



ANNUAL REPORT
2018-2019

INDIA CARBON LIMITED



India Carbon Limited
ANNUAL REPORT 2018-2019

BOARD OF DIRECTORS

Mr. Rakesh Himatsingka
(Chairman and Managing Director)
Mr. Shaurya Veer Himatsingka
(Deputy Managing Director & CEO)
Mr. Gordon Kenneth Mcintosh
Mr. Tony William Grims
Mr. Mark Russell Jones
(Alternate to Mr. Tony William Grims)
Mr. Alvaro Emilio Martinez
(Alternate to Mr. Gordon K Mcintosh)
Mr. Hemant Kumar Khaitan
Mr. Manoj Mohanka
Mr. Soumendra Mohan Basu
Mr. Samar Jha
Mr. Sunirmal Talukdar
Mrs. Susmita Ghose

CHIEF FINANCIAL OFFICER

Mr. Pankaj Kumar Misra

COMPANY SECRETARY

Mr. Bhaskar Rakshit

STATUTORY AUDITORS

M/s. S. Samanta & CO.
Chartered Accountants

BANKERS

UCO Bank
IDBI Bank Limited
United Bank of India
AXIS Bank Limited

REGISTERED OFFICE & WORKS

Noonmati, Guwahati – 781020, Assam

CENTRAL OFFICE

'Temple Chambers', 4th Floor
6, Old Post Office Street, Kolkata – 700001

BUDGE BUDGE WORKS

35, Deshbandhu Chittaranjan Road, Budge Budge
24, Parganas (South), Kolkata -700137

REGISTRAR & SHARE TRANSFER AGENT

C B Management Services (P) Limited
P-22, Bondel Road, Kolkata 700 019
Phone No. 40116700/11/18/23, 2280-6692/93/94,
Fax : 033 4011-6739, E-mail : rta@cbmsl.com

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INDIA CARBON LIMITED

Regd. Office: Noonmati, Guwahati -781020, Assam

CIN: L23101AS1961PLC001173

Tel: (033)22487856/9; **Fax:** 91-33-2230-7507

Email: icl@indiacarbonltd.com • **Website:** www.indiacarbonltd.com

NOTICE

NOTICE is hereby given that Fifty-Seventh Annual General Meeting of the Members of INDIA CARBON LIMITED will be held on Friday, the 27th day of September, 2019, at 10 A.M. at the Registered Office of the Company situated at Noonmati, Guwahati - 781020, Assam to transact the following business:

1. Adoption of Financial Statements:

To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2019, the Profit & Loss Statement and Cash Flow Statement for the year ended 31st March, 2019 & notes on financial statements together with the Reports of the Board of Directors and Auditors thereon.

2. To declare dividend on the equity shares:

To declare dividend on the equity shares of the Company for the financial year ending 31st day of March, 2019 if any

3. Appointment of Mr. Gordon Kenneth McIntosh as a Director, liable to retire by rotation:

To appoint Mr. Gordon Kenneth McIntosh (DIN: 02244237), who retires by rotation and being eligible, offers himself for re-appointment.

4. Appointment of Mr. Tony William Grims as a Director, liable to retire by rotation:

To appoint Mr. Tony William Grims (DIN: 07590220), who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS:

5. Ratification of Remuneration of Cost Auditor:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to Section 148 and read with Section 141 of the Companies Act, 2013, M/s A S & Associates (Firm Regd. No-000523) Cost Accountants be and is hereby appointed as the Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for products(s) /services(s) for the year ending on 31st March, 2020, at a remuneration of Rs.27, 000/- plus applicable taxes and out of pocket expenses if any.

"FURTHER RESOLVED THAT Mr. Rakesh Himatsingka (DIN: 00632156) or Mr. Shaurya Veer Himatsingka (DIN: 01200202) be and are hereby severally authorized to sign and submit the necessary application and file forms and to do all such acts as may be necessary and also to issue a certified copy of the resolution to anyone concerned or interested in the matter."

6. Re-Appointment of Mr. Rakesh Himatsingka as Managing Director:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT subject to the provisions of Section 190, 196, 197, 198 and 203 read along with Schedule V and other applicable provisions and Rules, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof) and subject to necessary sanctions, consent and permission of appropriate authorities, if any and subject to further approval of the members of the Company at the ensuing General Meeting of the Company, approval of the Board of Directors of the Company be and is hereby accorded for re-appointment of Mr. Rakesh Himatsingka(DIN:00632156) as Managing Director of the Company for a period of 5(five) years from 1st December,

Notice (Contd.)

2019 to 30th November, 2024 on the terms and conditions as mentioned in the draft agreement placed before the meeting and initialed by a Director of the Company for the purpose of identification with authority to the Board of Directors of the Company to vary, alter or modify the terms of the appointment and remuneration as set out in the said draft agreement, with in the ceiling limit laid down in the applicable provisions and Schedule V of the Companies Act, 2013 as amended/revised/altere d/modified and/or any other statutory modification or re-enactment thereof and/or any guidelines relating to managerial remuneration as may be notified by the Central Government from time to time and as may be agreed by the Board of Directors of the Company and Mr. Rakesh Himatsingka(DIN:00632156), Managing Director, without any further approval of the members of the Company at a General Meeting.

RESOLVED FURTHER THAT any two Directors of the Company be and are hereby authorized to execute the Agreement with the Managing Director as may be approved by the Company at the General Meeting and the Common Seal of the Company be affixed thereon in presence of any two Directors and CFO/Company Secretary of the Company if any in accordance with the Article of Association of the Company.

RESOLVED FURTHER THAT any of the Directors of the Company be and are severally authorize to file prescribed forms and returns with the Registrar of the Companies/ Ministry of Corporate Affairs and to do all other Acts, thing and deeds as may be required for giving effect the above resolution.”

7. Re-Appointment of Mr. Shaurya Veer Himatsingka as Deputy Managing Director:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT subject to the provisions of Section 190, 196, 197, 198 and 203 read along with Schedule V and other applicable provisions and Rules, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof) and subject to necessary sanctions, consent and permission of appropriate authorities, if any and subject to further approval of the members of the Company at the ensuing General Meeting of the Company, approval of the Board of Directors of the Company be and is hereby accorded for re-appointment of Mr. Shaurya Veer Himatsingka(DIN:01200202) as Deputy Managing Director of the Company for a period of 5(five) year from 1st April, 2020 to 31st March, 2025 on the terms and conditions as mentioned in the draft agreement placed before the meeting and initialed by a Director of the Company for the purpose of identification with authority to the Board of Directors of the Company to vary, alter or modify the terms of the appointment and remuneration as set out in the said draft agreement, with in the ceiling limit laid down in the applicable provisions and Schedule V of the Companies Act, 2013 as amended/revised/altere d/modified and/or any other statutory modification or re-enactment thereof and/or any guidelines relating to managerial remuneration as may be notified by the Central Government from time to time and as may be agreed by the Board of Directors of the Company and Mr. Shaurya Veer Himatsingka(DIN:01200202), Deputy Managing Director, without any further approval of the members of the Company at a General Meeting.

RESOLVED FURTHER THAT any two Directors of the Company be and are hereby authorized to execute the Agreement with the Deputy Managing Director as approved by the Company at the General Meeting and the Common Seal of the Company be affixed thereon in presence of any two Directors and CFO/Company Secretary of the Company if any in accordance with the Article of Association of the Company.

RESOLVED FURTHER THAT any of the Directors of the Company be and are severally authorize to file prescribed forms and returns with the Registrar of the Companies/ Ministry of Corporate Affairs and to do all other Acts, thing and deeds as may be required for giving effect the above resolution.”

8. Re-Appointment of Shri Manoj Mohanka (DIN 00128593) as an Independent Director:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **Special Resolutions:**

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 15th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Shri Manoj Mohanka (DIN 00128593),

Notice (Contd.)

who was appointed as an Independent Director at the Fifty-Second Annual General Meeting of the Company and who holds office up to conclusion of the Fifty-Seventh Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing from the conclusion of the 57th Annual General Meeting of the Company held on the 27th day of September, 2019"

9. Re-Appointment of Shri Soumendra Mohan Basu (DIN 01125409) as an Independent Director:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **Special Resolutions:**

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 15th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Shri Soumendra Mohan Basu (DIN 01125409), who was appointed as an Independent Director at the Fifty-Second Annual General Meeting of the Company and who holds office up to conclusion of the Fifty-Seventh Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing from the conclusion of the 57th Annual General Meeting of the Company held on the 27th day of September, 2019"

10. Re-Appointment of Shri Hemant Kumar Khaitan (DIN 00220049) as an Independent Director:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **Special Resolutions:**

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 15th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Shri Hemant Kumar Khaitan (DIN 00220049), who was appointed as an Independent Director at the Fifty-Second Annual General Meeting of the Company and who holds office up to conclusion of the Fifty-Seventh Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing from the conclusion of the 57th Annual General Meeting of the Company held on the 27th day of September, 2019"

11. Re-Appointment of Shri Sunirmal Talukdar (DIN 00920608) as an Independent Director:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **Special Resolutions:**

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 15th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Shri Sunirmal Talukdar (DIN 00920608), who was appointed as an Additional Director by the Board w.e.f 12th day of November, 2014 and consequently appointed as an Independent Director at the Fifty-Third Annual General Meeting of the Company and who holds office up to the 11th day

Notice (Contd.)

of November, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years from 12th day of November, 2019 to 11th day of November, 2024"

12. Approval of Transactions under Section 185 of the Companies Act, 2013:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**:

"RESOLVED THAT subject to the provisions of Section 185, 186 and such other provisions, as may be applicable, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Members of the Company, be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any Director(s) or Key Managerial Personnel or Officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to make investments / acquisitions / give loan(s) / any other form of debt to any person(s) or other body corporate(s) and / or guarantee(s) / provide any security(ies) in connection with a loan/ any other form of debt to any other body corporate(s) or person(s) and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate(s) whether Indian or overseas, in which any Directors are directly or indirectly deemed to be interested, up to a sum not exceeding Rs. 200 crores at any point of time, in one or more tranches, in their absolute discretion as may be deem beneficial and in the interest of the Company".

Kolkata, 15th May, 2019
Registered Office:
Noonmati, Guwahati 781 020, Assam
CIN: L23101AS1961PLC001173
Email: icl@indiacarbonltd.com

By Order of the Board of Directors
Sd/-
Rakesh Himatsingka
(DIN: 00632156)
Chairman & Managing Director

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
2. Details under the provisions of SEBI Listing Regulation, 2015, in respect of Directors seeking appointment at the Annual General Meeting is contained at the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.
3. A MEMBER ENTITLED TO ATTEND AND VOTE ON A POLL AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY
4. Members are requested to bring their copy of Annual Report at the meeting.
5. Members / Proxies should fill the Attendance Slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September, 2019 to 27th September, 2019 (both days inclusive).

