

**116TH
ANNUAL REPORT
2017 - 2018**

Carbo-Ceramics Limited

Registered Office :
31, CHOWRINGHEE ROAD
KOLKATA - 700 016

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY

MS. KAVITA BIYANI

CHIEF FINANCIAL OFFICER

MR. R. L. KOTHARI

AUDITORS

LAKHOTIA & Co.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE

31, CHOWRINGHEE ROAD
KOLKATA 700016
PHONE: 91-33-22659742
CIN: L26999WB1902PLC001537
E-MAIL: secretarial@carbo-ceramics.com
WEBSITE: www.carbo-ceramics.com

CARBO-CERAMICS LIMITED

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

CIN: L26999WB1902PLC001537

Notice is hereby given that the 116th 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 26th day of September, 2018 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, 2018 together with the Reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to provisions of section 152, 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder Mrs. Samarpita De (DIN 08128103), who was appointed as an Additional Director of the Company with effect from 17th May, 2018 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

Kolkata
May 29, 2018

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 Friday, the 14th day of September, 2018 to Wednesday, the 26th day of September, 2018 (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 26th September 2018 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 23rd September, 2018 – from 9.00 a.m. (IST) and ends on 25th September, 2018- 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 19th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders tab to cast your votes.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number 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"> 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).

- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (V) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (19th September, 2018) only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (VI) Mrs. Swati Bajaj, Partner, M/s. PS & Associates, Practicing Company Secretaries, Kolkata has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (VII) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (VIII) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (IX) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.carbo-ceramics.com) and on Service Provider's website (<http://www.evotingindia.com>) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to The Calcutta Stock Exchange Limited.

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

Kolkata
May 29, 2018

K. Biyani
Company Secretary

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

ITEM NO. 2

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Samarpita De as an Additional Director on 17th May, 2018 in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mrs Samarpita De will hold office only upto the date of ensuing Annual General Meeting.

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

Mrs. Samarpita De, aged 31 years, is a B.Sc. Graduate and qualified MBA in Human Resource Management having over 11 years of experience in various fields including HR, Administration and Co-ordination. She does not hold any shares in the Company. She is not a director in any other Company and does not hold committee position in any other company.

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

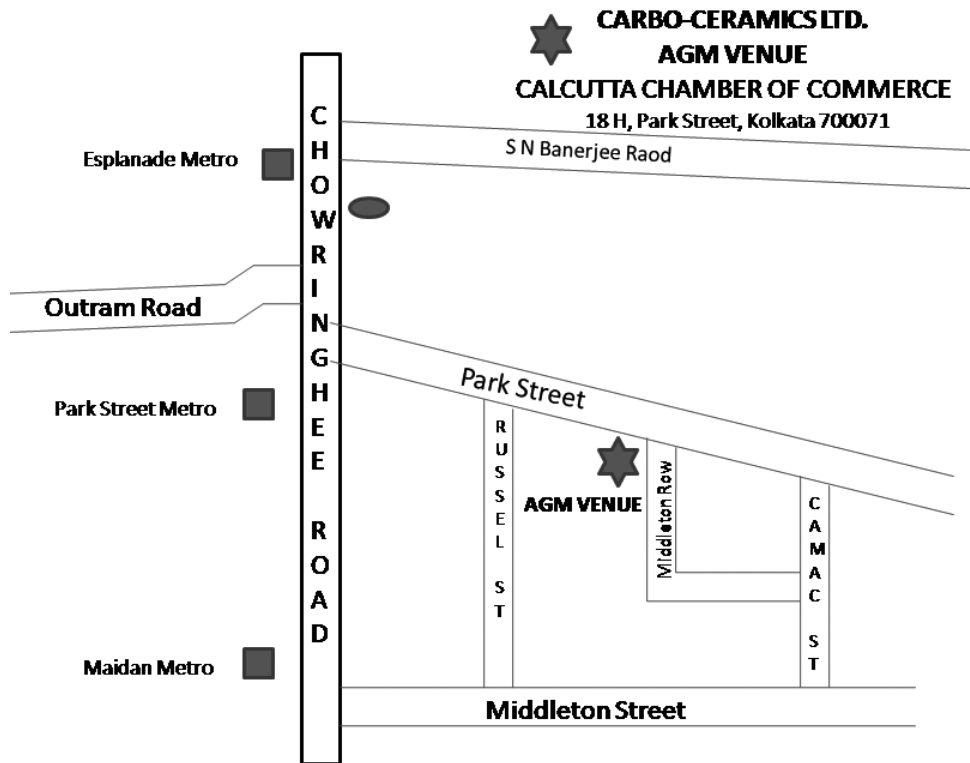
Except Mrs. Samarpita De, no other Director and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the Notice.

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

Kolkata
May 29, 2018

K. Biyani
Company Secretary

ROUTE MAP OF AGM VENUE



DIRECTORS' REPORT

Dear Members,

Your Directors present their 116th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The financial statements for the Financial Year ended 31st March, 2018 are the Company's first Ind AS compliant annual financial statements with comparative figures for the year ended 31st March, 2017 also under Ind AS. The date of transition is 1st April, 2016. The disclosure and effects of first time adoption of Ind AS are detailed in Note 35 of the financial statements.

The financial highlights of your Company for the Financial Year ended 31st March, 2018 are summarized as follows:

(Rupees)

Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
Total Revenue	49,59,060	24,35,972
Profit before taxation	42,81,539	15,71,422
Tax Expense – Current Year	5,41,215	52,059
- Deferred Tax	(9,88,733)	2,89,913
Profit/(Loss) after tax	47,29,057	12,29,450
Other Comprehensive Income(net of tax)	18,62,38,683	1,22,10,171
Total Comprehensive Income	19,09,67,740	1,34,39,621

Total Revenue during the year was ₹49,59,060/- as against ₹24,35,972 for FY 2016-17. Profit after Tax for the year was ₹47,29,057/- as against ₹12,29,450/- for FY 2016-17.

DIVIDEND

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

FIXED DEPOSITS

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

EXTRACT OF ANNUAL RETURN

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

NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board of Directors of the Company were held during the year on 29th May 2017, 31st August 2017, 13th September 2017, 14th December 2017, and 13th February 2018. Board Meetings attended by Directors during the FY 2017-18 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
Ms. S Saha	5	5

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.

RISK MANAGEMENT

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

FORMAL ANNUAL EVALUATION

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

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

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

VIGIL MECHANISM

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

AUDIT COMMITTEE

The Audit Committee comprised of Mr. M. C. Darak as its Chairman with Mr. S. Marda and Mr. P. K. Joshi as its members. All members of Committee are Independent Directors. The terms of reference of Audit Committee is as specified under Section 177 of the Companies Act, 2013. Four meetings of the Committee of the Company were held during the year on 29th May 2017, 13th September 2017, 14th December 2017 and 13th February 2018. All recommendations of the Audit Committee were accepted by the Board. Audit Committee Meetings attended by Directors during FY 2017-18 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 29th May 2017, 31st August 2017. Nomination and Remuneration Committee Meetings attended by Directors during FY 2017-18 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

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 Sebanka Saha resigned as director of the Company w.e f 26.02.2018. Ms Samarpita De was appointed as an additional director of the Company on 17.5.18 and holds office up to the date of the ensuing AGM. Ms Samarpita De will be appointed as a Non-Executive Director liable to retire by rotation. A brief profile of Ms Samarpita De has been given in the Notice convening the Annual General Meeting.

