms Samarpita De was appointed as an additional director of the Company on 17.5.18 and was appointed as Director in the 116th AGM. Ms Samarpita De retires by rotation at the forthcoming AGM and being eligible offers herself for reappointment.

The five year term of office of Mr. M. C. Darak, Mr. S. Marda and Mr. P. K. Joshi as Independent Directors of the Company will expire at the forthcoming AGM of the Company. The Board of Directors of the Company at its meeting held on 28.05.2019 on the recommendation of the Nomination and Remuneration Committee re-appointed them as Independent Directors for a second consecutive term of five years from 117th AGM of the company to the 122nd AGM of the Company. Approval from the members for re-appointment of Mr. M. C. Darak, Mr. S. Marda and Mr. P. K. Joshi as Independent Directors is being obtained in the ensuing AGM of the Company.

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.

**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**

M/s ABPP & Associates, Chartered Accountants (Firm Registration No.328632E), were appointed as Auditors of the Company, for a period of five (5) years at the AGM held on 25th September, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

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, 2019 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 PS & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 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.

The Company is in compliance of all applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

**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  
(DIN : 00029073)

**S. Marda**  
Director  
(DIN : 00065359)

Kolkata  
May 28, 2019

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31.03.2019  
[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 shares held	Applicable Section
The company does not have any holding, subsidiary and / or associate company as on 31.03.2019.					

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

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 01/04/2018				Shareholding at the end of the year - 31/03/2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 01/04/2018				Shareholding at the end of the year - 31/03/2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Bodies Corporate	461000	0	461000	49.0426	461000	0	461000	49.0426	0
	Sub Total (A)(1)	461000	0	461000	49.0426	461000	0	461000	49.0426	0
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	68720	0	68720	7.3106	68720	0	68720	7.3106	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	68720	0	68720	7.3106	68720	0	68720	7.3106	0
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>529720</b>	<b>0</b>	<b>529720</b>	<b>56.3532</b>	<b>529720</b>	<b>0</b>	<b>529720</b>	<b>56.3532</b>	<b>0</b>
<b>(B)</b>	<b>Public Shareholding</b>									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions / Banks	0	6970	6970	0.7415	0	6970	6970	0.7415	0
(g)	Insurance Companies	12500	0	12500	1.3298	12500	0	12500	1.3298	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	12500	6970	19470	2.0713	12500	6970	19470	2.0713	0



**Carbo-Ceramics Limited**

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 01/04/2018				Shareholding at the end of the year - 31/03/2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	0	100	100	0.0106	15810	100	15910	1.6926	1.6820
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0.0106</b>	<b>15810</b>	<b>100</b>	<b>15910</b>	<b>1.6926</b>	<b>1.6820</b>
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	25961	330025	355986	37.8709	33811	322175	355986	37.8709	0.0266
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
(c)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Foreign Nationals	1310	3500	4810	0.5117	0	3500	3500	0.3723	-0.1394
	Hindu Undivided Family	94	0	94	0.0100	94	0	94	0.0100	0
	Foreign Companies	14500	0	14500	1.5426	0	0	0	0.0000	-1.5426
	Non Resident Indians (Repat)	0	0	0	0.0000	0	0	0	0	0
	Overseas Bodies Corporates	0	150	150	0.0160	0	150	150	0.0160	0
	Bodies Corporate	0	15170	15170	1.6138	0	15170	15170	1.6138	0
	Sub Total (B)(3)	41865	348845	390710	41.5649	33905	340995	374900	39.8830	-1.6819
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>54365</b>	<b>355915</b>	<b>410280</b>	<b>43.6468</b>	<b>62215</b>	<b>348065</b>	<b>410280</b>	<b>43.6468</b>	<b>0</b>
	Total (A)+(B)	584085	355915	940000	100.0000	591935	348065	940000	100.0000	0
(C)	<b>Non Promoter - Non Public</b>									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	<b>Total (A)+(B)+(C)</b>	<b>584085</b>	<b>355915</b>	<b>940000</b>	<b>100.0000</b>	<b>591935</b>	<b>348065</b>	<b>940000</b>	<b>100.0000</b>	

## IV (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% 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 Pvt. 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>

## IV (iii) Change in Promoters' Shareholding

Sr No.	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
There is no change in promoters shareholding during the year.				

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

Sr 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	Custodian of Enemy Property For India				
	As at 01.04.2018	0	0		
	As at 31.03.2019			15810	1.682
2	Life Insurance Corporation of India				
	As at 01.04.2018	12500	1.330		
	As at 31.03.2019			12500	1.330
3	Jogendra Kristo Dutt				
	As at 01.04.2018	10450	1.112		
	As at 31.03.2019			10450	1.112
4	Hemant Bangur				
	As at 01.04.2018	10000	1.064		
	As at 31.03.2019			10000	1.064

Sr 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	Amarendra Kristo Dutt				
	As at 01.04.2018	9950	1.059		
	As at 31.03.2019			9950	1.059
6	Sulakhana Dassee				
	As at 01.04.2018	9750	1.037		
	As at 31.03.2019			9750	1.037
7	Nirmal Kumar Fatehpuria				
	Sole Executor				
	As at 01.04.2018	6250	0.665		
	As at 31.03.2019			6250	0.665
8	Soumendra Kristo Dutt				
	As at 01.04.2018	5950	0.633		
	As at 31.03.2019			5950	0.633
9	Nand Gopal Bangur				
	As at 01.04.2018	5500	0.585		
	As at 31.03.2019			5500	0.585
10	Balaram Mukherjee				
	As at 01.04.2018	5100	0.543		
	As at 31.03.2019			5100	0.543

**IV. (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>B. Remuneration to other directors:</b>						
Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rupees)
		Mr. M C Darak	Mr. S Marda	Mr. P K Joshi	Ms. S. De	
1	Independent Directors					
	• Fee for attending board / committee meetings	3000	3000	3000	-	9000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>-</b>	<b>9000</b>
2	Other Non- Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	1250	1250
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1250</b>	<b>1250</b>
	<b>Total (B) = (1+2)</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>1250</b>	<b>10250</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>					
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rupees)
		CEO *	Company Secretary	CFO	
		D. Halder	K. Biyani	R. L Kothari	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	2,02,605	1,44,000	1,20,000	4,66,605
	(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>2,02,605</b>	<b>1,44,000</b>	<b>1,20,000</b>	<b>4,66,605</b>