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8. The Company has appointed the following Registrar & Share Transfer Agent (RTA) to deal with both Physical and Demat shares.

C. B. Management Services (P) Limited
P-22, Bondel Road, Kolkata - 700 019
Phone No. 033 40116700, 40116711, 40116718, 40116723, 2280-6692/93/94
Fax No. : 033 4011 6739
E-mail: rta@cbmsl.com

Members are requested to send their queries relating to share transfer/transmission etc to the above address.

9. All documents referred to in the Notice and accompanying Explanatory Statement and copy of Audited Financial Statement and every other document required by law to be annexed or attached to the Financial Statements as per Section 136 of Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days in between 10am to 5pm except second and fourth Saturday of the month up to the date of the Annual General Meeting. This notice and the Annual Report will also be available on the Company's website www.indiacarbonltd.com
10. The Notice of the Annual General Meeting along with the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Members are requested in their own interest:
- To notify the Company / R & T agent about any change in address/name with correct pin code, mandate/ bank details and their e-mail id, etc with supporting documents.
 - To quote correct Folio No. / Client ID. No and DP ID. No. in all correspondence with the Company/ R & T agent to facilitate better service to the members
 - To dematerialize the Equity Shares of the Company held in physical mode.
12. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer agents by members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
13. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 dividend for the financial year ended 31.03.2012 and thereafter, which remain unclaimed or unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund established by the Central Government. Members who have not so far encashed their dividend warrant(s) are requested to seek issue of duplicate warrant(s), revalidation of the existing warrants to Company's Share Department at "Temple Chambers" 4th Floor, 6, Old Post office street, Kolkata - 700 001 immediately.
14. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Company's Registrar & Share Transfer agent
16. Members seeking any information with regard to Accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the Meeting.

Notice (Contd.)**17. PROCEDURE FOR VOTING THROUGH ELECTONIC MEANS**

I.	In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI listing Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 57th Annual General Meeting (AGM) of the Company by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL) which includes remote e-voting.	
II	The instructions for shareholders voting electronically are as under:	
(i)	The voting period begins on September 24, 2019 at 9.00 A.M. and ends on September, 26, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. September 20, 2019), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through polling paper shall be made available at the AGM on September 27, 2019 and the members as on "cut-off date" i.e. September 20, 2019, attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot paper/polling paper.	
(ii)	The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.	
(iii)	Click on "Shareholder" tab.	
(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 appearing on the enclosed Attendance Slip cum Electronic Voting Particulars 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. • 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
(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.	

Notice (Contd.)

(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 the relevant < India Carbon 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)	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.
(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 same 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)	<p>Note for Institutional Shareholders</p> <ul style="list-style-type: none"> • Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporate. • 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 they have to create a compliance user which 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
(xix)	In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.Evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or rta@cbmsl.com
III	Any person who acquires shares and became Member after dispatch of Notice of the AGM and holds shares as of the cut-off date of September 20, 2019 may obtain the sequence number for remote e-voting by sending a request to the Company's RTA at rta@cbmsl.com
IV	Mr. Anant Kashliwal, Practicing Chartered Accountant (Membership No-302972) of M/s. Anant Kashliwal & Co ; has been appointed as Scrutinizer to Scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner, whose email ID is kashliwalanant@yahoo.in/ report@aanantkashliwal.com
V	The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut- off date. In case of joint holders, only one of the joint holders may cast his vote.
VI	Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot paper. The Member who has already cast their vote by remote e-voting prior to the meeting and attending the meeting shall not be entitled to cast their vote again.
VII	The Results on the resolutions will be declared not later than the prescribed time limits from conclusion of the AGM. The declared results along with the Scrutinizer's Report will be available on the Company's website at icl@indiacarbonltd.com and on the website of CDSL at www.evotingindia.com and will also be forwarded to the Stock Exchange where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.

Notice (Contd.)**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO.5**

As per Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014 and any changes/ modifications in the Act, Rules, Circulars, Notifications thereafter the Audit Committee has made a recommendation to the Board for appointment of M/s A S & Associates (Firm Regd. No-000523), Cost Accountants as Cost Auditor of the Company for the financial year ending 31st March 2020 at a remuneration of Rs.27,000/- plus applicable taxes and out of pocket expenses if any. The Board based on the recommendation of the Audit Committee appointed M/s A S & Associates (Firm Regd. No-000523), Cost Accountants as Cost Auditor of the Company for the financial year ending 31st March 2020. As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration recommended by the Audit Committee which was considered and approved by the Board of Directors needs to be subsequently ratified by the shareholders.

Your Board proposes the resolution for approval of the Members as an Ordinary Resolution.

Memorandum of Interest:

None of the Directors of the Company and Key Managerial Personnel and their relatives are concerned or interested in the above resolution financial or otherwise.

ITEM NO. 6

The tenure of Mr. Rakesh Himatsingka as Managing Director came to an end on 30th November, 2019. Subject to the approval of Shareholders in the next Annual General Meeting, the Board of Directors, at its Meeting held on 15th day of May, 2019, approved the re-appointment of Mr. Rakesh Himatsingka as Managing Director of the Company for a period of 5 years w.e.f. 1st December, 2019 to 30th November, 2024. The Nomination and Remuneration Committee has recommended the re-appointment of the Managing Director. The terms and conditions of the re-appointment are set out in the Draft Agreement, the copy of which is available for inspection at the Registered Office of the Company.

Mr. Rakesh Himatsingka, aged about 68 years is a qualified Mechanical Engineer (BITS) and a Carbon Technologist. He is associated with the Company in various capacities since 1977 and has spearheaded the Company's growth as well as in-house R & D activities over the last 42 years. He has specialized knowledge in Company Management, Global Marketing, Project Co-ordination, Technology Transfer etc. Furthermore, he has served as the National President of The Confederation of Export Units and is a member of the Board of Governors of the Institute of Modern Management, Kolkata. He has also served on the Board of Directors of Morganite Electrical Carbon Ltd., UK, a subsidiary of Morgan Crucible Company plc, UK, from 1992 to 2003.

Deeply involved in social welfare, he is the Secretary General of the National Diabetics Association of India and also an active member of various Trusts such as the India Carbon Charitable Trust, Manav Kalyan Trust, Jan Seva Nidhi Trust, Shree Shyam Seva Nidhi Trust and the Ramakrishna Vivekananda Mission.

Material terms and conditions of the draft agreement are as follows:-

1. TERM

The remuneration and other terms and conditions will be effective from 1st December, 2019 to 30th November, 2024.

2. SALARY

Rs. 2,45,000/- (Rupees Two Lakh Forty Five Thousand Only) per month, with an increment of Rs. 20,000/- (Rupees Twenty Thousand Only) each year on 1st December for the first two year and Rs.25,000/- (Rupees Twenty Five Thousand) for the rest of the 3(Three) year. Dearness Allowance, if any, payable by the Company will be treated as part of the Salary.

3. COMMISSION

Five percent of the net profits of the Company, determined in accordance with relevant provisions of the Companies Act, 2013 inclusive of monthly remuneration/Salary.

4. PERQUISITES

In addition to salary, the Managing Director will also be entitled to the following perquisites, benefits and allowances:

Notice (Contd.)

(i) Housing:

The expenditure incurred by the Company on hiring furnished residential accommodation for the Managing Director will be subject to the following ceiling:

- a) Sixty percent of the Salary, over and above ten percent payable by the Managing Director.
- b) In case the Company owns the accommodation, ten percent of the Salary of the Managing Director shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.

(ii) Gas, Water & Electricity Allowance:

10% of the salary per year

(iii) Furnishing Allowance:

One month's salary per year

(iv) Re-imburement of House Maintenance Expenses :

One month's salary per year

(v) Medical Re-imburement :

Re-imburement of medical expenses incurred for self and family, subject to a ceiling of one month's salary in a year or three months' salary over a period of five year.

(vi) Leave Travel :

Leave travel allowance for self and family once in a year as per rules of the Company.

(vii) Use of Car on Company's business and telephone/fax at residence :

Personal long distance calls on telephone/fax and use of Company's car for personal purpose will be billed by the Company to the Managing Director.

(viii) Club Fees:

Fees of clubs, subject to a maximum of two club. This will not include admission and life membership fees.

(ix) Special Allowances:

Fees of Chamber/s of Commerce and/ or Entrepreneurs Organisation/s and/or Business & Trade Bodies and/or Business Clubs and/or other bodies of similar nature whether national or international, subject to a maximum two such bodies. This will include admission and life membership fees and related travelling expenses and other incidental expenses for attending the conferences, seminars, etc. anywhere in the World.

(x) Mediclaim Insurance:

Mediclaim Insurance covers for self and family. The premium shall not exceed Rs. 50,000/- Per annum.

(xi) Personal Accident Insurance :

Personal Accident Insurance Premium not exceeding Rs. 50,000/- per annum

(xii) Leave:

One month's leave on full pay and allowance for every eleven months' service.

(xiii) The Managing Director will also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration, as specified below:

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service in addition to the gratuity already accrued for every completed year of continuous past service with the Company.
- (c) Encashment of leave at the end of the tenure.

Notice (Contd.)

- (xiv) Where the Company has profit in a financial year, the remuneration payable to the Managing Director by way of salary, dearness allowance, if any, commission, perquisites and other allowances shall be subject to the provisions of Companies Act, 2013 and Schedule V thereto.

5. MINIMUM REMUNERATION

Wherein any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Managing Director shall be entitled to remuneration by way of salary, dearness allowance, perquisites, benefits and allowances specified above as Minimum Remuneration, not exceeding the ceiling limit linked with "Effective Capital" of the Company as specified in Schedule V to the Companies Act, 2013.

6. OTHER TERMS:

- (i) The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof from the date of his re-appointment and he will not be subject to retirement by rotation.
- (ii) The Company shall reimburse the Managing Director:
- (a) entertainment expenses incurred by him for the business of the Company.
 - (b) travelling expenses and all other incidental expenses for him as well as one attendant of him for the purpose of the business of the Company.
 - (c) The above reimbursement shall not be considered as perquisite to the Managing Director but will be wholly and exclusively for the business purpose of the Company.
- (iii) The Managing Director shall not become interested or otherwise concerned directly or indirectly, in any Selling Agency of the Company without the prior approval of the Central Government or any other Authority as may be applicable if any.
- (iv) The Board of Directors of the Company is authorized and empowered to vary, alter or modify the terms and conditions of the agreement within the maximum remuneration payable in accordance with the applicable provisions and Schedule V of the Companies Act, 2013, including any other statutory modifications, substitutions or re-enactment thereof, without any further approval of the Company in a General Meeting.