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

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

KEY MANAGERIAL PERSONNEL

Mr. Sidh Nath Mishra resigned as Chief Executive Officer (CEO) of the Company on 10.4.17 and Mr. Debasis Haldar was appointed CEO of the Company on 01.09.2017.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company 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 previous 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, 2018 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 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 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

Kolkata
May 29, 2018

M. C. Darak
Director
(DIN : 00029073)

S. Marda
Director
(DIN : 00065359)

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2018

[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 3 rd 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 31.03.2018.					

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.000	0	0	0	0.000	0.000
b) Central Govt.	0	0	0	0.000	0	0	0	0.000	0.000
c) State Govt.	0	0	0	0.000	0	0	0	0.000	0.000
d) Bodies Corporates	461000	0	461000	49.043	461000	0	461000	49.043	0.000
e) Bank/FI	0	0	0	0.000	0	0	0	0.000	0.000

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	461000	0	461000	49.043	461000	0	461000	49.043	0
(2) Foreign									
a) NRI- Individuals	68720	0	68720	7.311	68720	0	68720	7.311	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	68720	0	68720	7.311	68720	0	68720	7.311	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	529720	0	529720	56.353	529720	0	529720	56.353	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	6970	6970	0.741	0	6970	6970	0.741	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	100	100	0.011	0	100	100	0.011	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	12500	0	12500	1.330	12500	0	12500	1.330	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0.000	0	0	0	0	0
SUB TOTAL (B)(1):	12500	7070	19570	2.082	12500	7070	19570	2.082	0
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	0	15170	15170	1.614	0	15170	15170	1.614	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	24451	331535	355986	37.871	25961	330025	355986	37.871	0
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)			0	0			0	0	0
Foreign Nationals	1310	3500	4810	0.512	1310	3500	4810	0.512	0
Hindu Undivided Family	94	0	94	0.010	94	0	94	0.010	0
Foreign Company	14500	0	14500	1.543	14500	0	14500	1.543	0
Overseas Bodies Corporate	0	150	150	0.016	0	150	150	0.016	0
SUB TOTAL:(B) (2)	40355	350355	390710	41.565	41865	348845	390710	41.565	0
Total Public Shareholding (B) = (B) (1) + (B) (2)	52855	357425	410280	43.647	54365	355915	410280	43.647	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	582575	357425	940000	100.000	584085	355915	940000	100.000	0

IV (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% 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
	Total	529720	56.353	0	529720	56.353	0	0.000

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	Life Insurance Corporation of India				
	As at 01.04.2017	12500	1.330		
	As at 31.03.2018			12500	1.330
2	Habib Bank Limited				
	As at 01.04.2017	10750	1.144		
	As at 31.03.2018			10750	1.144
3	Jogendra Kristo Dutt				
	As at 01.04.2017	10450	1.112		
	As at 31.03.2018			10450	1.112
4	Hemant Bangur				
	As at 01.04.2017	10000	1.064		
	As at 31.03.2018			10000	1.064
5	Amarendro Kristo Dutt				
	As at 01.04.2017	9950	1.059		
	As at 31.03.2018			9950	1.059

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
6	Sulakhana Dassee				
	As at 01.04.2017	9750	1.037		
	As at 31.03.2018			9750	1.037
7	Nirmal Kumar Fatehpuria Sole Executor				
	As at 01.04.2017	6250	0.665		
	As at 31.03.2018			6250	0.665
8	Soumendra Kristo Dutt				
	As at 01.04.2017	5950	0.633		
	As at 31.03.2018			5950	0.633
9	Nand Gopal Bangur				
	As at 01.04.2017	5500	0.585		
	As at 31.03.2018			5500	0.585
10	Balaram Mukherjee				
	As at 01.04.2017	5100	0.543		
	As at 31.03.2018			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. Remuneration to other directors:						
Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rupees)
		Mr. M C Darak	Mr. S Marda	Mr. P K Joshi	Ms. S. Saha	
1	Independent Directors					
	• Fee for attending board / committee meetings	3000	3000	3000	-	9000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	3000	3000	3000	-	9000
2	Other Non- Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	1250	1250
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	1250	1250
	Total (B) = (1+2)	3000	3000	3000	1250	10250
	Total Managerial Remuneration					NIL
	Overall Ceiling as per Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rupees)
		CEO *	Company Secretary	CFO	
			K. Biyani	R. L Kothari	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	91,720	1,44,000	1,20,000	355720
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income -tax Act,1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	• as % of Profit				
	• Others, please specify				
5	Others, please specify		-	-	-
	Total	91,720	1,44,000	1,20,000	355720

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

1. Mr. Sidh Nath Mishra, CEO of the Company, resigned on 10.04.2017 and a salary of ₹ 5,333/- was paid to him.
2. Mr. Debasis Haldar was appointed as CEO w.e.f. 01.09.2017. A salary of ₹ 86,387- was paid to him.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

NOMINATION AND REMUNERATION POLICY

The objectives of this Policy include the following:

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

DEFINITIONS

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

“Director” means a Director of the Company.

“Key Managerial Personnel” or “KMP” means-

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

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

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

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

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

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

Evaluation

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

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

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

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

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

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

Board Diversity

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

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

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

Annexure 3

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

Sl. No.	Name of the Director / KMP and Designation	Remuneration of Director/ KMP for Financial Year 2017-18 ₹	"% increase in Remuneration in the Financial Year 2017-18"	"Ratio of remuneration of each Director to median remuneration of employees"
1.	Mr. Manak Chand Darak [Non- Executive Director]	3,000	-25%	2%
2.	Mr. Sanjeev Marda [Non- Executive Director]	3,000	-25%	2%
3.	Mr. Pawan Kumar Joshi [Non- Executive Director]	3,000	-25%	2%
4.	Ms. Sebanka Saha [Non- Executive Director]	1,250	-29%	1%
5.	Mr. Sidh Nath Mishra [Chief Executive Officer]	5,333	**	Not Applicable
6.	Mr. Debasis Halder [Chief Executive Officer]	86,387	**	Not Applicable
7.	Mr. Ratan Lal Kothari [Chief Financial Officer]	1,20,000	0%	Not Applicable
8.	Ms. Kavita Biyani [Company Secretary]	1,44,000	0%	Not Applicable
	TOTAL	3,65,970		

**% Increase could not be calculated as the KMP was not employed / employed for part of the Financial Year 2016-17

- (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, 2018.
- (iv) Average percentage increase made in the salaries of employees other than managerial personnel in the financial year 2017-18 could not be computed as there were no employees other than the managerial personnel and there was no increase in the managerial remuneration for the said financial year (it decreased by 27%).
- (v) It is affirmed that the remuneration is as per the remuneration policy of the Company.