## 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.

**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 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

Sl. No.	Name of the Director / KMP and Designation	Remuneration of Director/ KMP for Financial Year 2018-19 ₹	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Manak Chand Darak [Non-Executive Director]	3,000	0%	2%
2.	Mr. Sanjeev Marda [Non-Executive Director]	3,000	0%	2%
3.	Mr. Pawan Kumar Joshi [Non-Executive Director]	3,000	0%	2%
4.	Mr. Ratan Lal Kothari [Chief Financial Officer]	1,20,000	0%	Not Applicable
5.	Ms. Kavita Biyani [Company Secretary]	1,44,000	0%	Not Applicable
6.	Mr. Debasis Haldar [Chief Executive Officer]	2,02,605	**	Not Applicable
	<b>TOTAL</b>	<b>4,75,605</b>		

\*\* % Increase could not be calculated as the KMP was not employed / employed for part of the Financial Year 2017-18.

- (ii) The percentage increase in median remuneration of employees in the financial year : 0%
- (iii) There were only 3 permanent employees on the rolls of the Company as on March 31, 2019.
- (iv) Average percentage increase made in the salaries of employees other than managerial personnel in the financial year 2018-19 could not be computed as there were no employees other than the managerial personnel. The increase in the managerial remuneration for the said financial year was 30%.
- (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, 2019**

Sl. No.	Name	Remuneration (₹)	Designation	Nature of Employment	Qualification & Experience (Years)	Date of Commencement of Employment	Age (Years)	Last employment held
1.	Mr. Debasis Halder	2,02,605	Chief Executive Officer	Permanent	B.Com & (12 years)	01.09.2017	51	Upper Crust
2.	Mr. Ratan Lal Kothari	1,20,000	Chief Financial Officer	Permanent	B.Com. & LLB & (41 years)	28.03.2016	61	Graphite India Limited
3.	Ms. Kavita Biyani	1,44,000	Company Secretary	Permanent	B.Com(H), M.Com. & CS & (4 years)	01.08.2015	36	V. Singhi & Associates

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 2019

*[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 31<sup>st</sup> March 2019, 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, 2019, 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**

Sd/-

**Swati Bajaj**

Partner

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

Place : Kolkata  
Date : 05/05/2019

**'Annexure A'**

To,  
The Members  
**Carbo-Ceramics Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where-ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PS & Associates**

Sd/-

**Swati Bajaj**

Partner

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

Place : Kolkata  
Date : 05/05/2019

## INDEPENDENT AUDITOR'S REPORT

To the Members of Carbo-Ceramics Limited

Report on the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **Carbo-Ceramics Limited** ("**the Company**") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### 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. 257691/- in Bangladesh and discharge of liabilities of Rs. 2467/- 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.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

### Responsibilities of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of Ind AS Financial Statement**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

A further description of the auditor's responsibilities for the audit of the Ind AS financial statements is included in **Annexure A**. This description forms part of our auditor's report.

#### **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 Companies Act, 2013, we give in the **Annexure B** 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 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 it appears from our examination of those books.
  - c) The Balance Sheet, the 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 Ind AS financial statements comply with the Indian 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".

- 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 31<sup>st</sup> March, 2019, on its financial position in its financial statements as detailed in Note 29 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 **ABPP & Associates**  
Chartered Accountants  
Firm Registration No. 328632E

**Ajay Chand Baid**  
Partner  
Membership No. 302061

Kolkata  
Dated: 28<sup>th</sup> May, 2019

## “ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT

### Responsibilities for Audit of Financial Statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **ABPP & Associates**  
Chartered Accountants  
Firm Registration No. 328632E

**Ajay Chand Baid**

Partner

Membership No. 302061

Kolkata

Dated: 28<sup>th</sup> May, 2019

**“ANNEXURE B” TO INDEPENDENT AUDITORS’ REPORT**

**Statement referred to in our Independent Auditors report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2019**

- 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 a carrying amount of Rs. 5544/- 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, goods and service tax, duty of customs, cess and any other material statutory dues, as applicable, with the appropriate authorities.
  - (b) As at 31<sup>st</sup> March, 2019, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, goods and service tax and duty of customs 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 ABPP & Associates**  
Chartered Accountants  
Firm Registration No. 328632E

***Ajay Chand Baid***  
Partner  
Membership No. 302061

Kolkata  
Dated: 28<sup>th</sup> May, 2019

**“ANNEXURE C” TO THE INDEPENDENT AUDITOR’S REPORT ON THE IND AS 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, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS

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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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 Ind AS 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, 2019, 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 **ABPP & Associates**  
Chartered Accountants  
Firm Registration No. 328632E