Your Board proposes the resolution for approval of the Members as ordinary Resolution.

Memorandum of Interest:

None of the Directors of the Company except Mr. Rakesh Himatsingka, and Mr. Shaurya Veer Himatsingka, is concerned or interested in the above resolution.

ITEM NO. 7

The tenure of Mr. Shaurya Veer Himatsingka as Deputy Managing Director came to an end on 31st March, 2020. Subject to the approval of Shareholders at the ensuing Annual General Meeting, the Board of Directors, at its Meeting held on 15th May, 2019, approved the re-appointment of Mr. Shaurya Veer Himatsingka as Deputy Managing Director of the Company for a period of 5 years from 1st April, 2020 to 31st March, 2025. The Nomination and Remuneration Committee had recommended the re-appointment of the Deputy Managing Director. The terms and conditions of the re-appointment are set out in the Draft Agreement, the copy of which is available for inspection at the Registered Office of the Company.

Mr. Shaurya Veer Himatsingka aged about 37 years, has done his Masters in Business Administration mainly concentrating in Finance, Strategy, Operation and Management and Marketing from Carnegie Mellon University, Tepper School of Business from Pittsburgh, PA, United States of America.

Material terms and conditions of the draft agreement are as follows:-

1. TERM

The remuneration and other terms and conditions will be effective from 1st April, 2020 to 31st March, 2025.

2. SALARY

Rs. 2,30,000/- (Rupees Two Lakh Thirty Thousand Only) per month, with an increment of Rs. 20,000/- (Rupees Twenty Thousand Only) each year on 1st April for the first two year and Rs.25,000/- (Twenty Five Thousand) for the rest of 3(Three) year. Dearness Allowance, if any, payable by the Company will be treated as part of the salary.

Notice (Contd.)

3. COMMISSION

Five percent of the net profits of the Company, determined in accordance with relevant provisions of the Companies Act, 2013 inclusive of monthly remuneration/Salary.

4. PERQUISITES

In addition to salary, the Deputy Managing Director will also be entitled to the following perquisites, benefits and allowances:

(i) **Housing:**

The expenditure incurred by the Company on hiring furnished residential accommodation for the Deputy Managing Director will be subject to the following ceiling:

- a) Sixty percent of the Salary, over and above ten percent payable by the Deputy Managing Director.
- b) In case the Company owns the accommodation, ten percent of the Salary of the Deputy Managing Director shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, the Deputy Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.

(ii) **Gas, Water & Electricity Allowance:**

10% of the salary per year

(iii) **Furnishing Allowance:**

One month's salary per year

(iv) **Re-imbursment of House Maintenance Expenses :**

One month's salary per year

(v) **Medical Re-imbursment :**

Re-imbursment of medical expenses incurred for self and family, subject to a ceiling of one month's salary in a year or three months' salary over a period of five year.

(vi) **Leave Travel :**

Leave travel allowance for self and family once in a year as per rules of the Company.

(vii) **Use of Car on Company's business and telephone/fax at residence :**

Personal long distance calls on telephone/fax and use of Company's car for personal purpose will be billed by the Company to the Deputy Managing Director.

(viii) **Club Fees:**

Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

(ix) **Special Allowances:**

Fees of Chamber/s of Commerce and/ or Entrepreneurs Organisation/s and/or Business & Trade Bodies and/or Business Clubs and/or other bodies of similar nature whether national or international, subject to a maximum two such bodies. This will include admission and life membership fees and related travelling expenses and other incidental expenses for attending the conferences, seminars, etc. anywhere in the World.

(x) **Mediclaime Insurance:**

Mediclaime Insurance covers for self and family. The premium shall not exceed Rs. 50,000/- Per annum.

(xi) **Personal Accident Insurance :**

Personal Accident Insurance Premium not exceeding Rs. 50,000/- per annum

(xii) **Leave:**

One month's leave on full pay and allowance for every eleven months' service.

(xiii) **The Deputy Managing Director will also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration, as specified below:**

Notice (Contd.)

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, Family Pension Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
 - (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service in addition to the gratuity already accrued for every completed year of continuous past service with the Company.
 - (c) Encashment of leave at the end of the tenure.
- (xiv) Where the Company has profit in a financial year, the remuneration payable to the Deputy Managing Director by way of salary, dearness allowance, if any, commission, perquisites and other allowances shall be subject to the provisions of Companies Act, 2013 and Schedule V thereto.

5. MINIMUM REMUNERATION

Wherein any financial year during the currency of tenure of the Deputy Managing Director, the Company has no profits or its profits are inadequate, the Deputy Managing Director shall be entitled to remuneration by way of salary, dearness allowance, perquisites, benefits and allowances specified above as Minimum Remuneration, not exceeding the ceiling limit linked with "Effective Capital" of the Company as specified in Schedule V to the Companies Act, 2013.

6. OTHER TERMS:

- (i) The Deputy Managing Director from the date of his re-appointment will not be subject to retirement by rotation.
- (ii) The Company shall reimburse the Deputy Managing Director:
 - (a) entertainment expenses incurred by him for the business of the Company.
 - (b) travelling expenses and all other incidental expenses for him as well as one attendant of him for the purpose of the business of the Company.
 - (c) The above reimbursement shall not be considered as perquisite to the Deputy Managing Director but will be wholly and exclusively for the business purpose of the Company.
- (iii) The Deputy Managing Director shall not become interested or otherwise concerned directly or indirectly, in any Selling Agency of the Company without the prior approval of the Central Government or other authority as may be applicable if any.
- (iv) The Board of Directors of the Company is authorized and empowered to vary, alter or modify the terms and conditions of the agreement within the maximum remuneration payable in accordance with the applicable provisions and Schedule V of the Companies Act, 2013, including any other statutory modifications, substitutions or re-enactment thereof, without any further approval of the Company in a General Meeting.

Memorandum of Interest:

None of the Directors of the Company except Mr. Rakesh Himatsingka, and Mr. Shaurya Veer Himatsingka, is concerned or interested in the above resolution.

Information required under Clause (iv) of proviso to paragraph (B) of Section II of Part II of Schedule V to the Companies Act, 2013 for item Nos. 6 and 7.

General Information:

1. Nature of Industry: The Company is primarily engaged in the manufacture and sale of Calcined Petroleum Coke, Electrode Carbon Paste and Thermal Carbon (Tamping) Paste.
2. Date of commencement of commercial production: 15th November, 1962.
3. In case of new Companies, expected date of commencement of activities: Not Applicable
4. Financial performance based on given indicators: Key financials for last three years are as given below:

Notice (Contd.)

In Rs.

Particulars	2018-2019	2017-2018	2016-2017
Gross Turnover	471,65,01,255	3429525229	1,42,28,88,205
Other Income	24,11,49,116	93343475	23,00,28,028
Profit Before Tax	197,24,77,534	1024065459	2,30,82,5315
Profit After Tax	153,71,27,072	193126011	18,81,09,900
Paid up Equity Share Capital	2,65,00,000	2,65,00,000	2,65,00,000
Preference Share Capital	Nil	Nil	Nil
Reserves and Surplus	27,77,63,2661	1553483132	50,32,42,925
Earnings Per Share	580	299	70.95
Equity Dividend	7,95,00,000 (Proposed)	3,97,50,000	66,25,000
Dividend on Preference Shares	NA	NA	Rs.68,030/- paid on proportionate basis at the time of redemption

- Export Performance and net Foreign Exchange Collaborations: During the year the Company has made export valued Rs.20,33,735/-
- Foreign Investors or collaborators: The Company, since inception, has been in Technical & Financial Collaboration with Oxbow Calcining LLC (formerly Great Lakes Carbon LLC) USA -World Leaders in the Calcined Petroleum Coke field. Oxbow Calcining LLC is holding 30.66% of the paid up equity capital of the Company.

II. Information about the Appointees:**A. Mr. Rakesh Himatsingka****1. Background Details:**

Mr. Rakesh Himatsingka currently serving as Chairman & Managing Director of India Carbon Limited has been the Managing Director of the Company since May, 1996 and then took over as Chairman in 1999. He completed his Mechanical Engineering from Birla Institute of Technology and Science (BITS), Pilani. He is also Chairman of Assam Carbon Products Ltd and has over 46 years of industry experience. Furthermore, he has served as the National President of The Confederation of Export Units and is a member of the Board of Governors of the Institute of Modern Management, Kolkata. He has also served on the Board of Directors of Morganite Electrical Carbon Ltd., UK, a subsidiary of Morgan Crucible Company plc, UK, from 1992 to 2003. Deeply involved in social welfare, he is the Secretary General of the National Diabetics Association of India and also an active member of various Public Trusts such as the India Carbon Charitable Trust, Manav Kalyan Trust, Raghummull Charity Trust, Jan Seva Nidhi Trust and the Ramkrishna Vivekananda Mission.

- Past remuneration: Remuneration of Mr. Rakesh Himatsingka for the financial year 2017-2018 was Rs. 5,17,83,481/-.
- Recognition or awards/job profile and his suitability: Please see (1) above.
- Remuneration proposed: The remuneration proposed to Mr. Rakesh Himatsingka is set out in the Notice read along with Item No. 6 of the Explanatory Statement.
- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: The remuneration proposed for Mr. Rakesh Himatsingka is reasonably in line with the remuneration in similar sized companies in the same segment of business.
- Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any: Mr. Rakesh Himatsingka does not have any pecuniary relationship, directly or indirectly, with the Company and its managerial personnel that may have potential conflict with the interest of the Company at large. However it is disclosed that Mr. Shaurya Veer Himatsingka, son of Mr. Rakesh Himatsingka is the Deputy Managing Director of the Company.

Notice (Contd.)**B. Mr. Shaurya Veer Himatsingka****1. Background Details:**

Mr. Shaurya Veer Himatsingka aged about 37 years, has done his Masters in Business Administration mainly concentrating in Finance, Strategy, Operation and Management and Marketing from Carnegie Mellon University, Tepper School of Business from Pittsburgh, PA, United States of America.

Mr. Shaurya Veer Himatsingka has been actively involved in the affairs of the Company since April, 2006 and was appointed as Whole Time Director w.e.f. 04.03.2007. He was elevated to the position of Deputy Managing Director w.e.f. 01.04.2011.