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, 2018

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	86,387	Chief Executive Officer	Permanent	B.Com(H) & (22 years)	01.09.2017	50	Upper Crust
2.	Mr. Sidh Nath Mishra	5,333	Chief Executive Officer	Permanent	B.Com(H) & (27 years)	16.03.2017	45	Self employed
3.	Mr. Ratan Lal Kothari	1,20,000	Chief Financial Officer	Permanent	B.Com. & LLB & (40 years)	28.03.2016	64	Graphite India Limited
4.	Ms. Kavita Biyani	1,44,000	Company Secretary	Permanent	B.Com(H), M.Com. & CS & (3 years)	01.08.2015	35	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 2018

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

To,
The Members,
Carbo-Ceramics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Carbo-Ceramics Limited** (hereinafter called “the Company”). Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2018, 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 :12/05/2018

'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 :12/05/2018

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, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act and the Rules made thereunder including 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 of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give 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 Ind AS 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 Ind AS financial statements.

Basis for Qualified Opinion

The compensation for Zemindary Rights etc. acquired by Bangladesh Government and Bihar and West Bengal State Governments has been estimated at ₹ 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 ₹ 257691/- in Bangladesh and discharge of liabilities of ₹ 2467/- in Bangladesh and also the amounts that may prove to be irrecoverable out of doubtful outstanding rents of ₹ 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 ₹135/- in Bangladesh.

Opinion

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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018 and its profit(including other comprehensive income) and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph above obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance sheet, the Statement of Profit and Loss(including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity 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 comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - (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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (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, 2018, 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: 29th May, 2018

“ANNEXURE A” 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 2018.

- 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, sales tax, service tax, goods and 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, 2018, 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, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited on account of any dispute.
- viii. There are no loans or borrowing from any financial institution, bank, Government or dues to debenture holders and as such clause 3(viii) of the Order is not applicable to the Company.
- ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and any term loans during the year and as such clause 3(ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company by the officers or employees, either noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The company has not paid or provided any managerial remuneration during the year and as such clause 3(xi) of the Order is not applicable to the Company.

- xii. The company is not a Nidhi company and as such clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review..
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Ajay Chand Baid
Partner
Membership No. 302061

Kolkata
Dated: 29th May, 2018

“ANNEXURE B” 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, 2018 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, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Ajay Chand Baid
Partner
Membership No. 302061

Kolkata
Dated: 29th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
ASSETS				
Non - current Assets				
Property, Plant and Equipment	4	12,698	13,055	13,430
Financial Assets				
Investments	5	28,91,32,411	6,07,82,767	4,38,73,057
Other Non-Current Assets	6	37,67,080	37,67,080	37,64,580
Total Non - current Assets		29,29,12,189	6,45,62,902	4,76,51,067
Current Assets				
Inventories	7	58,547	58,547	58,547
Financial Assets				
Trade Receivables	8	9,08,842	9,08,842	9,08,842
Cash and Cash Equivalents	9	31,36,388	20,76,703	14,00,762
Other Bank Balances	10	1,50,50,000	38,00,000	1,42,00,000
Loans	11	1,00,00,000	1,00,00,000	-
Other Financial Assets	12	1,26,178	67,753	17,053
Current Tax Assets (Net)	13	4,59,725	70,281	1,65,748
Total Current Assets		2,97,39,680	1,69,82,126	1,67,50,952
TOTAL ASSETS		32,26,51,869	8,15,45,028	6,44,02,019
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	14(a)	79,90,000	79,90,000	79,90,000
Other Equity	14(b)	25,30,62,770	6,20,95,030	4,86,55,409
Total Equity		26,10,52,770	7,00,85,030	5,66,45,409
LIABILITIES				
Non- current Liabilities				
Provisions	15	18,709	18,709	18,709
Deferred Tax Liabilities (Net)	16	5,98,58,197	96,91,306	60,32,428
		5,98,76,906	97,10,015	60,51,137
Current Liabilities				
Financial Liabilities				
Trade Payables	17	36,067	61,067	13,717
Other Current Liabilities	18	16,86,126	16,88,916	16,91,756
Total Current Liabilities		17,22,193	17,49,983	17,05,473
TOTAL EQUITY AND LIABILITIES		32,26,51,869	8,15,45,028	6,44,02,019

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

For and on behalf of the

Firm Registration No. 328632E

Board of Directors of Carbo-Ceramics Limited

Chartered Accountants

Ajay Chand Baid

M.C.Darak

S. Marda

Partner

Director

Director

Membership No. 302061

(DIN : 00029073)

(DIN : 00065359)

Place : Kolkata

K. Biyani

R.L.Kothari

Dated : 29th May, 2018

Company Secretary

Chief Financial Officer

Carbo-Ceramics Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018 (Amount in ₹)

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue from Operations		-	-
Other Income	19	49,59,060	24,35,972
Total Income		49,59,060	24,35,972
Expenses			
Changes in Inventory of Stock-in-trade		-	-
Employee benefits expense	20	3,55,720	4,86,687
Finance Costs	21	-	39
Depreciation and Amortisation Expense	22	357	375
Other Expenses	23	3,21,444	3,77,449
Total Expenses		6,77,521	8,64,550
Profit before Tax		42,81,539	15,71,422
Tax Expense	24		
Current Tax		5,41,215	52,059
Deferred Tax		(9,88,733)	2,89,913
Profit for the Year		47,29,057	12,29,450
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss		23,73,94,307	1,55,64,034
Income Tax on the above	24	(5,11,55,624)	(33,53,863)
Items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income (Net of Tax)		18,62,38,683	1,22,10,171
Total Comprehensive Income for the Year		19,09,67,740	1,34,39,621
Earnings per Equity Share (Nominal Value ₹8.50 per Share)	25		
Basic (₹)		5.03	1.31
Diluted (₹)		5.03	1.31

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**

For and on behalf of the

Firm Registration No. 328632E

Board of Directors of Carbo-Ceramics Limited

Chartered Accountants

Ajay Chand Baid

M.C.Darak

S. Marda

Partner

Director

Director

Membership No. 302061

(DIN : 00029073)

(DIN : 00065359)

Place : Kolkata

K. Biyani

R.L.Kothari

Dated : 29th May, 2018

Company Secretary

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018 (Amount in ₹)

	Equity Share Capital Capital [Refer Note 14(a)]	Other Equity - Reserves and Surplus [Refer Note 14 (b)]				Total
		Capital Reserve	Investment Allowance Reserve	General Reserve	Retained Earnings	
As at 1st April, 2016	79,90,000	12,63,300	5,88,100	-	4,68,04,009	4,86,55,409
Profit for the Year	-	-	-	-	12,29,450	12,29,450
Other Comprehensive Income	-	-	-	-	1,22,10,171	1,22,10,171
Total Comprehensive Income for the Year	-	-	-	-	1,34,39,621	1,34,39,621
Transfer	-	-	(5,88,100)	5,88,100	-	-
As at 31st March, 2017	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
As at 31st March, 2018	79,90,000	12,63,300	-	5,88,100	25,12,11,370	25,30,62,770