**Ajay Chand Baid**  
Partner  
Membership No. 302061

Kolkata  
Dated: 28<sup>th</sup> May, 2019

## Carbo-Ceramics Limited

### BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in ₹)

	Notes	As at 31st March, 2019	As at 1st April 2018
<b>ASSETS</b>			
<b>Non - current Assets</b>			
Property, Plant and Equipment	4	12,358	12,698
Financial Assets			
Investments	5	18,74,85,989	28,91,32,411
Other Non-Current Assets	6	<u>37,76,080</u>	<u>37,67,080</u>
<b>Total Non - current Assets</b>		<b><u>19,12,74,427</u></b>	<b><u>29,29,12,189</u></b>
<b>Current Assets</b>			
Inventories	7	58,547	58,547
Financial Assets			
Trade Receivables	8	9,08,842	9,08,842
Cash and Cash Equivalents	9	33,55,426	31,36,388
Bank Balances other than above	10	3,22,00,000	1,50,50,000
Loans	11	-	1,00,00,000
Other Financial Assets	12	2,56,666	1,26,178
Current Tax Assets (Net)	13	4,24,909	4,59,725
Other Current Assets	6	<u>35,406</u>	<u>-</u>
<b>Total Current Assets</b>		<b><u>3,72,39,796</u></b>	<b><u>2,97,39,680</u></b>
<b>TOTAL ASSETS</b>		<b><u>22,85,14,223</u></b>	<b><u>32,26,51,869</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14(a)	79,90,000	79,90,000
Other Equity	14(b)	<u>18,23,26,588</u>	<u>25,30,62,770</u>
<b>Total Equity</b>		<b><u>19,03,16,588</u></b>	<b><u>26,10,52,770</u></b>
<b>LIABILITIES</b>			
<b>Non- current Liabilities</b>			
Provisions	15	18,709	18,709
Deferred Tax Liabilities (Net)	16	<u>3,64,50,391</u>	<u>5,98,58,197</u>
		<b><u>3,64,69,100</u></b>	<b><u>5,98,76,906</u></b>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables	17		
Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		37,339	36,067
Other Current Liabilities	18	<u>16,91,196</u>	<u>16,86,126</u>
<b>Total Current Liabilities</b>		<b><u>17,28,535</u></b>	<b><u>17,22,193</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>22,85,14,223</u></b>	<b><u>32,26,51,869</u></b>

The accompanying Notes form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For ABPP & Associates  
Firm Registration No. 328632E  
Chartered Accountants

For and on behalf of the  
Board of Directors of Carbo-Ceramics Limited

**Ajay Chand Baid**  
Partner  
Membership No. 302061

**M.C.Darak**  
Director  
(DIN : 00029073)

**S. Marda**  
Director  
(DIN : 00065359)

Place : Kolkata  
Dated : 28th May, 2019

**K. Biyani**  
Company Secretary

**R.L.Kothari**  
Chief Financial Officer

## Carbo-Ceramics Limited

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019 (Amount in ₹)

	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from Operations		-	-
Other Income	19	1,54,37,262	49,59,060
<b>Total Income</b>		<b>1,54,37,262</b>	<b>49,59,060</b>
Expenses			
Changes in Inventory of Stock-in-trade		-	-
Employee benefits expense	20	4,66,605	3,55,720
Finance Costs	21	124	-
Depreciation and Amortisation Expense	22	340	357
Other Expenses	23	4,98,739	3,21,444
<b>Total Expenses</b>		<b>9,65,808</b>	<b>6,77,521</b>
<b>Profit before Tax</b>		<b>1,44,71,454</b>	<b>42,81,539</b>
Tax Expense	24		
Current Tax		6,60,398	5,41,215
Deferred Tax		(1,41,219)	(9,88,733)
<b>Profit for the Year</b>		<b>1,39,52,275</b>	<b>47,29,057</b>
<b>Other Comprehensive Income</b>			
Items that will not be Reclassified to Profit or Loss		(10,79,55,045)	23,73,94,307
Income Tax on the above	24	2,32,66,588	(5,11,55,624)
Items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>		<b>(8,46,88,457)</b>	<b>18,62,38,683</b>
<b>Total Comprehensive Income for the Year</b>		<b>(7,07,36,182)</b>	<b>19,09,67,740</b>
<b>Earnings per Equity Share (Nominal Value ₹8.50 per Share)</b>	25		
Basic (₹)		14.84	5.03
Diluted (₹)		14.84	5.03

The accompanying Notes form an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For ABPP & Associates

Firm Registration No. 328632E

Chartered Accountants

**Ajay Chand Baid**

Partner

Membership No. 302061

For and on behalf of the

Board of Directors of Carbo-Ceramics Limited

**M.C.Darak**

Director

(DIN : 00029073)

**S. Marda**

Director

(DIN : 00065359)

Place : Kolkata

Dated : 28th May, 2019

**K. Biyani**

Company Secretary

**R.L.Kothari**

Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019 (Amount in ₹)

	Equity Share Capital [Refer Note 14(a)]	Other Equity - Reserves and Surplus [Refer Note 14 (b)]			
		Capital Reserve	General Reserve	Retained Earnings	Total
<b>As at 31st March, 2017</b>	79,90,000	12,63,300	5,88,100	6,02,43,630	6,20,95,030
Profit for the Year	-	-	-	47,29,057	47,29,057
Other Comprehensive Income	-	-	-	18,62,38,683	18,62,38,683
Total Comprehensive Income for the Year	-	-	-	19,09,67,740	19,09,67,740
<b>As at 31st March, 2018</b>	<b>79,90,000</b>	<b>12,63,300</b>	<b>5,88,100</b>	<b>25,12,11,370</b>	<b>25,30,62,770</b>
Profit for the Year	-	-	-	1,39,52,275	1,39,52,275
Other Comprehensive Income	-	-	-	(8,46,88,457)	(8,46,88,457)
Total Comprehensive Income for the Year	-	-	-	(7,07,36,182)	(7,07,36,182)
<b>As at 31st March, 2019</b>	<b>79,90,000</b>	<b>12,63,300</b>	<b>5,88,100</b>	<b>18,04,75,188</b>	<b>18,23,26,588</b>

The accompanying Notes form an integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For ABPP & Associates  
Firm Registration No. 328632E  
Chartered Accountants

