

LAKHOTIA & CO.
Chartered Accountants

Independent Auditor's Report
To the Members of CARBO-CERAMICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Carbo-Ceramics Limited ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

CHATTERJEE INTERNATIONAL CENTRE, 17TH FLOOR, FLAT NO. A-7, 33A, CHOWRINGHEE ROAD,
KOLKATA – 700 071 ☎ 2226-4167



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.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph above obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"



- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as on 31st March, 2016, on its financial position in its financial statements as detailed in Note 27 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Naresh
Naresh Lakhota
Partner
Membership number: 51249
Kolkata
Dated: 27th May, 2016



“Annexure to the Independent Auditors’ Report


Statement referred to in our Independent Auditors report to the Members of the Company on the financial statements for the year ended 31st March 2016.

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets *excepting title deedwise cost of land and building*.
- (b) According to information and explanations given to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company excepting for Land and Buildings having an original cost of Rs. 50,966/- which are appearing in the Company’s former names.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act and as such clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the company has not given any loan or guarantee or provided any security covered by the provisions of Section 185 and in respect of loans, investments, guarantees and security, the company has complied with provisions of Section 186 of the Act.
- v. The Company has not accepted deposits from the public.
- vi. The Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Act.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities.
- (b) As at 31st March, 2016, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess 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 and as such the question of compliance with the requirement of Section 42 of the Act does not arise.
- 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 him and as such the question of compliance with provisions of Section 192 of the Act does not arise.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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


Naresh Lakhotia
Partner
Membership number: 51249
Kolkata
Dated: 27th May, 2016



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF CARBO-CERAMICS LIMITED

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

We have audited the internal financial controls over financial reporting of Carbo-Ceramics Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Naresh Lakhotia
Naresh Lakhotia
Partner
Membership number: 51249
Kolkata
Dated: 27th May, 2016



CARBO-CERAMICS LIMITED

31, Chowringhee Road, Kolkata - 700 016

CIN : L26999WB1902PLC001537 ; Phone No. (033) 2265 9742

Website : www.carbo-ceramics.com; Email address : secretarial@carbo-ceramics.com

Audited Financial Results for the year ended 31st March, 2016

(Rupees in lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. Income from Operations					
a) Net Sales / Income from Operations	-	-	-	-	-
b) Other Operating Income	-	-	-	-	-
Total Income from Operations :	-	-	-	-	-
2. Expenses					
a) Consumption of raw materials	-	-	-	-	-
b) Changes in inventory of Stock-in-trade	-	-	-	-	-
c) Purchases of traded goods	-	-	-	-	-
d) Employee benefits expense	0.84	1.11	0.80	2.83	1.79
e) Depreciation and amortisation expense	-	-	-	-	-
f) Professional and Law Charges	0.64	2.05	0.45	3.16	1.01
g) Advertisement Charges	0.11	0.42	0.17	0.82	0.70
h) Printing & Stationery	0.10	0.01	0.01	0.39	0.26
i) Postage & Courier Charges	0.01	-	-	0.31	0.44
j) Provision for diminution in value of investments	-	(0.23)	0.04	0.09	0.04
k) Other Expenses	0.70	0.44	0.56	1.54	1.03
Total Expenses :	2.40	3.80	2.03	9.14	5.27
3. Profit/(Loss) from Operations before Other Income & Finance Cost (1-2)	(2.40)	(3.80)	(2.03)	(9.14)	(5.27)
4. Other Income	10.77	3.92	3.47	28.90	26.45
5. Profit/(Loss) from Ordinary activities before Finance Cost (3+4)	8.37	0.12	1.44	19.76	21.18
6. Finance Cost	-	-	0.18	0.01	0.18
7. Profit/(Loss) from Ordinary Activities before tax (5-6)	8.37	0.12	1.26	19.75	21.00
8. Tax expense	1.59	-	2.29	1.59	2.29
9. Net Profit/ (Loss) from Ordinary Activities after tax (7-8)	6.78	0.12	(1.03)	18.16	18.71
10. Paid-up Equity Share Capital - (Face Value - Rs.8.50 each)	79.90	79.90	79.90	79.90	79.90
11. Reserves excluding Revaluation Reserves as per Balance-Sheet				254.31	236.16
12. Earning per share - Basic & Diluted (Rs.)					
a) Basic and Diluted EPS before Extraordinary Items	0.72	0.01	(0.11)	1.93	1.99
b) Basic and Diluted EPS after Extraordinary Items	0.72	0.01	(0.11)	1.93	1.99

Shal

CARBO-CERAMICS LIMITED

31, Chowringhee Road, Kolkata - 700 016

CIN : L26999WB1902PLC001537 ; Phone No. (033) 2265 9742

Website : www.carbo-ceramics.com; Email address : secretarial@carbo-ceramics.com

Audited Financial Results for the year ended 31st March, 2016

Notes:


1. STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

Particulars	As at	As at
	31.03.2016 (Audited)	31.03.2015 (Audited)
A. EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	79.90	79.90
Reserves and Surplus	254.31	236.16
Sub-total - Shareholder's funds	334.21	316.06
Non-current liabilities		
Deferred tax liabilities (net)	0.02	0.02
Long-term provisions	0.19	0.19
Sub-total - Non-current liabilities	0.21	0.21
Current liabilities		
Trade Payables	0.14	0.21
Other current liabilities	16.92	16.87
Sub-total - Current liabilities	17.06	17.08
TOTAL - EQUITY AND LIABILITIES :	351.48	333.35
B. ASSETS		
Non-current assets		
Fixed assets (including intangible assets viz. Zemindary Rights)	37.38	37.38
Non-current investments	142.70	141.65
Long-term loans and advances	0.40	0.40
Sub-total - Non-current assets	180.48	179.43
Current assets		
Inventories	0.59	0.59
Trade Receivables	9.09	9.09
Cash and cash equivalents	156.01	138.46
Short-term loans and advances	5.14	5.27
Other current assets	0.17	0.51
Sub-total - Current assets	171.00	153.92
TOTAL - ASSETS :	351.48	333.35

- No provision has been made in respect of doubtful debts as the amounts likely to be recovered are yet to be ascertained.
- There was no exceptional / extra ordinary item during the year ended 31st March, 2016.
- The figures of last quarter for the current year and for the previous year are the balancing figures between the audited figures in respect of the full financial year ended 31st March and the unaudited published year-to-date figures up to the third quarter ended 31st December, which were subject to limited review.
- Figures for the previous periods have been regrouped / rearranged wherever necessary to conform to current period's classification.
- The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 27th May, 2016.

By order of the Board
for Carbo-Ceramics Limited


M.C. Darak
(Director)

Place: Kolkata

Dated: 27th May, 2016