The accompanying Notes form an integral part of these 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 : 29th May, 2018

K. Biyani

Company Secretary

R.L.Kothari

Chief Financial Officer

Carbo-Ceramics Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Year ended 31st March, 2018	Year ended 31st March, 2017
A. Cash Flows from Operating Activities		
Profit before Tax	42,81,539	15,71,422
<u>Adjustments for:</u>		
Depreciation and Amortisation Expense	357	375
Fair Value gains on Investments carried at Fair Value through Profit or Loss	(4,78,328)	(13,45,677)
Net Gain on Disposal of Non Current Investments	(4,04,114)	-
Interest Income	(12,54,201)	(10,10,580)
Dividend Income on Non-current Investments	(27,77,417)	(79,715)
Operating Profit before Changes in Operating Assets and Liabilities	(6,32,164)	(8,64,175)
Changes in Operating Assets and Liabilities:		
Increase/(Decrease) in Trade Payables	(25,000)	47,350
Increase/(Decrease) in Other Current Liabilities	(2,790)	(2,840)
(Increase)/Decrease in Loans	-	(1,00,00,000)
(Increase)/Decrease in Other Financial Assets	-	(2,500)
Cash Generated from Operations	(6,59,954)	(1,08,22,165)
Income Taxes paid (Net of Refunds)	(9,30,660)	58,511
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(15,90,614)	(1,07,63,654)
B. Cash Flows from Investing Activities:		
Proceeds from Sale/ Redemption of Investments	99,27,106	-
Interest Received	11,95,776	9,59,880
Dividend Received on Non-current Investments	27,77,417	79,715
Net Changes in Other Bank Balances	(1,12,50,000)	1,04,00,000
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	26,50,299	1,14,39,595
C. Cash Flows from Financing Activities		
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	-	-
Net Cash Inflow / (Outflow)	10,59,685	6,75,941
Cash and Cash Equivalents- Opening (Refer Note 9)	20,76,703	14,00,762
Cash and Cash Equivalents- Closing (Refer Note 9)	31,36,388	20,76,703
	10,59,685	6,75,941

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

Place : Kolkata

Dated : 29th May, 2018

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

Notes to financial statements for the year ended 31st March, 2018**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 29th May, 2018.

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.

The financial statements up to the year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

These financial statements are the first financial statements under Indian Accounting Standards (Ind AS). Refer Note 35 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(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

Notes to financial statements for the year ended 31st March, 2018

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.

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.

Notes to financial statements for the year ended 31st March, 2018

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

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

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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.

Notes to financial statements for the year ended 31st March, 2018

(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 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

Notes to financial statements for the year ended 31st March, 2018

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. 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.

Notes to financial statements for the year ended 31st March, 2018

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:
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

Notes to financial statements for the year ended 31st March, 2018

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.

- 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, 2018

(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>
<u>Year ended 31st March 2017</u>			
Gross Carrying Amount			
Deemed Cost as at 1st April 2016	5,544	7,886	13,430
Total Deemed Cost as at 1st April 2016	5,544	7,886	13,430
Additions	-	-	-
On Disposals	-	-	-
Closing Balance	5,544	7,886	13,430
Accumulated Depreciation			
For the Year	-	375	375
On Disposals	-	-	-
Closing Balance	-	375	375
Net Carrying Amount :	5,544	7,511	13,055
<u>Year ended 31st March 2018</u>			
Gross Carrying Amount			
Opening Balance	5,544	7,886	13,430
Additions	-	-	-
On Disposals	-	-	-
Closing Balance	5,544	7,886	13,430
Accumulated Depreciation			
Opening Balance	-	375	375
For the Year	-	357	357
On Disposals	-	-	-
Closing Balance	-	732	732
Net Carrying Amount :	5,544	7,154	12,698

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Unit Face Value	Number	As at 31st March, 2018	Number	As at 31st March, 2017	Number	As at 1st April 2016
5 Non-current Investments							
A. Quoted:							
<u>Investments in Preference</u>							
<u>Shares - Fully paid-up</u> (Fair value through profit or loss)							
8.75% The Gourepore Company Ltd.	₹ 100	145	-	145	-	145	-
			<u>-</u>		<u>-</u>		<u>-</u>
<u>Investments in Equity</u>							
<u>Instruments - Fully paid-up</u> (Fair value through other comprehensive income)							
Graphite India Limited	₹ 2	386645	<u>28,07,42,935</u>	386645	<u>4,33,42,905</u>	386645	<u>2,77,80,443</u>
			<u>28,07,42,935</u>		<u>4,33,42,905</u>		<u>2,77,80,443</u>
Total - Quoted :			28,07,42,935		4,33,42,905		2,77,80,443
B. Unquoted:							
<u>Investments in Equity</u>							
<u>Instruments - Fully paid-up</u> (Fair value through other comprehensive income)							
Bangur Land Development Corporation Ltd.	₹ 100	1140	<u>2,69,279</u>	1140	<u>2,75,002</u>	1140	<u>2,73,429</u>
			<u>2,69,279</u>		<u>2,75,002</u>		<u>2,73,429</u>
<u>Investments in Preference</u>							
<u>Shares - Fully paid-up</u> (Fair value through profit or loss)							
7.00% Bird Jute & Exports Ltd.	₹ 100	100	-	100	-	100	-
8.75% Barnagore Jute Factory Plc.*	₹ 1	1000	-	1000	-	1000	-
			<u>-</u>		<u>-</u>		<u>-</u>
<u>Investments in Mutual Funds :</u> (Fair value through profit or loss)							
HDFC Cash Management Fund - Savings Plan - Growth	₹ 1000	-	-	155.919	5,26,886	155.919	4,91,891
HDFC Cash Management Fund-Treasury Advantage Plan-Retail-Regular-Growth	₹ 10	-	-	7091.414	2,43,655	7091.414	2,25,145
HDFC Liquid Fund - Growth	₹ 1000	-	-	320.194	10,24,506	320.194	9,55,635

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Unit Face Value	Number	As at 31st March, 2018	Number	As at 31st March, 2017	Number	As at 1st April 2016
HDFC MF Monthly Income Plan-Long Term-Regular Plan- Growth	₹ 10	-	-	51990.455	21,53,627	51990.455	18,42,381
HDFC Regular Savings Fund- Regular Plan-Growth	₹ 10	-	-	131962.203	42,76,868	131962.203	39,04,762
Kotak Equity Arbitrage Fund - Monthly Dividend	₹ 10	-	-	120725.523	12,97,449	120725.523	12,97,727
Reliance Money Manager Fund-Retail Plan-Growth	₹ 1000	3521.138	81,20,197	3521.138	76,41,869	3521.138	71,01,644
			<u>81,20,197</u>		<u>1,71,64,860</u>		<u>1,58,19,185</u>
Total - Unquoted :			<u>83,89,476</u>		<u>1,74,39,862</u>		<u>1,60,92,614</u>
Grand Total :			<u>28,91,32,411</u>		<u>6,07,82,767</u>		<u>4,38,73,057</u>
Investments carried at Fair Value through OCI			<u>28,10,12,214</u>		<u>4,36,17,907</u>		<u>2,80,53,872</u>
Investments carried at Fair Value through profit or loss			<u>81,20,197</u>		<u>1,71,64,860</u>		<u>1,58,19,185</u>