**Ajay Chand Baid**  
Partner  
Membership No. 302061

For and on behalf of the  
Board of Directors of Carbo-Ceramics Limited

**M.C.Darak**  
Director  
(DIN : 00029073)

**S. Marda**  
Director  
(DIN : 00065359)

Place : Kolkata  
Dated : 28th May, 2019

**K. Biyani**  
Company Secretary

**R.L.Kothari**  
Chief Financial Officer

**Carbo-Ceramics Limited**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>A. Cash Flows from Operating Activities</b>		
Profit before Tax	1,44,71,454	42,81,539
<u>Adjustments for:</u>		
Depreciation and Amortisation Expense	340	357
Fair Value gains on Investments carried at Fair Value through Profit or Loss	(8,08,623)	(4,78,328)
Net Gain on Disposal of Non Current Investments	-	(4,04,114)
Interest Income	(22,55,999)	(12,54,201)
Dividend Income on Non-current Investments	(1,23,72,640)	(27,77,417)
Operating Profit before Changes in Operating Assets and Liabilities	(9,65,468)	(6,32,164)
Changes in Operating Assets and Liabilities:		
Increase/(Decrease) in Trade Payables	1,272	(25,000)
Increase/(Decrease) in Other Current Liabilities	5,070	(2,790)
(Increase)/Decrease in Loans	1,00,00,000	-
(Increase)/Decrease in Other Non-current Assets	(44,406)	-
Cash Generated from Operations	89,96,468	(6,59,954)
Income Taxes paid (Net of Refunds)	(6,25,581)	(9,30,660)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>83,70,887</b>	<b>(15,90,614)</b>
<b>B. Cash Flows from Investing Activities:</b>		
Payments for Purchase of Investments	(55,00,000)	-
Proceeds from Sale/ Redemption of Investments	-	99,27,106
Interest Received	21,25,511	11,95,776
Dividend Received on Non-current Investments	1,23,72,640	27,77,417
Net Changes in Other Bank Balances	(1,71,50,000)	(1,12,50,000)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(81,51,849)</b>	<b>26,50,299</b>
<b>C. Cash Flows from Financing Activities</b>		
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
Net Cash Inflow / (Outflow)	2,19,038	10,59,685
<b>Cash and Cash Equivalents- Opening (Refer Note 9)</b>	<b>31,36,388</b>	<b>20,76,703</b>
<b>Cash and Cash Equivalents- Closing (Refer Note 9)</b>	<b>33,55,426</b>	<b>31,36,388</b>
	<b>2,19,038</b>	<b>10,59,685</b>

The accompanying Notes form an integral part of the financial statements.

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

For ABPP & Associates

Firm Registration No. 328632E

Chartered Accountants

**Ajay Chand Baid**

Partner

Membership No. 302061

For and on behalf of the

Board of Directors of Carbo-Ceramics Limited

**M.C.Darak**

Director

(DIN : 00029073)

**S. Marda**

Director

(DIN : 00065359)

Place : Kolkata

Dated : 28th May, 2019

**K. Biyani**

Company Secretary

**R.L.Kothari**

Chief Financial Officer

**Notes to financial statements for the year ended 31st March, 2019****1 Company's Background**

Carbo-Ceramics Limited (the 'Company') is limited by shares, incorporated and domiciled in India. The equity shares of the Company are listed on the Calcutta Stock Exchange in the India. The registered office of the Company is located at 31, Chowringhee Road, Kolkata - 700 016, West Bengal, India.

The Company is mainly engaged in the business of Land and land properties.

The Financial Statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 28th May, 2019.

**2 Significant Accounting Policies**

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

**(a) Basis of Preparation****(i) Compliance with Ind AS**

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standard) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical Cost Convention**

The Company's financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that is measured at fair value.

**(iii) Current versus Non-current Classification.**

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

**(b) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for the Company's activities.

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

Freehold land is carried at historical cost. Buildings are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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



**Notes to financial statements for the year ended 31st March, 2019****Transition to Ind AS**

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written-down value method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act.

**Estimated useful lives of the assets (years) are as follows:**

Buildings - 60 Years

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

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

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

**(f) Inventories**

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

**(g) Investments and Other Financial Assets****(i) Classification**

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

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

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

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

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

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case

**Notes to financial statements for the year ended 31st March, 2019**

of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Debt instruments**

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

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

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

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

**Equity instruments**

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

**(iii) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

**(iv) Derecognition of Financial Assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of

**Notes to financial statements for the year ended 31st March, 2019**

ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(v) Income Recognition**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**(vi) Fair Value of Financial Instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

**(h) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously

**(i) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(j) Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(k) Trade Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(l) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

**Notes to financial statements for the year ended 31st March, 2019**

It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax-credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax-credits and losses.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(m) Provisions and Contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

**(n) Earnings per Share****(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing:

**Notes to financial statements for the year ended 31st March, 2019**

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

**(ii) Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(m) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**3 Critical Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgements are:**

- **Estimation of expected useful lives and residual values of property, plant and equipment**  
Property, plant and equipment are depreciated at historical cost using a written down value method based on the estimated useful life, taken into account any residual value. The asset's residual value and useful life are based on the Company's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.
- **Contingencies**  
Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

**Notes to financial statements for the year ended 31st March, 2019****- Valuation of Deferred Tax Assets and Liabilities**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

**- Fair Value Measurements**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

**4 Property, Plant and Equipment****Reconciliation of Gross and Net Carrying Amount of Each Class of Assets**

	<u>Freehold Land and Buildings</u>	<u>Building</u>	<u>Total</u>
<b><u>Year ended 31st March 2018</u></b>			
<b>Gross Carrying Amount</b>			
Opening Balance	5,544	7,886	13,430
Additions	-	-	-
On Disposals	-	-	-
<b>Closing Balance</b>	<b><u>5,544</u></b>	<b><u>7,886</u></b>	<b><u>13,430</u></b>
<b>Accumulated Depreciation</b>			
Opening Balance	-	375	375
For the Year	-	357	357
On Disposals	-	-	-
<b>Closing Balance</b>	<b><u>-</u></b>	<b><u>732</u></b>	<b><u>732</u></b>
<b>Net Carrying Amount :</b>	<b><u>5,544</u></b>	<b><u>7,154</u></b>	<b><u>12,698</u></b>
<b><u>Year ended 31st March 2019</u></b>			
<b>Gross Carrying Amount</b>			
Opening Balance	5,544	7,886	13,430
Additions	-	-	-
On Disposals	-	-	-
<b>Closing Balance</b>	<b><u>5,544</u></b>	<b><u>7,886</u></b>	<b><u>13,430</u></b>
<b>Accumulated Depreciation</b>			
Opening Balance	-	732	732
For the Year	-	340	340
On Disposals	-	-	-
<b>Closing Balance</b>	<b><u>-</u></b>	<b><u>1,072</u></b>	<b><u>1,072</u></b>
<b>Net Carrying Amount :</b>	<b><u>5,544</u></b>	<b><u>6,814</u></b>	<b><u>12,358</u></b>