2. Past remuneration: Remuneration of Mr. Shaurya Veer Himatsingka for the financial year 2017-2018 was Rs. 5,17,83,481/-.
3. Recognition or awards/job profile and his suitability: Please see (1) above.
4. Remuneration proposed: The remuneration proposed to Mr. Shaurya Veer Himatsingka is set out in the Notice read along with Item No. 7 of the Explanatory Statement.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: The remuneration proposed for Mr. Shaurya Veer Himatsingka is reasonably in line with the remuneration in similar sized companies in the same segment of business.
6. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any: Mr. Shaurya Veer Himatsingka does not have any pecuniary relationship, directly or indirectly, with the Company and its managerial personnel that may have potential conflict with the interest of the Company at large. However it is disclosed that Mr. Rakesh Himatsingka, father of Mr. Shaurya Veer Himatsingka is the Chairman and Managing Director of the Company.

III. Disclosures:

The required disclosures as to remuneration package, etc. have been appropriately provided in the notice read along with the Explanatory Statement to item no.6 and 7.

The Agreements referred to in the Resolution No. 6 and 7 will be available for inspection at the Registered Office of the Company at Noonmati, Guwahati, Assam on any working day up to the date of the Annual general Meeting between 10.00 A.M. to 12.00 Noon and will also be available at the meeting.

Memorandum of Interest:

None of the Directors of the Company except Mr. Rakesh Himatsingka, and Mr. Shaurya Veer Himatsingka, is concerned or interested in the above resolution.

1. Mr. Shaurya Veer Himatsingka as relative of Mr. Rakesh Himatsingka may be deemed to be concerned or interested in the Special Resolution at Item no. 6.
2. Mr. Rakesh Himatsingka as relative of Mr. Shaurya Veer Himatsingka may be deemed to be concerned or interested in the Special Resolution at Item no. 7.

ITEM NO. 8

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Shri Manoj Mohanka (DIN 00128593) as Independent Director, for a second term of five years with effect from the conclusion of the 57th Annual General Meeting held on the 27th September, 2019, not liable to retire by rotation. Shri Manoj Mohanka (DIN 00128593) was appointed as Independent Director at the Fifty- Second Annual General Meeting ("AGM") of the Company and holds office up to the conclusion of the 57th Annual General Meeting.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Shri Manoj Mohanka (DIN 00128593) would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed

Notice (Contd.)

that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day till the conclusion of the 57th AGM.

Shri Manoj Mohanka was the Director of Television Eighteen India Limited (CNBC News channel) and specializes in the areas of Finance and Strategic Planning and enjoys special expertise in fund raising. He has held various positions in industry forums, such as President, Calcutta Chamber of Commerce, Co-Chairman, Economic Affairs Committee of FICCI (ER), Committee Member, Indo-Italian Chamber of Commerce, Board of Governors, Eastern Institute of Management, Chairman, Young Presidents Organization, Kolkata etc.

Further details and current directorships have been given in the Annexure to this Notice. In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Shri Manoj Mohanka as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 8 of this Notice for approval of the Members.

Except Shri Manoj Mohanka, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 8 of the Notice.

ITEM NO: 9

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Shri Soumendra Mohan Basu (DIN 01125409) as Independent Director, for a second term of five years with effect from the conclusion of the 57th Annual General Meeting held on the 27th September, 2019, not liable to retire by rotation. Shri Soumendra Mohan Basu (DIN 01125409) was appointed as Independent Director at the Fifty- Second Annual General Meeting ("AGM") of the Company and holds office up to the conclusion of the 57th Annual General Meeting.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Shri Soumendra Mohan Basu (DIN 01125409) would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day till the conclusion of the 57th AGM.

Shri Soumendra Mohan Basu, was past Executive Chairman of Manpower-India. Manpower Inc., a Fortune 500 Company, is a global leader in HR and Staffing Solutions. Prior to joining Manpower, he worked with three premier Banking Institutions namely State Bank of India, ANZ Grindlays and Standard Chartered Bank during a career spanning thirty-three years. Following the acquisition of ANZ Grindlays by Standard Chartered Bank in 2000, Shri Soumendra became Chief Operating Officer-India Region. He served as Director of both Scope International (wholly owned subsidiary of Standard Chartered Bank) and Standard Chartered Finance Ltd. In 2003, Mr. Basu moved to Singapore where he was in a global role with the Wholesale Bank of Standard Chartered, managing the Credit Risk Control function and the Basel Programme. Now Shri Soumendra Mohan Basu is an independent consultant in the areas of organization, human resources and corporate affairs.

Further details and current directorships have been given in the Annexure to this Notice. In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Shri Soumendra Mohan Basu (DIN 01125409) as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

Notice (Contd.)

The Board recommends the Special Resolution at Item No. 9 of this Notice for approval of the Members.

Except Shri Soumendra Mohan Basu (DIN 01125409), none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 9 of the Notice.

ITEM NO: 10

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Shri Hemant Kumar Khaitan (DIN 00220049) as Independent Director, for a second term of five years with effect from the conclusion of the 57th Annual General Meeting held on the 27th September, 2019, not liable to retire by rotation. Shri Hemant Kumar Khaitan (DIN 00220049) was appointed as Independent Director at the Fifty- Second Annual General Meeting ("AGM") of the Company and holds office up to the conclusion of the 57th Annual General Meeting.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Shri Hemant Kumar Khaitan (DIN 00220049) would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day till the conclusion of the 57th AGM.

At present, Shri Hemant Kumar Khaitan (DIN 00220049) is also working as Managing Director of Steel Products Ltd and has the benefit of over 42 years of industry experience. Mr. Khaitan has also had numerous experiences in international markets such as Saudi Arabia, Malaysia, Indonesia, Sri Lanka and Bangladesh.

Further details and current directorships have been given in the Annexure to this Notice. In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Shri Hemant Kumar Khaitan (DIN 00220049) as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 10 of this Notice for approval of the Members.

Except Shri Hemant Kumar Khaitan (DIN 00220049), none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 10 of the Notice.

ITEM NO: 11

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Shri Sunirmal Talukdar (DIN 00920608) as Independent Director, for a second term of five years with effect from 12th day of November, 2019 to 11th day of November, 2024, not liable to retire by rotation. Shri Sunirmal Talukdar (DIN 00920608) was appointed as Independent Director at the Fifty- Third Annual General Meeting ("AGM") of the Company and holds office up 11th day of November, 2019.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Shri Sunirmal Talukdar (DIN 00920608) would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment

Notice (Contd.)

shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day till the conclusion of the 57th AGM.

Mr. Sunirmal Talukdar is a Chartered Accountant from ICAI and B.Sc. (Bachelor of Science) from St. Xavier's College, Calcutta University. He retired as Group Executive President and Chief Financial Officer of M/s. Hindalco Industries Ltd. in 2012. The flagship company of the Aditya Birla Group, Hindalco - a Fortune 500 company - is the world's largest aluminums rolling company and one of the biggest producers of primary aluminum and copper in Asia. Mr. Talukdar has specialization and comprehensive experience in various areas such as Strategic & Tactical Planning, Mergers & Acquisitions, Corporate Governance, Project Evaluation & Financing, Equity & Debt Syndication, Internal Control/Audit Compliance, Direct, Indirect & International Taxation, Organizational Restructuring etc. He also serves on the Board of several Companies.

Further details and current directorships have been given in the Annexure to this Notice. In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Talukdar as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 11 of this Notice for approval of the Members.

Except Mr. Talukdar, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 11 of the Notice.

ITEM NO: 12

The shareholders had vide resolution passed at the Annual General Meeting of the Company dated 18th September, 2018 consented and authorised the Board of Directors to make investments / acquisitions / give loan(s) / any other form of debt to any person(s) or other body corporate(s) and / or guarantee(s) / provide any security(ies) in connection with a loan/any other form of debt to any other body corporate(s) or person(s) and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate(s) whether Indian or overseas, in excess of limits prescribed under Section 186 of the Companies Act, 2013 viz., 60% of the paid-up share capital, free reserves and securities premium of the Company or 100% of free reserves and securities premium of the Company, whichever is more or up to Rs.200 crore, whichever is higher. The Board of Directors has been careful in acting upon the delegations by the shareholders including limits and regularly monitoring the same through proper review mechanisms.

The Company is expected to render support for the business requirements of other companies in or outside its group, from time to time, in which the Directors are directly or indirectly interested. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in or outside its group, in which the Directors are directly or indirectly interested.

In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in which the Directors are directly or indirectly interested under section 185 of the Companies Act, 2013 or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that the Board of Directors would judiciously evaluate proposals and provide such loan(s), guarantee(s) or security proposals through deployment of funds out of internal resources / accruals and /or any other appropriate sources, from time to time, only for principal business activities of the entities, in which the Directors are directly or indirectly interested, pursuant to provisions of Section 185 of the Companies Act, 2013.

In order to enable the Company to advance any loan(s), guarantee(s) or security proposals to its Subsidiaries/ Joint Ventures /associates/ any other Companies/ Firms / body corporate(s) in which the Directors are directly or indirectly interested, pursuant to provisions of Section 185 of the Companies Act, 2013, requires approval of its members by way of a Special Resolution.

The Board of Directors recommends the Special Resolution, as set out at Item No.12 of the Notice, for approval by the Members.

None of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 12 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

Notice (Contd.)**BRIEF PARTICULARS OF DIRECTORS PROPOSED FOR APPOINTMENT/ REAPPOINTMENT**

The details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

Name of the Director	Mr. Rakesh Himatsingka (DIN: 00632156)	Mr. Shaurya Veer Himatsingka (DIN: 01200202)	Mr. Hemant Kumar Khaitan (DIN: 00220049)
Date of Birth	4 th November, 1951	27 th April, 1982	19 th January, 1954
Date of Appointment	14.10.1977	01.02.2007	15.07.1996
Expertise in specific functional areas	Carbon Technologist	Finance	Management
Qualifications	B.E. (Hons.), Mechanical	Master's in Business Administration from Tepper School of Business at Carnegie Mellon University Pittsburgh Pennsylvania	B.Com (Hons.)
List of outside Directorship held	<ol style="list-style-type: none"> 1. Subarna Plantation & Trading Co Ltd 2. Assam Carbon Products Ltd 3. Khatu Investment & Trading Co Ltd 4. New Look Investment (Bengal) Ltd 5. Goneril Investment & Trading Co Ltd 6. Shree Shyam Orchid Estates Limited 7. Prabhushil Group Investment Limited 8. APL Holdings & Investments Ltd 	<ol style="list-style-type: none"> 1. Jyotsana Investment Co Ltd 2. Tower Investment & Trading Co Ltd 3. Fund-Flow Investment & Trading Co Ltd 4. Goneril Investment & Trading Co Ltd 5. Kallol Investments Ltd 6. Budge Budge Carbon Ltd 7. Assam Plywood Ltd 8. Exponentially I Mobility LLP 	<ol style="list-style-type: none"> 1. Steel Products Ltd. 2. Kanoria Chemicals & Industries Ltd. 3. Hind Galvanizing and Engineering Co. Ltd. 4. Kirtivardhan Finvest Services Limited
Chairman/Member of the Committee of other Companies in which he is a Director			
a. Audit Committee	Assam Carbon Products Ltd (M)	Nil	Steel Products Ltd Kanoria Chemicals & Industries Ltd(M)
b. Shareholders / Investor Grievance Committee	Assam Carbon Products Ltd (M)	Nil	Kanoria Chemicals & Industries Ltd (CM)
c. Remuneration Committee	Assam Carbon Products Ltd (M)	Nil	Kanoria Chemicals & Industries Ltd (CM)
Shareholding in the Company as on 31.03.19	10445	237431	Nil
Disclosure of relationship between Directors inter-se	Mr. Rakesh Himatsingka is the Father of Mr. Shaurya Veer Himatsingka	Mr. Shaurya Veer Himatsingka is the Son of Mr. Rakesh Himatsingka	None

Notice (Contd.)