* Investment in Foreign Company

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
6 Other Non-Current Assets			
Unsecured, Considered Good			
Security Deposits	40,045	40,045	40,045
Advances	2,500	2,500	-
Unsecured, Considered Doubtful			
Advances (In Bangladesh)	135	135	135
Zemindary Rights etc.*	37,24,400	37,24,400	37,24,400
	<u>37,67,080</u>	<u>37,67,080</u>	<u>37,64,580</u>
*acquired by Bangladesh Government, Bihar and West Bengal State Governments (acquired by Bangladesh Government ₹ 7,18,198/-)			
7 Inventories			
(At lower of cost and net realisable value)			
Stock-in-trade - Land	58,547	58,547	58,547
	<u>58,547</u>	<u>58,547</u>	<u>58,547</u>
8 Trade Receivables			
Unsecured, Considered doubtful :			
Outstanding Rents (including in Bangladesh ₹ 2,38,864/-)	9,08,842	9,08,842	9,08,842
	<u>9,08,842</u>	<u>9,08,842</u>	<u>9,08,842</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
9 Cash and Cash Equivalents			
Cash on hand (Including in Bangladesh ₹ 233/-)	8,085	9,991	1,132
Balances with Banks in Current Accounts (Including in Bangladesh ₹ 2,57,458/-)	8,28,303	20,66,712	13,99,630
In Deposit Accounts with maturity less than 3 months	23,00,000	-	-
	31,36,388	20,76,703	14,00,762
10 Other Bank Balances			
In Deposit Accounts with maturity of more than 3 months but less than 12 months	1,50,50,000	38,00,000	1,42,00,000
	1,50,50,000	38,00,000	1,42,00,000
11 Loans			
Current			
Unsecured, Considered Good :			
Loan to Related Parties (Refer Note 31)	1,00,00,000	1,00,00,000	-
	1,00,00,000	1,00,00,000	-
12 Other Financial Assets			
Current			
Unsecured, Considered Good :			
Interest accrued on Deposits with Bank	1,10,397	51,972	17,053
Interest accrued but not due on Loan to related party	15,781	15,781	-
	1,26,178	67,753	17,053
13 Current Tax Assets (Net)			
Advance Income Tax (Net of Provisions)	4,59,725	70,281	1,65,748
	4,59,725	70,281	1,65,748
14(a) Equity Share Capital			
Authorized			
10,00,000 Equity Shares of ₹ 8.50 each	85,00,000	85,00,000	85,00,000
16,238 5% Cumulative Preference Shares of ₹ 100/-each	16,23,800	16,23,800	16,23,800
	1,01,23,800	1,01,23,800	1,01,23,800
Issued, Subscribed and Fully Paid-up			
9,40,000 Equity Shares of ₹ 8.50 each Fully Paid-up	79,90,000	79,90,000	79,90,000
	79,90,000	79,90,000	79,90,000
(i) Rights, preferences and restrictions attached to shares			
The Company has only one class of Equity Shares having a par value of ₹ 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.			

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

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

<u>Name of Shareholder</u>	<u>No. of shares</u>	<u>No. of shares</u>	<u>No. of shares</u>
Emerald Company Private Limited (formerly Emerald Co. Ltd.)	4,61,000	4,61,000	4,61,000
Mr. Krishna Kumar Bangur	68,720	68,720	68,720

(iii) No shares have been allotted during the period of five years immediately preceeding March 31, 2018 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

	<u>As at 31st March, 2018</u>	<u>As at 31st March, 2017</u>	<u>As at 1st April 2016</u>
-Reserves and Surplus			
Capital Reserve (Refer Note A and (i) below)	12,63,300	12,63,300	12,63,300
Investment Allowance Reserve (Refer Note B)	-	-	5,88,100
General Reserve (Refer Note C & (ii) below)	5,88,100	5,88,100	-
Retained Earnings (Refer Note D & (iii) below)	25,12,11,370	6,02,43,630	4,68,04,009
	<u>25,30,62,770</u>	<u>6,20,95,030</u>	<u>4,86,55,409</u>
(A) Capital Reserve - Movement during the year			
Opening Balance	12,63,300	12,63,300	12,63,300
Closing Balance	<u>12,63,300</u>	<u>12,63,300</u>	<u>12,63,300</u>
(B) Investment Allowance Reserve - Movement during the year			
Opening Balance	-	5,88,100	5,88,100
Transfer to General Reserve	-	(5,88,100)	-
Closing Balance	<u>-</u>	<u>-</u>	<u>5,88,100</u>
(C) General Reserve - Movement during the year			
Opening Balance	5,88,100	-	-
Transfer from Investment Allowance Reserve	-	5,88,100	-
Closing Balance	<u>5,88,100</u>	<u>5,88,100</u>	<u>-</u>
(D) Retained Earnings - Movement during the year			
Opening Balance	6,02,43,630	4,68,04,009	4,68,04,009
Profit for the Year	47,29,057	12,29,450	-
Items of Other Comprehensive Income recognised directly in Retained earnings			
Equity Instruments through Other Comprehensive Income	18,62,38,683	1,22,10,171	-
Closing Balance	<u>25,12,11,370</u>	<u>6,02,43,630</u>	<u>4,68,04,009</u>

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.

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

(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.