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	Unit Face Value	Number	As at 31st March, 2019	Number	As at 31st March, 2018
<b>5 Non-current Investments</b>					
<b>A. Quoted:</b>					
<u>Investments in Preference Shares - Fully paid-up</u> (Fair value through profit or loss)					
8.75% The Gourepore Company Ltd.	Rs.100	145	-	145	-
			-		-
<u>Investments in Equity Instruments - Fully paid-up</u> (Fair value through other comprehensive income)					
Graphite India Limited	Rs.2	386645	17,27,91,651	386645	28,07,42,935
			17,27,91,651		28,07,42,935
Total - Quoted :			17,27,91,651		28,07,42,935
<b>B. Unquoted:</b>					
<u>Investments in Equity Instruments - Fully paid-up</u> (Fair value through other comprehensive income)					
Bangur Land Development Corporation Ltd.	Rs.100	1140	2,65,518	1140	2,69,279
			2,65,518		2,69,279
<u>Investments in Preference Shares - Fully paid-up</u> (Fair value through profit or loss)					
7.00% Bird Jute & Exports Ltd.	Rs.100	100	-	100	-
8.75% Barnagore Jute Factory Plc.*	₹ 1	1000	-	1000	-
			-		-
<u>Investments in Mutual Funds :</u> (Fair value through profit or loss)					
HDFC Liquid Fund - Growth	Rs.1000	981.475	35,92,493	-	-
HDFC Short Term Debt Fund-Growth	Rs.10	102177.922	21,08,901	-	-
Reliance Low Duration Fund-Retail Plan-Growth	Rs.1000	3521.138	87,27,426	3521.138	81,20,197
			1,44,28,820		81,20,197
Total - Unquoted :			1,46,94,338		83,89,476
Grand Total :			18,74,85,989		28,91,32,411
Investments carried at Fair Value through OCI			17,30,57,169		28,10,12,214
Investments carried at Fair Value through profit or loss			1,44,28,820		81,20,197

\* Investment in Foreign Company



## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	<u>As at 31st March, 2019</u>	<u>As at 31-03-2018</u>
<b>6 Other Non-Current Assets</b>		
Unsecured, Considered Good		
Security Deposits	40,045	40,045
Advances	11,500	2,500
Unsecured, Considered Doubtful		
Advances (In Bangladesh)	135	135
Zemindary Rights etc.*	<u>37,24,400</u>	<u>37,24,400</u>
	<b><u>37,76,080</u></b>	<b><u>37,67,080</u></b>
*acquired by Bangladesh Government, Bihar and West Bengal State Governments (acquired by Bangladesh Government Rs. 7,18,198/-)		
<b>Current</b>		
Unsecured, Considered Good		
Goods and Services Tax Credit	<u>35,406</u>	-
	<u>35,406</u>	-
	<u>38,11,486</u>	<u>37,67,080</u>
<b>7 Inventories</b>		
(At lower of cost and net realisable value)		
Stock-in-trade - Land	<u>58,547</u>	<u>58,547</u>
	<b><u>58,547</u></b>	<b><u>58,547</u></b>
<b>8 Trade Receivables</b>		
Unsecured, Considered doubtful :		
Outstanding Rents (including in Bangladesh Rs. 2,38,864/-)	<u>9,08,842</u>	<u>9,08,842</u>
	<b><u>9,08,842</u></b>	<b><u>9,08,842</u></b>
<b>9 Cash and Cash Equivalents</b>		
Cash on hand (Including in Bangladesh Rs. 233/-)	8,173	8,085
Balances with Banks in Current Accounts (Including in Bangladesh Rs. 2,57,458/-)	7,47,253	8,28,303
In Deposit Accounts with maturity less than 3 months	<u>26,00,000</u>	<u>23,00,000</u>
	<b><u>33,55,426</u></b>	<b><u>31,36,388</u></b>
<b>10 Other Bank Balances</b>		
In Deposit Accounts with maturity of more than 3 months but less than 12 months	<u>3,22,00,000</u>	<u>1,50,50,000</u>
	<b><u>3,22,00,000</u></b>	<b><u>1,50,50,000</u></b>
<b>11 Loans</b>		
<b>Current</b>		
Unsecured, Considered Good :		
Loan to Related Parties (Refer Note 31)	-	<u>1,00,00,000</u>
	-	<b><u>1,00,00,000</u></b>
<b>12 Other Financial Assets</b>		
<b>Current</b>		
Unsecured, Considered Good :		
Interest accrued on Deposits with Bank	2,56,666	1,10,397
Interest accrued but not due on Loan to related party	-	<u>15,781</u>
	<b><u>2,56,666</u></b>	<b><u>1,26,178</u></b>

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	<b>As at 31st March, 2019</b>	<b>As at 31-03-2018</b>
<b>13 Current Tax Assets (Net)</b>		
Advance Income Tax (Net of Provisions)	4,24,909	4,59,725
	<b>4,24,909</b>	<b>4,59,725</b>

**14(a) Equity Share Capital****Authorized**

	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
10,00,000 Equity Shares of Rs. 8.50 each	85,00,000	85,00,000
16,238 5% Cumulative Preference Shares of Rs.100/-each	16,23,800	16,23,800
	<b>1,01,23,800</b>	<b>1,01,23,800</b>

**Issued, Subscribed and Fully Paid-up**

9,40,000 Equity Shares of Rs.8.50 each Fully Paid-up	79,90,000	79,90,000
	<b>79,90,000</b>	<b>79,90,000</b>

**(i) 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.

**(ii) Details of shareholder holding more than 5% shares**

Name of Shareholder	No. of shares	%age	No. of shares	%age
Emerald Company Private Limited	4,61,000	49.04	4,61,000	49.04
Mr. Krishna Kumar Bangur	68,720	7.31	68,720	7.31

**(iii) No shares have been allotted during the period of five years immediately preceding March 31, 2019 pursuant to contracts without payment being received in cash or by way of bonus shares and there has been no buy back during the said period.****14(b) Other Equity**