Name of the Director	Mr. Tony William Grims (DIN: 07590220)	Mr. Gordon McIntosh (DIN: 02244237)	Mr. Manoj Mohanka (DIN: 00128593)
Date of Birth	29 th June, 1973	9 th , August, 1967	5 th March, 1963
Date of Appointment	11.11.2016	12.05.2009	29.06.2006
Expertise in specific functional areas	Accounting & Management	Marketing	Finance & Strategic Marketing
Qualifications	Bachelor's degree (4-year college degree) in Accounting from Lamar University in Texas.	B.A. Industrial Relations & Economics	B.Com (Hons.), Master's Degree from Michael Smurfit Graduate School of Business, Chevening Scholarship from London School of Economics.
List of outside Directorship held	Nil	Nil	1. Indian Terrain Fashions Limited 2. Titagarh Wagons Limited 3. Television Eighteen India Limited
Chairman/Member of the Committee of other Companies in which he is a Director			
a. Audit Committee	Nil	Nil	Titagarh Wagons Limited(M) Indian Terrain Fashions Limited(M) Titagarh Wagons Limited(CM)
b. Shareholders / Investor Grievance Committee	Nil	Nil	
c. Remuneration Committee	Nil	Nil	Titagarh Wagons Limited(M) Indian Terrain Fashions Limited(M)
Shareholding in the Company as on 31.03.19	Nil	Nil	Nil
Disclosure of relationship between Directors inter-se	None	None	None

Name of the Director	Mr. Soumendra Mohan Basu (DIN: 01125409)	Mr. Sunirmal Talukdar (DIN: 00920608)
Date of Birth	19 th November, 1949	6 th December, 1951
Date of Appointment	13.01.2009	12.11.2014
Expertise in specific functional areas	Organization, HR and Corporate Affairs	Finance & Strategic Marketing
Qualifications	B. A. (Hons.) in English from Presidency College	Chartered Accountant from ICAI and B.Sc. (Bachelor of Science) from St. Xavier's College, Calcutta University
List of outside Directorship held	1. Endurance Technologies Limited 2. The Peerless General Finance & Investment Co Ltd 3. Bengal Peerless Housing Development Company Ltd	1. Clariant Chemicals (India) Limited 2. Sasken Technologies Limited 3. Innvol Medical India Limited

Notice (Contd.)

Chairman/Member of the Committee of other Companies in which he is a Director		
a. Audit Committee	Endurance Technologies Limited (CM) Bengal Peerless Housing Development Company Ltd(M)	Clariant Chemicals India) Limited (CM)
b. Shareholders / Investor Grievance Committee	Nil	Clariant Chemicals India) Limited (CM)
c. Remuneration Committee	Bengal Peerless Housing Development Company Ltd(CM) Endurance Technologies Limited (CM)	Clariant Chemicals India) Limited (CM)
Shareholding in the Company as on 31.03.19	Nil	Nil
Disclosure of relationship between Directors inter-se	None	None

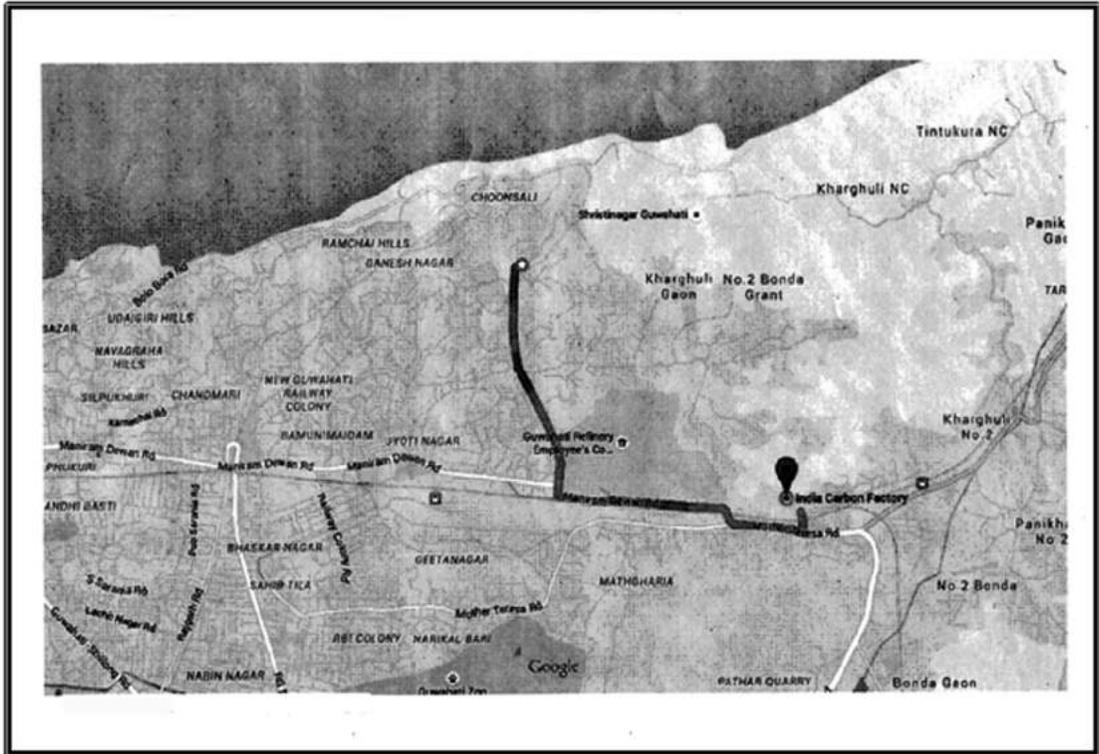
Note:

- CM –Chairman of the Committee.
- M – Member of the Committee.
- Directorship in Pvt. Ltd. Co.'s, Foreign Co.'s & Companies U/s 8 of the Companies Act, 2013 are excluded.

Chairmanship/Membership of the Audit Committee, Shareholders' Grievance Committee and Nomination & Remuneration Committee alone has been considered.

Notice (Contd.)

Route Map to the 57th Annual General Meeting of India Carbon Limited



REPORT OF THE DIRECTORS

To The Members,

Your Directors have pleasure in presenting the Fifty-Seventh Annual Report on the business and operations of the Company and Audited Statement of Accounts of the Company for the financial year ended 31st March, 2019 as follows:

1. FINANCIAL SUMMARY OF THE COMPANY

FINANCIAL RESULTS	YEAR ENDED 31.03.2019 (In ₹)	YEAR ENDED 31.03.2018 (In ₹)
Revenue from Operations	471,65,01,255	342,95,25,229
Other Income	24,11,49,116	9,33,43,475
TOTAL INCOME	495,76,50,371	352,28,68,704
TOTAL EXPENSES	298,51,72,836	249,88,03,245
Profit / (Loss) Before Tax	197,24,77,534	102,40,65,459
Less: Tax Expenses (including Deferred Tax)	43,53,50,462	23,09,39,448
Profit / (Loss) After Tax	153,71,27,072	79,31,26,011
Other Comprehensive Income, Net of Tax	(9,11,30,915)	7,87,63,984
Total Comprehensive Income for the year	144,59,96,157	87,18,89,995
Earnings (Loss) per equity share of Rs.10/- each	580	299.29

2. STATE OF COMPANY'S AFFAIRS

Your Directors are extremely pleased to inform the members that for the financial year ended 31.03.2019; your Company has earned its highest ever profit after Tax in the history of the Company, amounting to Rs.153.71 Crore, as against Rs.79.31 Crore in the previous financial year.

During the financial year ended 31.03.2019, your Company has achieved a gross revenue from operation amounting to Rs.471.65 Crore as against Rs.342.95 Crore in the last financial year, an increase of 37.52 % as compared to the previous financial year, which is also the highest ever.

Production of Calcined Petroleum Coke (CPC) during the year was 88,829MT as against 85,789MT in the previous year and Electrode Carbon Paste (ECP) production was 5,478MT as against 4,622MT in the previous year, an increase of 3.54% & 18.52% respectively.

Further, Sales of CPC for the year under review was 73,865 MT as against 82,470 MT in the previous year, a decrease of 10.43%. ECP sales were 5,449 MT as against 4,622 MT in the previous year, an increase of 17.89%.

During the year production of both CPC & ECP, which is the main constituent of your Company's turnover significantly increased as compared to the previous year, resulting in lower cost of production due to much better capacity utilization, as well as much improved prices. However the sales of CPC marginally decreased during the financial year 2018-19, as compared to previous financial year.

All of the above resulted in an excellent year for your Company, but regrettably slowdown started from end 2018 and has further intensified due to the very weak global economy as well as upcoming National Elections, resulting in severe fall in both demand but more so in prices.

3. FUTURE OUTLOOK

Your Directors would like to inform the members of the Company that despite of handsome amount of profit earned by your Company during the financial year under review; the business has started slowing down towards end of 2018 and it is only intensifying. The financial result of the Company during the last two quarter of the financial year 31.03.2019 has not been good as compared to the first two quarters. Moreover the Company has incurred a loss during the quarter ended 31.03.2019 amounting to Rs.6.54 Crore as against profit earned by the Company for the quarter ended 31.03.2018 amounting to Rs.42.46 Crore.

REPORT OF THE DIRECTORS (Contd.)

The Directors would also like to remind the members that during the winter of 2016-17, many a CPC producing plant in China were shut overnight by the government of that Country, due to environmental issue and consequently there was a huge shortage of CPC, as a result of which demand and price of CPC increased and our Company and other domestic players earned a handsome profit during this period.