	<u>As at 31st March, 2018</u>	<u>As at 31st March, 2017</u>	<u>As at 1st April 2016</u>
15 Provisions			
Non-Current			
Contingent Rent Liabilities	18,709	18,709	18,709
	<u>18,709</u>	<u>18,709</u>	<u>18,709</u>
16 Deferred Tax Liabilities (Net)			
16.1 Significant components and movement in Deferred Tax Assets and Liabilities during the year.			
	<u>As at 31st March, 2017</u>	<u>Recognised in Profit or Loss</u>	<u>As at 31st March, 2018</u>
Deferred Tax Liabilities recognised through Profit or Loss			
Financial Assets at Fair Value through Profit or Loss	13,97,550	(6,17,441)	7,80,109
Depreciation	1,854	(64)	1,790
Deferred Tax Liabilities	<u>13,99,404</u>	<u>(6,17,505)</u>	<u>7,81,899</u>
Deferred Tax Assets			
Minimum Alternate Tax Credit	(3,33,483)	(3,71,228)	(7,04,711)
Deferred Tax Assets	<u>(3,33,483)</u>	<u>(3,71,228)</u>	<u>(7,04,711)</u>
Net Deferred Tax Liabilities	<u>10,65,921</u>	<u>(9,88,733)</u>	<u>77,188</u>
	<u>As at 31st March, 2017</u>	<u>Recognised in OCI</u>	<u>As at 31st March, 2018</u>
Deferred Tax Liabilities recognised through OCI			
Financial Assets at Fair Value through OCI	86,25,385	5,11,55,624	5,97,81,009
Deferred Tax Liabilities	<u>86,25,385</u>	<u>5,11,55,624</u>	<u>5,97,81,009</u>
Total Deferred Tax Liabilities	<u>96,91,306</u>		<u>5,98,58,197</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	As at 1st April, 2016	Recognised in Profit or Loss	As at 31st March, 2017
Deferred Tax Liabilities recognised through Profit or Loss			
Financial Assets at Fair Value through Profit or Loss	11,07,573	2,89,977	13,97,550
Depreciation	1,918	(64)	1,854
Deferred Tax Liabilities	<u>11,09,491</u>	<u>2,89,913</u>	<u>13,99,404</u>
Deferred Tax Assets			
Minimum Alternate Tax Credit	(3,48,585)	-	(3,18,381)
Adjustment in Balance Sheet	-	-	(15,102)
Deferred Tax Assets	<u>(3,48,585)</u>	<u>-</u>	<u>(3,33,483)</u>
Net Deferred Tax Liabilities	<u>7,60,906</u>	<u>2,89,913</u>	<u>10,65,921</u>
	As at 1st April, 2016	Recognised in OCI	As at 31st March, 2017
Deferred Tax Liabilities recognised through OCI			
Financial Assets at Fair Value through OCI	52,71,522	33,53,863	86,25,385
Deferred Tax Liabilities	<u>52,71,522</u>	<u>33,53,863</u>	<u>86,25,385</u>
Total Deferred Tax Liabilities	60,32,428		96,91,306
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
17 Trade Payables			
Current			
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 ₹2,267/-)	36,067	61,067	13,717
	<u>36,067</u>	<u>61,067</u>	<u>13,717</u>
18 Other Current Liabilities			
Bills Payable	13,88,087	13,88,087	13,88,087
Other Advances	1,11,994	1,11,994	1,11,994
Dues Payable to Government Authorities	40	2,830	5,670
Employees Security Deposit (including in Bangladesh ₹ 200/-)	1,12,550	1,12,550	1,12,550
Repayment of Capital	73,455	73,455	73,455
	<u>16,86,126</u>	<u>16,88,916</u>	<u>16,91,756</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Year ended 31st March, 2018	Year ended 31st March, 2017
19 Other Income		
Interest Income		
on Deposit with Banks	4,51,081	9,85,110
on Other Loan/ Deposits	8,00,000	17,534
on Income tax Refunds	3,120	7,936
Net Gain on Sale of Non current investments	4,04,114	-
Dividend on Non current investments	27,77,417	79,715
Liabilities no longer required written back	45,000	-
Fair Value Gains on Investments carried at Fair Value through Profit or Loss	4,78,328	13,45,677
	<u>49,59,060</u>	<u>24,35,972</u>
20 Employee benefits expense		
Salaries and wages	3,55,720	4,86,687
	<u>3,55,720</u>	<u>4,86,687</u>
21 Finance Costs		
Interest Expense on Taxes	-	39
	-	<u>39</u>
22 Depreciation and Amortisation Expense		
Depreciation on Tangible Assets	357	375
	<u>357</u>	<u>375</u>
23 Other Expenses		
Rates and Taxes	6,695	7,026
Listing Fees	28,750	28,625
Securities Custodial Fees	20,700	20,610
Professional and Legal Charges	93,841	1,01,855
Advertisement Charges	63,079	61,805
Filing Fees	2,400	12,000
Printing and Stationery Charges	30,376	30,389
Travelling and Conveyance expenses	1,300	2,700
Postal and Courier Charges	24,261	43,547
Bank Charges	-	115
Payment to Auditors*		
Audit Fee	10,000	11,500
Other Services	16,440	19,540
Director's Fees	10,250	13,750
Miscellaneous Expenses	13,352	23,987
	<u>3,21,444</u>	<u>3,77,449</u>
	*including amount paid to preceding auditor ₹ 10,440/- (Previous Year ₹ 31,040/-)	
24 Income Tax Expense		
A. Amount recognised in Profit or Loss :		
Current Tax		
Current Tax on Profits for the year	5,40,605	47,000
Adjustment for Current Tax of prior years	610	5,059
Total Current Tax Expense	<u>5,41,215</u>	<u>52,059</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred Tax		
Origination and reversal of temporary differences	(9,88,733)	2,89,913
Total Deferred Tax Expense/(Benefit)	(9,88,733)	2,89,913
Income Tax Expense	(4,47,518)	3,41,972
B. Amount recognised in Other Comprehensive Income :		
Deferred Tax		
On items that will not be reclassified to Profit or Loss		
Financial Assets at Fair Value through OCI	5,11,55,624	33,53,863
	<u>5,11,55,624</u>	<u>33,53,863</u>
C. Numerical reconciliation of income tax expense to prima facie tax payable		
Profit before income tax expense	42,81,539	15,71,422
Income tax rate	25.750	29.870
Computed expected income tax	11,02,496	4,69,384
Adjustments :-		
Other Expenses not deductible for tax purposes	9,232	3,894
Income exempt from income tax	(7,15,185)	(23,811)
Adjustments for current tax of prior periods	610	5,059
Deferred Tax	(9,88,733)	2,89,913
Other Items	1,44,062	(4,02,467)
Income Tax Expense	(4,47,518)	3,41,972

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
24.4 Tax Losses			
Unused tax losses for which no deferred tax asset has been recognised	43,199	12,57,369	12,57,369
Potential tax benefit @ 11.128% (31st March 2017 - 29.87%, 1st April 2016 - 30.9%)	4,807	3,75,576	3,88,527
The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.			
The unused tax loss can be carried forward as under:-			
Upto 31st March, 2018	-	8,64,634	8,64,634
Upto 31st March, 2019	-	3,21,663	3,21,663
Upto 31st March, 2022	43,199	71,072	71,072
	<u>43,199</u>	<u>12,57,369</u>	<u>12,57,369</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Year ended 31st March, 2018	Year ended 31st March, 2017
25 BASIC AND DILUTED EARNINGS PER SHARE		
(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	47,29,057	12,29,450
(vi) Basic and Diluted Earnings per Share (₹) [(v)/(iii)]	5.03	1.31

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

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.