	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>- Reserves and Surplus</b>		
Capital Reserve (Refer Note A and (i) below)	12,63,300	12,63,300
General Reserve (Refer Note B & (ii) below)	5,88,100	5,88,100
Retained Earnings (Refer Note C & (iii) below)	18,04,75,188	25,12,11,370
	<b>18,23,26,588</b>	<b>25,30,62,770</b>
<b>(A) Capital Reserve - Movement during the year</b>		
Opening Balance	12,63,300	12,63,300
Closing Balance	<b>12,63,300</b>	<b>12,63,300</b>
<b>(B) General Reserve - Movement during the year</b>		
Opening Balance	5,88,100	5,88,100
Closing Balance	<b>5,88,100</b>	<b>5,88,100</b>
<b>(C) Retained Earnings - Movement during the year</b>		
Opening Balance	25,12,11,370	6,02,43,630
Profit for the Year	1,39,52,275	47,29,057
Items of Other Comprehensive Income recognised directly in Retained earnings		

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

**14(b) Other Equity (Contd.)**

	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Equity Instruments through Other Comprehensive Income	<u>(8,46,88,457)</u>	<u>18,62,38,683</u>
<b>Closing Balance</b>	<b><u>18,04,75,188</u></b>	<b><u>25,12,11,370</u></b>

**Nature and purpose of each Reserve****(i) Capital Reserve**

There was a practice in earlier years to create Capital Reserve by crediting the gain on sale of any Capital asset to absorb any subsequent capital loss. This Reserve had been created in earlier years in adherence to the said accounting principals and practice.

**(ii) General Reserve**

This reserve arose upon transfer from Investment Allowance Reserve during the financial year 2016-17. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Companies Act, 2013.

**(iii) Retained Earnings**

Retained earnings represents the cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<b>15 Provisions</b>		
<b>Non-Current</b>		
Contingent Rent Liabilities	<u>18,709</u>	<u>18,709</u>
	<b><u>18,709</u></b>	<b><u>18,709</u></b>

**16 Deferred Tax Liabilities (Net)****16.1 Significant components and movement in Deferred Tax Assets and Liabilities during the year.**

	<b>As at 31st March, 2018</b>	<b>Recognised in Profit or Loss</b>	<b>As at 31st March, 2019</b>
<b>Deferred Tax Liabilities recognised through Profit or Loss</b>			
Financial Assets at Fair Value through Profit or Loss	7,80,109	1,74,248	9,54,357
Depreciation	<u>1,790</u>	<u>(63)</u>	<u>1,727</u>
<b>Deferred Tax Liabilities</b>	<b><u>7,81,899</u></b>	<b><u>1,74,185</u></b>	<b><u>9,56,084</u></b>
<b>Deferred Tax Assets</b>			
Minimum Alternate Tax Credit	<u>(7,04,711)</u>	<u>(3,15,404)</u>	<u>(10,20,115)</u>
Deferred Tax Assets	<u>(7,04,711)</u>	<u>(3,15,404)</u>	<u>(10,20,115)</u>
<b>Net Deferred Tax Liabilities</b>	<b><u>77,188</u></b>	<b><u>(1,41,219)</u></b>	<b><u>(64,031)</u></b>
	<b>As at 31-03-2018</b>	<b>Recognised in OCI</b>	<b>As at 31-03-2019</b>
<b>Deferred Tax Liabilities recognised through OCI</b>			
Financial Assets at Fair Value through OCI	<u>5,97,81,009</u>	<u>(2,32,66,587)</u>	<u>3,65,14,422</u>
Deferred Tax Liabilities	<u>5,97,81,009</u>	<u>(2,32,66,587)</u>	<u>3,65,14,422</u>
<b>Total Deferred Tax Liabilities</b>	<b><u>5,98,58,197</u></b>		<b><u>3,64,50,391</u></b>

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	As at 31-03-2017	Recognised in Profit or Loss	As at 31-03-2018
<b>Deferred Tax Liabilities recognised through Profit or Loss</b>			
Financial Assets at Fair Value through Profit or Loss	13,97,550	(6,17,441)	7,80,109
Depreciation	1,854	(64)	1,790
<b>Deferred Tax Liabilities</b>	<u>13,99,404</u>	<u>(6,17,505)</u>	<u>7,81,899</u>
<b>Deferred Tax Assets</b>			
Minimum Alternate Tax Credit	(3,33,483)	(3,71,228)	(7,04,711)
Deferred Tax Assets	(3,33,483)	(3,71,228)	(7,04,711)
<b>Net Deferred Tax Liabilities</b>	<u>10,65,921</u>	<u>(9,88,733)</u>	<u>77,188</u>
	As at 31-03-2017	Recognised in OCI	As at 31-03-2018
<b>Deferred Tax Liabilities recognised through OCI</b>			
Financial Assets at Fair Value through OCI	86,25,385	5,11,55,624	5,97,81,009
Deferred Tax Liabilities	86,25,385	5,11,55,624	5,97,81,009
<b>Total Deferred Tax Liabilities</b>	<u>96,91,306</u>		<u>5,98,58,197</u>
		As at 31st March, 2019	As at 31st March, 2018
<b>17 Trade Payables</b>			
<b>Current</b>			
Trade Payables			
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.2,267/-)		37,339	36,067
		<u>37,339</u>	<u>36,067</u>
<b>18 Other Current Liabilities</b>			
Bills Payable		13,88,087	13,88,087
Other Advances		1,11,994	1,11,994
Dues Payable to Government Authorities		5,110	40
Employees Security Deposit (including in Bangladesh Rs. 200/-)		1,12,550	1,12,550
Repayment of Capital		73,455	73,455
		<u>16,91,196</u>	<u>16,86,126</u>

**Notes to financial statements for the year ended 31st March, 2019**

(Amount in ₹)