However from early/mid 2018, the Chinese Government relaxed the ban also Chinese Calciners set up adequate environmental protection plants, as a result of which electrodes have becomes very aggressive to fill the gap between demand and supply of CPC in the market and have also started dumping materials. Accordingly the margins are getting reduced day by day and it is also apprehended that the margin will drop further in the coming days. Moreover due to intense competition, the smelters are also tightening the belt and thus our business is getting affected in an adverse way.

Despite the present market conditions, the Directors of the Company are optimistic about the business and are confident about the growth of the Company going forward.

4. COMPLIANCE WITH INDIAN ACCOUNTING STANDARD

The Company has complied with all relevant Provisions of Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended, while preparing the Financial Statements.

5. CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the Company during the F.Y. 2018-2019.

6. DIVIDEND

In view of ever highest profit earned in the history of the Company, your directors are pleased to recommend payment of dividend to the equity shareholders @300% i.e Rs.30/- per equity share of Rs.10/- each for the F.Y 2018-19 after payment of dividend distribution tax as may be applicable.

7. RESERVES

During the year no amount has been transferred to reserve.

8. CHANGE OF NAME

The Company has not changed its name during the financial year ended 31.03.2019.

9. CHANGES IN SHARE CAPITAL

There has been no change in equity share capital of the Company during the F.Y. 2018-2019.

10. DIRECTORS & KEY MANAGERIAL PERSON:**DIRECTORS**

Gordon Kenneth Mcintosh (DIN: 02244237) & Mr. Tony William Grims (DIN: 07590220) Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

During the year under review, Mr. Alvari Emilio Martinez (DIN: 08275425) has been appointed as Alternate Director to Mr. Gordon Kenneth Mcintosh(DIN:02244237) in place of Mr. Albert John Rolfe by the Board of Directors of the Company.

KEY MANGERIAL PERSONNEL

The following employees were designated as whole –time key managerial personnel by board of directors during the year 2018–2019, pursuant to section 203 of Companies Act 2013 and rules made thereon:

- Mr. Bhaskar Rakshit, an associate member of Institute of Company Secretaries of India as Company Secretary & Compliance Officer of the Company.
- Mr. Pankaj Kumar Misra as Chief Financial Officer of the Company

REPORT OF THE DIRECTORS (Contd.)**11. PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, apart from Managing Director and Deputy Managing Director none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

As per the provisions of Section 136 of this Act, this Annual Report and Accounts is being sent to each Member and others entitled thereto, excluding information on employee's particulars as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. This information is readily available for inspection by members at the Companies Registered office between 3 PM and 5 PM on all working days (excluding Saturday) up to the date of the forthcoming Annual General Meeting. Should any member be interested in obtaining a copy should write to the Company at the Company's registered office.

12. NUMBER OF BOARD MEETINGS

During the Financial Year 2018-19, four Board Meetings were held on 16th May, 2018, 30th Day of July, 2018, 5th Day of November, 2018 & 13th Day of February, 2019.

13. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of section 134 of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing obligation and disclosure requirement) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Relationship Committee.

According to the SEBI Listing Regulation, 2015 and as per provisions of Companies Act 2013 read with rules and schedule thereon, a meeting of the Independent Directors was held wherein the performance of non-independent directors, including chairman was evaluated and found satisfactory.

The nomination & remuneration committee is of the view that board is versatile and diversified and all members have vast exposures which enhances the integrity of the Company.

14. DECLARATION BY AN INDEPENDENT DIRECTOR(S)

The Independent directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 & SEBI (Listing obligation and disclosure requirement) Regulation, 2015. The Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 & SEBI (Listing obligation and disclosure requirement) Regulation, 2015 making them eligible to act as Independent Directors.

15. REMUNERATION POLICY

The Board has framed a policy on the recommendation of the Nomination & Remuneration Committee for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

16. MANAGERIAL REMUNERATION

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure - V and forms a part of the Board Report.

Further, apart from Managing Director and Deputy Managing Director none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. So statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith.

REPORT OF THE DIRECTORS (Contd.)**17. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES**

During the year under review the Company did not have any Joint Venture or Associate as defined by the Companies Act, 2013. However the Company has a subsidiary namely M/s. C & C Investment Ltd (CIN: U67120AS1976PLC001654) having extent of holding 99.9% in the equity shares of the Company. The details of the subsidiary (Form AOC-I) pursuant to Section 129(3) of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rule has been annexed herewith as Annexure - I and forms a part of the Directors Report.

The Company has also formulated a policy for determining 'Material' Subsidiaries. The Policy is stated in the Corporate Governance Report.

18. CONSOLIDATED FINANCIAL STATEMENT

The total Assets of the subsidiary Company namely M/s. C & C Investments Limited is negligible (0.0004%) as compared to the total assets of India Carbon Limited, the holding Company. In view of the above and also sever long term restriction on the transfer of funds, consolidation of Financial Statements have not been considered.

19. ISSUE OF EMPLOYEE STOCK OPTIONS

Your Company has not granted any stock option to its employee during the year as provided in the rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

20. STATUTORY AUDITORS & AUDITORS' REPORT

M/s. S. Samanta & Co., Chartered Accountants of Kolkata (Firm Registration No. 305020E) are the statutory auditors of the Company for the year ended March 31, 2019.

The report of the statutory Auditor for the year ended 31.03.2019, forming part of the Annual Report are self-explanatory in nature and do not call for any further comments.

21. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Rajat Kumar Jalan, Company Secretary in whole time practice to undertake the Secretarial Audit of the Company for the year ended 31.03.2020. The Report of the Secretarial Auditor for the financial year ended 31.03.2019 is enclosed in the report as Annexure –III are self-explanatory in nature and does not call for any further comments.

22. INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed M/s. J Kumar Jain & Associates, Chartered Accountants, to undertake the Internal Audit of the Company for the F.Y. 2019-2020. There stood no serious adverse finding & reporting by the Internal Auditor in his Internal Audit Report for the year ended 31st March 2019.

23. COST AUDITORS

M/s A S & Associates (Firm Regd. No-000523) Cost Accountants be and hereby appointed as the Cost Auditors of the company to conduct audit of cost accounting records maintained by the Company for Products(s) / Services(s) for the financial year ending on 31st March, 2020

The Board of Directors of your Company has appointed M/s A S & Associates (Firm Regd. No-000523) Cost Accountants, to conduct audit of your Company's cost records for the financial year 2019-20. The remuneration of Cost Auditor is subject to ratification by the shareholders at the ensuing Annual General Meeting. Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of Internal Financial Controls and their adequacy are included in the Management Discussion and Analysis Report.

REPORT OF THE DIRECTORS (Contd.)**25. RISK AND AREA OF CONCERN**

The Company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

26. VIGIL MECHANISM

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.indiacarbonltd.com>

27. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website <http://www.indiacarbonltd.com>. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity of the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

28. EXTRACT OF ANNUAL RETURN:

Companies Act, 2013 makes mandatory for every Company to prepare an extract in the format prescribed MGT 9. The details forming part of the extract of Annual Return as on 31st March 2019 is attached in Annexure - II.

29. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report

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

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

31. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Board has adopted the policy and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding the assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of the reliable financial data

32. DEPOSITS

The Company has not accepted any deposit as covered under Chapter V of Companies Act, 2013.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The details of all the related parties are part of this report and attached as Annexure IV.

REPORT OF THE DIRECTORS (Contd.)**34. CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the statutory auditor of the Company regarding compliance of conditions of corporate governance as stipulated in Schedule V of SEBI (Listing obligation and disclosure requirement) Regulation, 2015 is annexed with the report.

35. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms part of this Annual Report

36. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment at work place your Company has followed adequate policy for prevention of Sexual Harassment of Women at Workplace and has set up a committee for implementation of the said policy. During the year Company has not received any complaint of sexual harassment

37. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure VI of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at the <http://www.indiacarbonltd.com>.

38. HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in retention and development of talent on an ongoing basis.

39. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under

Conservation of Energy:

Steps taken for conservation	Constant efforts are on to conserve and reduce energy consumption. All over the energy saving bulbs are being replaced with LEDs and all other possible steps are being taken to reduce energy consumption wherever possible. Energy consumption for each activity are recorded by individual meters and monitored by daily recording of the actual consumption.
Steps taken for utilizing alternate sources of energy	Various studies have been made to examine usage of alternate energy source, but regrettably no workable alternate could be identified till date. Efforts are on and it is expected that the Company shall move in a small way with installation of solar light etc.
Capital investment on energy conservation equipments	N.A

a) Technology Absorption:

Efforts made for technology absorption	N/A
Benefits derived	N/A
Expenditure on Research & Development, if any	N/A
Details of technology imported, if any	N/A
Year of import	N/A
Whether imported technology fully absorbed	N/A
Areas where absorption of imported technology has not taken place, if any	N/A

REPORT OF THE DIRECTORS (Contd.)**b) Foreign Exchange Earnings/ Outgo:**

Earnings	₹ 8,63,647
Outgo	₹ 175,104,496

40. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit /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 the Companies Act 2013 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 have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

41. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of Companies Act, 2013, relevant amounts which remain unpaid or unclaimed for a period of Seven Years from the date of transfer to the unpaid dividend account have been transferred by your Company from time-to-time on due dates to the Investor education and protection funds(IEPF).

During the year under review your Company transferred an amount to Rs.1,61,298/- to the IEPF being the unclaimed dividend for the financial year ended 31.03.2011 and filed the necessary form with ROC during the financial year 2018-19.

42. LISTING OF SHARES AT THE STOCK EXCHANGES AND TRADEABILITY IN**DEMATERIALISATION FORM**

The Equity Shares of the Company continues to be listed with The Calcutta Stock Exchange Limited. The annual listing fees for the financial year 2018-19 have already been paid and shares are tradable in dematerialization form.

The Company is having connectivity with both the depositories, i.e., National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization of the Company's Equity shares on either of the Depositories as aforesaid. However, the members would still have the option to hold the Equity shares of the Company in physical form. The ISIN number allotted to the Company is INE 743B01015.

Presently, M/s. C B Management Services Pvt. Ltd is acting as Registrar and Share Transfer Agents of the Company, for shares under both physical and Demat form. Members are requested to send their communications/ correspondences/ queries regarding share matters at the following address:

C B Management Services (P) Limited

P-22, Bondel Road, Kolkata 700 019

Phone No. 40116700, 40116711, 40116718, 40116723, 2280-6692/93/94,

Fax No.: 033 2287 0263, E mail: rta@cbmsl.com

REPORT OF THE DIRECTORS (Contd.)**43. COMMITTEES**

With a view to have a more focused attention on business and for better governance and accountability, and in accordance with the Companies Act 2013, your Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The details of the committee with terms of reference along with composition and meeting held during the year are provided in the Report on Corporate Governance, a part of this Annual Report. In addition to that for better governance your Company has also constituted Share Transfer Committee and Risk Management Committee of the Board of Directors of the Company.

- AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Committee is governed by its terms of reference which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and disclosed in the Corporate Governance report.

Further the Board has recorded all the recommendations of the Audit Committee and accordingly has proceeded with their recommendations.

- NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to section 178 of Companies Act 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has formed a Nomination & Remuneration Committee. The details of terms and the details of meeting held during the year are disclosed in the Corporate Governance report.

The Nomination & Remuneration committee has framed remuneration policy as per section 178 (3) of Companies Act, 2013 and Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The summary of the Remuneration policy and appointment of directors and key managerial personnel is stated in the corporate governance report.

The details of criteria for performance evaluation as laid by Nomination & Remuneration committee are disclosed in the Corporate Governance report, which forms a part to the Annual report.

- STAKEHOLDER RELATIONSHIP COMMITTEE:

Pursuant to section 178(5) of Companies Act 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has formed a Stakeholder Relationship Committee. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

- SHARE TRANSFER COMMITTEE:

Your Company has formed a share transfer committee of the Board of Directors for facilitating smooth operation of the share transfer process of the Company. The details of terms and the details of meeting held during the year are disclosed in the Corporate Governance report, which forms a part to the Annual report.

REPORT OF THE DIRECTORS (Contd.)

• RISK MANAGEMENT COMMITTEE:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company has constituted a risk management committee. The details of the committee and its terms of reference and the policy framed by it are set out in the Corporate Governance report.

44. HEALTH AND SAFETY

Your Company is wholeheartedly committed to health and safety of its employees and all stakeholders. The Company in addition to normal medical checkup also arranges special medical test of its employees.

Safety measures have been designed and circulated at the plant site to the responsible person. Training is periodically given to employees to follow these safety measures. Senior persons have been deputed to enforce safety plans.

The Company has also taken group personal accident policy for its employees. The Company has on its rolls a well qualified full time officer to monitor, control, advice and implement its policy on health, safety and environment.

45. ENVIRONMENT

The Company has continued with its floriculture division and has identified a portion of land in Guwahati unit as green area. The Company has in place at both its Plants, State of the Art Pollution Control Systems which improves the emission norms further and enable a cleaner environment. The Company continuously strives on environmental management.

46. INDUSTRIAL RELATIONS

The relation of the Company with its employees and workers continued to be cordial and peaceful during the year under review. Your directors record their sincere appreciation to the employees & workers at large for their continued cooperation for maintaining harmonious industrial relation in and around the Plants.

47. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Your Company undertakes familiarization programme for its independent directors of the Company to familiarize themselves with the code of conduct and working of the Company. The details of terms are disclosed in the Corporate Governance report, which forms a part to the Annual report.

48. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year your Company has not given any guarantee, loan or made investment under the provisions of section 186 of the Companies Act, 2013.

49. CREDIT RATING

ICRA assigns "ICRA A-" ratings to the Bank facilities of India Carbon Limited.

50. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. The Directors and the designated employees have confirmed compliance with the Code.

51. DISCLOSURE REQUIREMENTS

In terms of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

- Details of the familiarization programme of the independent directors are available on the website of the Company (www.indiacarbonltd.com).

REPORT OF THE DIRECTORS *(Contd.)*

- Policy for determining material subsidiaries of the Company is available on the website of the Company (www.indiacarbonltd.com).
- Policy on dealing with related party transactions is available on the website of the Company (www.indiacarbonltd.com).
- Policy for Whistle Blower Policy to provide Vigil Mechanism is available at Companies website (www.indiacarbonltd.com).
- Remuneration policy of the nomination and remuneration committee is available on the website of the Company (www.indiacarbonltd.com).
- The Code of practices & procedures for fair disclosure of unpublished Price sensitive information Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the Company's website (www.indiacarbonltd.com).
- Policy framed for risk management have been uploaded on the Company's website(www.indiacarbonltd.com)
- Criteria for evaluation of independent Directors and Board are available on the Company's website (www.indiacarbonltd.com).
- Director performance evaluation policy is available on the Company's website (www.indiacarbonltd.com).

52. ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thanks the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)**Annexure-I**

Form AOC - I
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of
subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Name of the subsidiary: C & C Investments Limited (CIN: U67120AS1976PLC001654)
2. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period: NA
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:
NA
4. Share capital: Rs.75, 02,000/-
5. Reserves & surplus: Rs. (-) 13,186,942/-
6. Total assets: Rs.12,597/-
7. Total Liabilities: Rs.56, 97,539/-
8. Investments: NA
9. Turnover: Nil
10. Profit before taxation: Rs. (-) 649/-
11. Provision for taxation: NIL
12. Profit after taxation: Rs. (-) 649/-
13. Proposed Dividend: NIL
14. % of shareholding: 99.99

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B": Associates and Joint Ventures

During the F. Y 2018-19 the Company had no Associate Companies and Joint Ventures Pursuant to Section 129 (3) of the Companies Act, 2013

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)

Annexure - II

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

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L23101AS1961PLC001173
2.	Registration Date	12/06/1961
3.	Name of the Company	INDIA CARBON LIMITED
4.	Category/Sub-category of the Company	Company limited by Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	NOONMATI, GUWAHATI, ASSAM-781020
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	C B Management Services (P) Limited P-22, Bondel Road, Kolkata-700019 Phone: 40116700/11/18/23, 2280-6692/93/94 Fax: 033 4011 6739 Email : rta@cbmsl.com

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.	Calcined Petroleum Coke	NA	93.86
2.	Electrode Carbon Paste	NA	4.95
3.	Thermal Carbon(Tempering) Paste	NA	0.10
4.	Desiccated Petroleum Coke Powder	NA	1.09
5.	Raw Petroleum Coke	19109	00
6.	Others	NA	00

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
1	C & C INVESTMENT LIMITED	U67120AS1976PLC001654	SUBSIDIARY	99.99	2(87)

REPORT OF THE DIRECTORS (Contd.)

b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	177246	130956	308202	11.63	95441	98390	193831	7.31	-4.32
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	84722	0	84722	3.20	171884	0	171884	6.49	3.29
c) Others (specify)									
Non Resident Indians/OCB	6304	30	6334	0.24	5485	30	5515	0.21	-0.03
Foreign Nationals	-	-	-	-					
Clearing Members	-	-	-	-					
Trusts	133	-	133	0.01	133	0	133	0.01	0
Foreign Body Corporate	14517	797860	812377	30.66	14517	797860	812377	30.66	0.00
Investor Education & Protection Fund	76164	-	76164	2.87	84504	0	84504	3.19	0.31
Sub-total (B)(2):-	380879	1603012	1983891	74.86	1084847	899044	1983891	74.86	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	395499	1603607	1999106	75.44	1099467	899639	1999106	75.44	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-					
Grand Total (A+B+C)	639626	2010374	2650000	100.00	1750361	899639	2650000	100.00	0

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	ANITA HIMATSINGKA	209615	7.91%	0.00	209615	7.91%	0.00	No Change
2	SONAL H. MODI	36492	1.38%	0.00	36492	1.38%	0.00	No Change
3	SHAURYA VEER HIMATSINGKA	237439	8.96%	0.00	237431	8.96%	0.00	No Change
4	MAALIKA HIMATSINGKA	24975	0.94%	0.00	24975	0.94%	0.00	No Change
5	RAKESH HIMATSINGKA	10445	0.39%	0.00	10445	0.39%	0.00	No Change
6	RIDDHIMA SV HIMATSINGKA	92860	3.50%	0.00	92860	3.50%	0.00	No Change
7	SHREE SHYAM ORCHID ESTATES LTD	39076	1.47%	0.00	39076	1.47%	0.00	No Change

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding during 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	At the beginning of the year	650902	24.56%	650902	24.56%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	8	0	650894	24.56%
3	At the end of the year			650894	24.56%

REPORT OF THE DIRECTORS (Contd.)**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	OXBOW CALCINING LLC	812377	30.66	No Change	No Change	812377	30.66
2.	NABO BHARATI PROJECTS INDIA LTD.	162000	6.11	No Change	No Change	162000	6.11
3.	SUKANSUTI TEA COMPANY PVT. LTD.	142750	5.39	No Change	No Change	142750	5.39
4.	KAMRUP BUILDERS PVT. LTD.	131952	4.98	No Change	No Change	131952	4.98
5.	LUIT BUSINESS PVT. LTD.	118192	4.46	11920	0.45	118192	4.46
6.	MEGATECH HOSPITALS LTD.	106000	4.00	No Change	No Change	106000	4.00
7.	AMISHA HIMATSINGKA	43667	1.65	21500	0.81	22167	0.84
8.	DIPAKKUMAR GAURAVKUMAR	20900	0.79	No Change	No Change	20900	0.79
9.	MAHENDRA GIRDHARILAL	0	0	21500	0.81	21500	0.81
10	SPICEBULLS INVESTMENTS LIMITED	20109	0.76	11	0.05	20098	0.76

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAKESH HIMATSINGKA	10445	0.39	No change	No change	10445	0.39
2.	SHAURYA VEER HIMATSINGKA	237431	8.96	No change	No change	237431	8.96

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	46575878	581390346	-	627966224
ii) Interest due but not paid			-	0
iii) Interest accrued but not due	71502		-	71502
Total (i+ii+iii)	46647380	581390346	-	628037726
Change in Indebtedness during the financial year				
* Addition	0	0	-	
* Reduction	(33800551)	(443870263)	-	(477670814)
Net Change (increase)	(33800551)	(443870263)	-	(477670814)
Indebtedness at the end of the financial year				
i) Principal Amount	12775327	137520083	-	150295410
ii) Interest due but not paid			-	0
iii) Interest accrued but not due	464002		-	464002
Total (i+ii+iii)	13239329	137520083	-	150759412

REPORT OF THE DIRECTORS (Contd.)**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of MD	Name of DMD	Total Amount
		RAKESH HIMATSINGKA	SHAURYA VEER HIMATSINGKA	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,60,000/-	24,00,000/-	48,60,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	30,90,200/-	29,75,995/-	60,66,195/-
	(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, specify...	10,21,31,700/-	10,24,85,905/-	20,46,17,605/-
5	LESS: Refund of Excess remuneration paid	-	-	-
	Total (A)	10,76,81,900/-	10,78,61,900/-	21,55,43,800/-
	Ceiling as per the Act	10,76,81,900/-	10,78,61,900/-	21,55,43,800/-

B. Remuneration to other directors

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors						TOTAL AMOUNT
		HEMANT KUMAR KHAITAN	MANOJ MOHANKA	SUNIRMAL TALUKDAR	SOURMENDRA MOHAN BASU	SUSMITA GHOSE	SAMAR JHA	
1	Independent Directors							
	Fee for attending board committee meetings	2,35,000	1,65,000	2,00,000	2,15,000	1,05,000	100,000	10,20,000
	Commission	-	-	-	-	-	-	
	Others, please specify							
	Total (1)	2,35,000	1,65,000	2,00,000	2,15,000	1,05,000	100,000	10,20,000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	2,35,000	1,65,000	2,00,000	2,15,000	1,05,000	100,000	10,20,000
	Overall Ceiling as per the Act	Remuneration is within limits of provisions of law						

***Note:** In terms of the provisions of the Companies Act, 2013, the sitting fees payable to a director for attending meetings of Board or committees thereof, such sum as may be decided by the board thereof which shall not exceed one lakh rupees per board meeting or committee thereof. The remuneration paid to the directors is well within the said limit.