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 (from 01.09.2017)
e) Ms. Kavita Biyani, Company Secretary	KMP
f) Mr. Subhas Chandra Agarwal, Chief Executive Officer	KMP (from 23.09.2015 to 04.07.2016)

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

g) Mr. Rajiv Bhatler, Chief Executive Officer	KMP (from 12.07.2016 to 30.11.2016)
h) Mr. Prabhat Kumar Basu, Chief Executive Officer	KMP (from 15.12.2016 to 14.03.2017)
i) Mr. Sidh Nath Mishra, Chief Executive Officer	KMP (from 15.03.2017 to 09.04.2017)
j) Mr. Manak Chand Darak	KMP (Non-executive Director)
k) Mr. Sanjeev Marda	KMP (Non-executive Director)
l) Mr. Pawan Kumar Joshi	KMP (Non-executive Director)
m) Ms. Sebanka Saha	KMP (Non-executive Director from 24.04.2015 to 26.02.2018)

(ii) Transactions :

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, 2017

Entities under significant influence of the UCP/ relative of the UCP	Dividend Income	Interest Income	Loan Given	Loan Refunded	Total
(a) Graphite India Limited	-	-	-	-	-
(b) Matrix Commercial Private Limited	-	17,534	1,00,00,000	-	1,00,17,534
Total :	-	17,534	1,00,00,000	-	1,00,17,534

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

During the year ended 31st March, 2017

Key Management Personnel	Salary	Directors' Fees	Total
(a) Mr. Manak Chand Darak	-	4,000	4,000
(b) Mr. Sanjeev Marda	-	4,000	4,000
(c) Mr. Pawan Kumar Joshi	-	4,000	4,000
(d) Ms. Sebanka Saha	-	1,750	1,750
(e) Mr. Ratan Lal Kothari	1,20,000	-	1,20,000
(f) Mr. Subhas Chandra Agrawal	46,968	-	46,968

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

Key Management Personnel	Salary	Directors' Fees	Total
(g) Mr. Rajiv Bhatler	1,00,751	-	1,00,751
(h) Mr. Prabhat Kumar Basu	66,710	-	66,710
(i) Mr. Sidh Nath Mishra	8,258	-	8,258
(j) Ms. Kavita Biyani	1,44,000	-	1,44,000
Total :	4,86,687	13,750	5,00,437

(iii) Balances Outstanding:

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

	<u>As at 31-03-18</u>	<u>As at 31-03-17</u>
Loans		
Matrix Commercial Private Limited	1,00,00,000	1,00,00,000
Other Financial Assets		
Interest accrued but not due on Loan		
Matrix Commercial Private Limited	15,781	15,781

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 31-03-18</u> ₹	<u>As at 31-03-17</u> ₹
Matrix Commercial Private Limited	Business needs	<u>1,00,00,000</u>	<u>1,00,00,000</u>

33 Fair Value Measurements

(i) Financial Instruments by category	<u>31st March, 2018</u>	<u>31st March, 2017</u>	<u>1st April, 2016</u>
	<u>Carrying Amount/ Fair Value</u>		
FINANCIAL ASSETS			
Assets carried at Fair Value through OCI			
Investments			
-Equity Instruments	28,10,12,214	4,36,17,907	2,80,53,872
Assets carried at Fair Value through Profit or Loss			
Investments			
-Preference Shares	-	-	-
-Mutual Funds	81,20,197	1,71,64,860	1,58,19,185
Assets carried at Amortized Cost			
-Loans	1,00,00,000	1,00,00,000	-
-Trade Receivables	9,08,842	9,08,842	9,08,842
-Cash and Cash Equivalents	31,36,388	20,76,703	14,00,762
-Other Bank Balances	1,50,50,000	38,00,000	1,42,00,000
-Other Financial Assets	1,26,178	67,753	17,053
Total Financial Assets :	<u>31,83,53,819</u>	<u>7,76,36,065</u>	<u>6,03,99,714</u>
FINANCIAL LIABILITIES			
Liabilities carried at Amortized Cost			
-Trade Payables	36,067	61,067	13,717
Total Financial Liabilities :	<u>36,067</u>	<u>61,067</u>	<u>13,717</u>

Notes to financial statements for the year ended 31st March, 2018**(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.

(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.

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

31st March, 2018				
	Level 1	Level 2	Level 3	Total
Recognised and measured at fair value				
- Recurring measurements				
Financial Assets				
Investments				
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				
Total	28,88,63,132	-	2,69,279	28,91,32,411

31st March, 2017				
	Level 1	Level 2	Level 3	Total
Recognised and measured at fair value				
- Recurring measurements				
Financial Assets				
Investments				
Quoted Equity Instruments	4,33,42,905			4,33,42,905
Mutual Fund Units	1,71,64,860			1,71,64,860
Unquoted Equity Instruments	-		2,75,002	2,75,002
Unquoted Preference Shares	-		-	-
Total	6,05,07,765	-	2,75,002	6,07,82,767

1st April, 2016				
	Level 1	Level 2	Level 3	Total
Recognised and measured at fair value				
- Recurring measurements				
Financial Assets				
Investments				
Quoted Equity Instruments	2,77,80,443			2,77,80,443
Mutual Fund Units	1,58,19,185			1,58,19,185
Unquoted Equity Instruments	-		2,73,429	2,73,429
Unquoted Preference Shares	-		-	-
Total	4,35,99,628	-	2,73,429	4,38,73,057

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

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

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.

Contractual maturities of financial liabilities	Within 1 year	Total
<u>31st March 2018</u>		
Trade payables	36,067	36,067
Other financial liabilities	-	-
Total	36,067	36,067
<u>31st March 2017</u>		
Trade payables	61,067	61,067
Other financial liabilities	-	-
Total	61,067	61,067
<u>1st April 2016</u>		
Trade payables	13,717	13,717
Other financial liabilities	-	-
Total	13,717	13,717

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.

35 First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements

Notes to financial statements for the year ended 31st March, 2018

for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions**Deemed cost for Property, Plant and Equipment**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

A.2 Ind AS mandatory exceptions**A.2.1 Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Investment in Equity instruments carried at Fair Value Through Other Comprehensive Income.

Investment in Debts instruments carried at Fair Value Through Profit or Loss

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

B Reconciliations between previous GAAP and Ind AS

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

Reconciliation of equity as at the date of transition (1st April 2016)

	Previous GAAP*	Adjustments	Ind AS
ASSETS			
Non - current Assets			
Property, Plant and Equipment	13,430	-	13,430
Financial Assets			
Investments	1,42,70,042	2,96,03,015	4,38,73,057
Other Non - current Assets	37,64,580	-	37,64,580
	<u>1,80,48,052</u>	<u>2,96,03,015</u>	<u>4,76,51,067</u>
Current Assets			
Inventories	58,547	-	58,547
Financial Assets			
Trade Receivables	9,08,842	-	9,08,842
Cash and Cash Equivalents	14,00,762	-	14,00,762
Other Bank Balances	1,42,00,000	-	1,42,00,000
Other Financial Assets	17,053	-	17,053
Current Tax Assets (Net)	5,14,333	(3,48,585)	1,65,748
	<u>1,70,99,537</u>	<u>(3,48,585)</u>	<u>1,67,50,952</u>
	<u>3,51,47,589</u>	<u>2,92,54,430</u>	<u>6,44,02,019</u>
EQUITY			
Equity Share Capital	79,90,000	-	79,90,000
Other Equity	2,54,31,489	2,32,23,920	4,86,55,409
Total Equity	<u>3,34,21,489</u>	<u>2,32,23,920</u>	<u>5,66,45,409</u>
LIABILITIES			
Non- current Liabilities			
Provisions	18,709	-	18,709
Deferred Tax Liabilities	1,918	60,30,510	60,32,428
	<u>20,627</u>	<u>60,30,510</u>	<u>60,51,137</u>
Current Liabilities			
Financial Liabilities			
Trade Payables	13,717	-	13,717
Other Current Liabilities	16,91,756	-	16,91,756
Total Current Liabilities	<u>17,05,473</u>	<u>-</u>	<u>17,05,473</u>
TOTAL EQUITY AND LIABILITIES	<u>3,51,47,589</u>	<u>2,92,54,430</u>	<u>6,44,02,019</u>

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this Note.