	<u>Year ended 31st March, 2019</u>	<u>Year ended 31st March, 2018</u>
<b>19 Other Income</b>		
Interest Income		
on Deposit with Banks	16,40,108	4,51,081
on Other Loan/ Deposits	6,15,891	8,00,000
on Income tax Refunds	-	3,120
Net Gain on Sale of Non current investments	-	4,04,114
Dividend on Non current investments	1,23,72,640	27,77,417
Liabilities no longer required written back	-	45,000
Fair Value Gains on Investments carried at Fair Value through Profit or Loss	8,08,623	4,78,328
	<u><b>1,54,37,262</b></u>	<u><b>49,59,060</b></u>
<b>20 Employee benefits expense</b>		
Salaries and wages	4,66,605	3,55,720
	<u><b>4,66,605</b></u>	<u><b>3,55,720</b></u>
<b>21 Finance Costs</b>		
Interest Expense on Taxes	124	-
	<u><b>124</b></u>	<u><b>-</b></u>
<b>22 Depreciation and Amortisation Expense</b>		
Depreciation on Tangible Assets	340	357
	<u><b>340</b></u>	<u><b>357</b></u>
<b>23 Other Expenses</b>		
Rates and Taxes	2,500	6,695
Listing Fees	25,000	28,750
Securities Custodial Fees	21,240	20,700
Professional and Legal Charges	1,64,781	93,841
Advertisement Charges	57,383	63,079
Filing Fees	10,800	2,400
Printing and Stationery Charges	41,424	30,376
Travelling and Conveyance expenses	5,300	1,300
Postal and Courier Charges	89,560	24,261
Payment to Auditors*		
Audit Fee	15,000	10,000
Other Services	31,000	16,440
Director's Fees	10,250	10,250
Miscellaneous Expenses	24,501	13,352
	<u><b>4,98,739</b></u>	<u><b>3,21,444</b></u>
*including amount paid to preceding auditor Rs.Nil (Previous Year Rs.10,440/-)		
<b>24 Income Tax Expense</b>		
<b>A. Amount recognised in Profit or Loss :</b>		
<b>Current Tax</b>		
Current Tax on Profits for the year	6,60,398	5,40,605
Adjustment for Current Tax of prior years	-	610
<b>Total Current Tax Expense</b>	<u><b>6,60,398</b></u>	<u><b>5,41,215</b></u>

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Deferred Tax</b>		
Origination and reversal of temporary differences	(1,41,219)	(9,88,733)
<b>Total Deferred Tax Expense/(Benefit)</b>	<b>(1,41,219)</b>	<b>(9,88,733)</b>
<b>Income Tax Expense</b>	<b>5,19,179</b>	<b>(4,47,518)</b>
<b>B. Amount recognised in Other Comprehensive Income :</b>		
<b>Deferred Tax</b>		
On items that will not be reclassified to Profit or Loss Financial Assets at Fair Value through OCI	(2,32,66,587)	5,11,55,624
	<b>(2,32,66,587)</b>	<b>5,11,55,624</b>
<b>C. Numerical reconciliation of income tax expense to prima facie tax payable</b>		
Profit before income tax expense	1,44,71,454	42,81,539
Income tax rate	26.000	25.750
Computed expected income tax	37,62,578	11,02,496
Adjustments :-		
Other Expenses not deductible for tax purposes	9,491	9,232
Income exempt from income tax	(32,16,886)	(7,15,185)
Adjustments for current tax of prior periods	-	610
Deferred Tax	(1,41,219)	(9,88,733)
Other Items	1,05,215	1,44,062
<b>Income Tax Expense</b>	<b>5,19,179</b>	<b>(4,47,518)</b>

	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>25 BASIC AND DILUTED EARNINGS PER SHARE</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	1,39,52,275	47,29,057
(vi) Basic and Diluted Earnings per Share ( ₹ ) [(v)/(iii)]	14.84	5.03

- 26 The maximum compensation for Zemindary Rights etc. receivable from the state governments and Bangladesh government is estimated at Rs.37,24,400/- (Previous year Rs.37,24,400/-)
- 27 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.
- 28 The assets and liabilities of the Company in Bangladesh have been taken into account at par.

**Notes to financial statements for the year ended 31st March, 2019**

(Amount in ₹)

29 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.

30 There are no separate reportable segments as per Accounting Standard - 17 as prescribed under the relevant provisions of the Companies Act, 2013 .

**31 Related Party Disclosures:**

**(i) Related Parties -**

**A. Where control exists:**

Name	Relationship
a) Mr. Krishna Kumar Bangur	Individual, Ultimate Controlling Party (UCP), owning controlling interest in the company in conjunction with his control over Emerald Company Private Limited,

**B. Others with whom transactions have taken place:**

Name	Relationship
a) Graphite India Limited	Entity under significant influence of the UCP
b) Matrix Commercial Private Limited	Entity under significant influence of the UCP
c) Mr. Ratan Lal Kothari, Chief Financial Officer	Key Management Personnel (KMP)
d) Mr. Debasis Halder, Chief Executive Officer	KMP
e) Ms. Kavita Biyani, Company Secretary	KMP
f) Mr. Manak Chand Darak	KMP (Non-executive Director)
g) Mr. Sanjeev Marda	KMP (Non-executive Director)
h) Mr. Pawan Kumar Joshi	KMP (Non-executive Director)
i) Ms. Samarpita De	KMP (Non-executive Director from 17.05.2018)
j) Mr. Sidh Nath Mishra, Chief Executive Officer	KMP (from 15.03.2017 to 09.04.2017)
k) Ms. Sebanka Saha	KMP (Non-executive Director from 24.04.2015 to 26.02.2018)

**(ii) Transactions :**

**During the year ended 31st March, 2019**

Entities under significant influence of the UCP/ relative of the UCP	Dividend Income	Interest Income	Security Deposit made/ refunded	Loan Refunded	Total
(a) Emerald Company Private Limited	-	-	2,00,000	-	2,00,000
(b) Graphite India Limited	1,23,72,640	-	-	-	1,23,72,640
(c) Matrix Commercial Private Limited	-	6,15,891	-	1,00,00,000	1,06,15,891
Total :	1,23,72,640	6,15,891	2,00,000	1,00,00,000	2,31,88,531

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

During the year ended 31st March, 2018					
Entities under significant influence of the UCP/ relative of the UCP	Dividend Income	Interest Income	Loan Given	Loan Refunded	Total
(a) Graphite India Limited	27,06,515	-	-	-	27,06,515
(b) Matrix Commercial Private Limited	-	8,00,000	-	-	8,00,000
Total :	27,06,515	8,00,000	-	-	35,06,515