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

Reconciliation of equity as at 31st March 2017

	Previous GAAP*	Adjustments	Ind AS
ASSETS			
Non - current Assets			
Property, Plant and Equipment	13,055	-	13,055
Financial Assets			
Investments	1,42,69,164	4,65,13,603	6,07,82,767
Loans	1,00,00,000	-	1,00,00,000
Other Non - current Assets	37,67,080	-	37,67,080
	<u>2,80,49,299</u>	<u>4,65,13,603</u>	<u>7,45,62,902</u>
Current Assets			
Inventories	58,547	-	58,547
Financial Assets			
Trade Receivables	9,08,842	-	9,08,842
Cash and Cash Equivalents	20,76,703	-	20,76,703
Other Bank Balances	38,00,000	-	38,00,000
Other Financial Assets	67,753	-	67,753
Current Tax Assets (Net)	4,03,764	(3,33,483)	70,281
	<u>73,15,609</u>	<u>(3,33,483)</u>	<u>69,82,126</u>
	<u>3,53,64,908</u>	<u>4,61,80,120</u>	<u>8,15,45,028</u>
EQUITY			
Equity Share Capital	79,90,000	-	79,90,000
Other Equity	2,56,04,362	3,64,90,668	6,20,95,030
Total Equity	<u>3,35,94,362</u>	<u>3,64,90,668</u>	<u>7,00,85,030</u>
LIABILITIES			
Non- current Liabilities			
Provisions	18,709	-	18,709
Deferred Tax Liabilities	1,854	96,89,452	96,91,306
	<u>20,563</u>	<u>96,89,452</u>	<u>97,10,015</u>
Current Liabilities			
Financial Liabilities			
Trade Payables	61,067	-	61,067
Other Current Liabilities	16,88,916	-	16,88,916
Total Current Liabilities	<u>17,49,983</u>	<u>-</u>	<u>17,49,983</u>
TOTAL EQUITY AND LIABILITIES	<u>3,53,64,908</u>	<u>4,61,80,120</u>	<u>8,15,45,028</u>

Reconciliation of total comprehensive income for the year ended 31st March 2017

	Previous GAAP*	Adjustments	Ind AS
Revenue from Operations	-	-	-
Other Income	10,90,295	13,45,677	24,35,972
Total Revenue	<u>10,90,295</u>	<u>13,45,677</u>	<u>24,35,972</u>
Expenses			
Changes in Inventory of Stock-in-trade	-	-	-
Employee Benefits Expense	4,86,687	-	4,86,687
Finance Costs	39	-	39
Depreciation and Amortisation Expense	375	-	375
Other Expenses	3,78,326	(878)	3,77,449
Total Expenses	<u>8,65,427</u>	<u>(878)</u>	<u>8,64,550</u>
Profit before Tax	<u>2,24,868</u>	<u>13,46,555</u>	<u>15,71,422</u>

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

	Previous GAAP*	Adjustments	Ind AS
Tax Expense			
Current Tax	52,059	-	52,059
Deferred Tax	(64)	2,89,977	2,89,913
Profit for the Year	1,72,873	10,56,578	12,29,450
Other Comprehensive Income	-	1,22,10,171	1,22,10,171
Total Comprehensive Income	1,72,873	1,32,66,749	1,34,39,621

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this Note.

Reconciliation of total equity as at 31st March 2017 and 1st April 2016

	As at 31st March 2017	As at 1st April 2016
Total equity (shareholders' funds) as per previous GAAP	3,35,94,362	3,34,21,489
Adjustments:		
Fair valuation of investments		
Recognised through Profit and Loss	64,85,511	51,39,835
Recognised through OCI	4,00,27,214	2,44,63,180
Tax effects of adjustments	(1,00,22,935)	(63,79,095)
Other adjustments	878	-
	3,64,90,668	2,32,23,920
Total equity as per Ind AS	7,00,85,030	5,66,45,409

Reconciliation of total comprehensive income for the year ended 31st March 2017

Profit after tax as per previous GAAP	1,72,873
Adjustments:	
Fair valuation of investments	13,45,677
Tax effects of adjustments	(2,89,977)
Other adjustments	878
Total adjustments	10,56,578
Profit after tax as per Ind AS	12,29,450
Other comprehensive income	1,22,10,171
Total comprehensive income as per Ind AS	1,34,39,621

Impact of Ind AS adoption on the statement of cash flows for the year ended 31st March 2017

There are no significant reconciliation item between cash flows prepared under Indian GAAP & those prepared under IND AS.

C Notes to First-time Adoption

1 Fair valuation of Non-current Investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, Equity instruments have been classified at Fair Value Through Other Comprehensive Income (FVTOCI) through an irrecoverable election at the date of transition. Investment in Mutual Funds classified as non-current under previous GAAP and carried at cost as on 31st March, 2017, have been measured at Fair Value through Profit or Loss

Notes to financial statements for the year ended 31st March, 2018

(Amount in ₹)

(FVTPL). The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March, 2017. This has increased the value of Non-current Investments by ₹ 4,65,13,603/- as at 31st March, 2017 (1st April, 2016 - ₹ 2,96,03,015/-) with corresponding increase in retained earnings. The profit for the year ended 31st March, 2017 increased by ₹ 10,56,578/- as a result of fair value changes through Profit and Loss.

2 Deferred tax

Under the Previous GAAP, deferred tax was accounted using the income statement approach, on timing differences between the taxable profit and accounting profit for the year. Under Ind AS, deferred tax is recognised following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences.

Deferred income tax liabilities have been adjusted to give effect to adjustments as follows:

	31st March, 2017	1st April, 2016
Fair valuation of investments	1,00,22,935	63,79,095
	<u>1,00,22,935</u>	<u>63,79,095</u>

3 Retained earnings

Retained earnings as at 1st April 2016 and as at 31st March, 2017 has been adjusted consequent to the above Ind AS transition adjustments.

4 Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as other comprehensive income includes measurement of Equity instruments. The concept of other comprehensive income did not exist under Previous GAAP. Accordingly, remeasurements on measurement of Equity instruments for the year ended 31st March, 2017 amounting to ₹1,22,10,171/- (net of current tax of ₹ 33,53,863/-) have been recognised in other comprehensive income.

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

Ajay Chand Baid
Partner
Membership No. 302061
Place : Kolkata
Dated : 29th May, 2018

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