During the year ended 31st March, 2019			
Key Management Personnel	Salary	Directors' Fees	Total
(a) Mr. Manak Chand Darak	-	3,000	3,000
(b) Mr. Sanjeev Marda	-	3,000	3,000
(c) Mr. Pawan Kumar Joshi	-	3,000	3,000
(d) Ms. Samarpita De	-	1,250	1,250
(e) Mr. Ratan Lal Kothari	1,20,000	-	1,20,000
(f) Mr. Debasis Halder	2,02,605	-	2,02,605
(g) Ms. Kavita Biyani	1,44,000	-	1,44,000
Total :	4,66,605	10,250	4,76,855

During the year ended 31st March, 2018			
Key Management Personnel	Salary	Directors' Fees	Total
(a) Mr. Manak Chand Darak	-	3,000	3,000
(b) Mr. Sanjeev Marda	-	3,000	3,000
(c) Mr. Pawan Kumar Joshi	-	3,000	3,000
(d) Ms. Sebanka Saha	-	1,250	1,250
(e) Mr. Ratan Lal Kothari	1,20,000	-	1,20,000
(f) Mr. Sidh Nath Mishra	5,333	-	5,333
(g) Mr. Debasis Halder	86,387	-	86,387
(h) Ms. Kavita Biyani	1,44,000	-	1,44,000
Total :	3,55,720	10,250	3,65,970

## (iii) Balances Outstanding:

## Entities under significant influence of the UCP/ relative of the UCP

	<u>As at 31-03-19</u>	<u>As at 31-03-18</u>
<b>Loans</b>		
Matrix Commercial Private Limited	-	1,00,00,000
<b>Other Financial Assets</b>		
Interest accrued but not due on Loan		
Matrix Commercial Private Limited	-	15,781



## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

- 32** 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:

<u>Name</u>	<u>Purpose</u>	<u>As at 31-03-19</u>	<u>As at 31-03-18</u>
		₹	₹
Matrix Commercial Private Limited	Business needs	-	1,00,00,000

**33 Fair Value Measurements****(i) Financial Instruments by category**

	<u>Carrying Amount/ Fair Value</u>	
	<u>31st March, 2019</u>	<u>31st March, 2018</u>
<b>FINANCIAL ASSETS</b>		
<b>Assets carried at Fair Value through OCI</b>		
Investments		
-Equity Instruments	17,30,57,169	28,10,12,214
<b>Assets carried at Fair Value through Profit or Loss</b>		
Investments		
-Preference Shares	-	-
-Mutual Funds	1,44,28,820	81,20,197
<b>Assets carried at Amortized Cost</b>		
-Loans	-	1,00,00,000
-Trade Receivables	9,08,842	9,08,842
-Cash and Cash Equivalents	33,55,426	31,36,388
-Bank Balances other than above	3,22,00,000	1,50,50,000
-Other Financial Assets	2,56,666	1,26,178
<b>Total Financial Assets :</b>	<b>22,42,06,923</b>	<b>31,83,53,819</b>
<b>FINANCIAL LIABILITIES</b>		
<b>Liabilities carried at Amortized Cost</b>		
-Trade Payables	37,339	36,067
<b>Total Financial Liabilities :</b>	<b>37,339</b>	<b>36,067</b>

**(ii) Fair Value**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- (a) The management assessed that fair values of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), trade payables and other financial liabilities (current) approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (b) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

## Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

**(iii) Fair Value Hierarchy**

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Asset Value.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, valuation is done on the basis of book value per share as per last available Balance Sheet, included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1 and 2 during the current year and previous year.

	<b>31st March, 2019</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Recognised and measured at fair value</b>				
<b>- Recurring measurements</b>				
<b>Financial Assets</b>				
<b>Investments</b>				
Quoted Equity Instruments	17,27,91,651			17,27,91,651
Mutual Fund Units	1,44,28,820			1,44,28,820
Unquoted Equity Instruments			2,65,518	2,65,518
Unquoted Preference Shares				
<b>Total</b>	<b>18,72,20,471</b>	<b>-</b>	<b>2,65,518</b>	<b>18,74,85,989</b>

Notes to financial statements for the year ended 31st March, 2019

(Amount in ₹)

	31st March, 2018			Total
	Level 1	Level 2	Level 3	
<b>Recognised and measured at fair value</b>				
<b>- Recurring measurements</b>				
<b>Financial Assets</b>				
<b>Investments</b>				
Quoted Equity Instruments	28,07,42,935			28,07,42,935
Mutual Fund Units	81,20,197			81,20,197
Unquoted Equity Instruments			2,69,279	2,69,279
Unquoted Preference Shares				
<b>Total</b>	<b>28,88,63,132</b>	<b>-</b>	<b>2,69,279</b>	<b>28,91,32,411</b>

**34 Financial risk management**

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

**a) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its investing activities (primarily deposits with banks and investments in Mutual Funds)

**b) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Contractual maturities of financial liabilities</b>	<b>Within 1 year</b>	<b>Total</b>
<b>31st March 2019</b>		
Trade payables	37,339	37,339
Other financial liabilities	-	-
<b>Total</b>	<b>37,339</b>	<b>37,339</b>
<b>31st March 2018</b>		
Trade payables	36,067	36,067
Other financial liabilities	-	-
<b>Total</b>	<b>36,067</b>	<b>36,067</b>

**Notes to financial statements for the year ended 31st March, 2019****Market risk****Securities Price risk**

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds and fixed deposits. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments are disclosed in Note 5. Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

**For ABPP & Associates**

Firm Registration No. 328632E

Chartered Accountants

**Ajay Chand Baid**

Partner

Membership No. 302061

Place : Kolkata

Dated : 28th May, 2019

For and on behalf of the

Board of Directors of Carbo-Ceramics Limited

**M.C.Darak**

Director

(DIN : 00029073)

**K. Biyani**

Company Secretary

**S. Marda**

Director

(DIN : 00065359)

**R.L.Kothari**

Chief Financial Officer







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