REPORT OF THE DIRECTORS (Contd.)**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(in ₹)

Sl. No.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		
		CS	CFO	TOTAL
1	Gross salary in ₹			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,90,318/-	7,89,600/-	13,79,918/-
	(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, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	5,90,318/-	7,89,600/-	13,79,918/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)

Annexure-III

Form No. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

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

To,
The Members,
India Carbon Limited,
Noonmati, Guwahati, Assam - 781020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INDIA CARBON LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the INDIA CARBON LIMITED'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by INDIA CARBON LIMITED ("the Company") for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (Listing Obligations And Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable as there was no reportable event;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not Applicable as there was no reportable event;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable as there was no reportable event;

REPORT OF THE DIRECTORS (Contd.)

- (g) 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; - Not Applicable as there was no reportable event;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable as there was no reportable event; and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as there was no reportable event;
- (vi) Other laws/acts/rules as may be applicable specifically to the company:
- (a) Payment of Bonus Act, 1965;
 - (b) Payment of Gratuity Act, 1972;
 - (c) Payment of Wages Act, 1936;
 - (d) Trade Unions Act, 1926;
 - (e) Workmen's Compensation Act, 1923;
 - (f) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
 - (g) Employees' State Insurance Act, 1948;
 - (h) Minimum Wages Act, 1948 and its Rules;
 - (i) The Factories Act, 1948 & its Rules;
 - (j) Pollution Control Board Clearance (Environment Protection) Act, 1986 and its Rules;
 - (k) Central Excise Act, 1944 and its Rules;
 - (l) Income Tax Act, 1961 and its Rules;
 - (m) Central Sales Tax Act, 1956 and its Rules;
 - (n) GST Act and its Rules;
 - (o) Profession Tax and its Rules;
 - (p) Shops and Establishments Act and its Rules;
 - (q) Industrial Disputes Act 1947 and its Rules;
 - (r) Contract Labor (Regulation and Abolition) Act, 1970.

I have also examined the required licenses specific to the company and found them duly up to date/applied for renewal.

I 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 Uniform Listing Agreement entered into by the Company with "The Calcutta Stock Exchange Limited";

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director.

REPORT OF THE DIRECTORS *(Contd.)*

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that Company has passed resolution pursuant to Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules made there under for obtaining the consent of the members of the Company for power accorded to the Board of Directors or any Committee of the Board by way of Special Resolution to borrow moneys not exceeding Rs. 200 Crores (Rupees Two Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company, in one or more tranches.

Place: Kolkata
Date: 15.05.2019

Signature:
Name of Company Secretary in practice / Firm:
Rajat Kumar Jalan (ACS / FCS No.:14895, C P No.:5705)
For, **R. K. Jain & Company**

REPORT OF THE DIRECTORS (Contd.)**Annexure - IV**

FORM NO. AOC - 2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies
(Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transaction entered into during the year ended March 31st, 2019 which was not at Arm Length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis for the year ended 31.03.2019 are as follows:

Name of the Related party & Nature of Contract	Nature of Relationship	Duration of Contract	Approval	Amount in Rs.
Assam Carbon Products Ltd	Mr. Rakesh Himatsingka; Managing Director is interested	April ,1st 2018- March ,31st 2019	Omnibus approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding Rs.5.00 Crore for the F.Y 2018-19	Sale of Goods Amounting of Rs.3,89,000/- Purchase of Stores amounting to ₹ 2,74,000/-
Mr. Rakesh Himatsingka Payment of Remuneration	Managing Director (Key Managerial Personnel)	1st December, 2016-30th November,2019	Agreement executed between the Company and Mr. Rakesh Himatsingka for appointment his as Managing Director for 3 Year	₹ 10,78,61,900/-
Mr. Shaurya Veer Himatsingka Payment of Remuneration	Managing Director (Key Managerial Personnel)	01st April,2017- 31st March, 2020	Agreement executed between the Company and Mr. Shaurya Veer Himatsingka for appointment his as Managing Director for 3 Year	₹ 10,78,61,900/-
Mr. Bhaskar Rakshit Payment of Remuneration	Company Secretary(Key Managerial Personnel)	NA	NA	₹ 5,90,318/-
Mr. Pankaj Kumar Mishra Payment of Remuneration	Chief Financial Officer(Key Managerial Personnel)	NA	NA	₹ 7,89,600/-
Manav Kalyan Trust	CSR Activities	NA	NA	₹ 20,00,000/-
India Carbon Charitable Trust	CSR Activities	NA	NA	₹ 10,00,000/-
C & C Investment Ltd Expenses for payment of Audit fees & Other Misc. Expenses	Subsidiary Company (Facility Expenses)	NA	NA	₹ 61,000/-

For & on behalf of the Board of Directors
Sd/-

Rakesh Himatsingka
(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)**Annexure-V****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i) The percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2018-19, ratio of remuneration of each Director to the median remuneration of each key managerial personnel(KMP) against the performance of the Company are as under:

SL. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for F.Y 2017-18 in ₹	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director to median remuneration of employees
1	Shri Rakesh Himatsingka (Managing Director)	₹ 10,78,61,900/-	108.29	440:1
2	Shri Shaurya veer Himatsingka (Deputy Managing Director)	₹ 10,78,61,900/-	108.29	440:1
3	Shri Pankaj Kumar Misra (Chief Financial Officer)	₹ 7,89,600/-	16.63	3.21:1
4	Shri. Bhaskar Rakshit (Company Secretary)	₹ 5,90,318/-	32.37	2.41:1

Note:

1. Calculation of median is taken on the figures as at the end of Financial Year.
2. No other Director other than Managing Director and Deputy Managing Director received any remuneration other than sitting fees during the Financial Year 2018-19.
 - i) The Median Remuneration of Employees as on March 31, 2019 was Rs. 2,45,278/- and as on March 31, 2018 was ₹ 2,60,781/-.
 - ii) The percentage increase in the median remuneration of employees was 29% during the financial year.
 - iii) There were 177 (One Hundred and Seventy Seven) permanent employees on the rolls of Company as on March 31, 2019;
 - iv) The Company has earned a profit after tax during the F.Y of ₹ 153,71,27,072/- as compared to the profit earned by the Company of ₹ 79,31,26,011/- in the last F.Y. The increase in median remuneration was 29%. The average increase in median remuneration was in line with the performance of the Company and partly on individual performance of the Company.
 - v) Average percentage increase made in the salaries employees other than the managerial personnel in the last financial year i.e. 2017-18 was 5 % whereas the average percentage increase made in the salaries of managerial personnel in the current financial year is 66.40%. Further there was no exceptional increase in the salary during the Financial Year ended 31.03.2019 as compared above.
 - vi) The Key parameters for the variable component of remuneration availed by the managing directors and Senior Management Personnel are based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration policy for directors and senior Management Personnel.
 - vii) It is hereby affirmed that the remuneration paid during the year ended 31st Day of March, 2019 is as per the Remuneration Policy of the Company.

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT

Annexure-VI

REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the Company's CSR policy including Overview of projects / programs undertaken :

The Company has framed Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014. It enumerates the list of activities for channelizing the amount of expenditure towards Corporate Social Responsibility by the Company.

CSR Committee has proposed to spend more than 2% of Company's average net profits made during the 3 immediately preceding financial years in India Carbon Charitable Trust established by the Company with a track record for more than one year, Manav Kalyan Trust with an established track record of more than 3 years, Indian Council of Child welfare with an established track record of more than 3 years, Tiljala Society for Human and Educational Development with an established track record of more than 3 years, Dakhin Kalikata Krira-O-Sanskriti Parishad Dakhin Kalikata Krira-O-Sanskriti Parishad, with an established track record of more than 3 years, Sava Entrust Equip Disciple Society with an established track record of more than 3 years, help Age India with an established track record of more than 3 years, Deepsikha Cancer Care foundation with an established track record of more than 3 years, Ramkrishna Vivekananda Mission with an established track record of more than 3 years, Hope Kolkata Foundation with an established track record of more than 3 years, Nagarik Swasthya Sangha with an established track record of more than 3 years, Acharya Pranavananda Seva Ashram with an established track record of more than 3 years and Vivekananda Vidyavikash Parishad with an established track record of more than 3 years.

The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at the web link www.indiacarbonltd.com

2. The composition of the CSR Committee is as under:

Name	Category	Position
Ms. Susmita Ghose	Non executive Independent Director	Chairman
Mr. Soumendra Mohan Basu	Non executive Independent Director	Member
Mr. Rakesh Himatsingka	Managing Director	Member
Mr. Shaurya Veer Himatsingka	Deputy Managing Director	Member

3. Average Net Profit of the Company during last 3 Financial Years: Rs.41, 75, 05,530/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):83, 50,111/-
5. Details of CSR spent during the financial year:
 - (a) Total amount spent for the year: Rs.1, 12, 02,500/-
 - (b) Amount unspent, if any: N.A

REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT (Contd.)

(c) Manner in which the amount spent during the financial year is detailed below:

Sl No.	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other 2. Specify the State and District where projects or program was under taken	Amount outlay (budget) project/ programs wise	Amount spent on the project or programs Subheads : 1. Direct expenditure on project or programme 2. Overheads.	Cumulative expenditure up to the reporting period	Amount spent direct/ through implementing agency
1.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹ 10.00 Lakh	₹ 10.00 Lakh by way of contribution/donation to India Carbon Charitable Trust	₹ 10.00 Lakh	Through implementing agency India Carbon Charitable Trust came into existence in the year 1975, eligible as per provisions of Companies Act, 2013
2.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹ 20.00 Lakh	₹ 20.00 Lakh by way of contribution/donation to Manav Kalyan Trust	₹ 20.00 Lakh	Through implementing agency Manav Kalyan Trust came into existence in the year 1975, eligible as per provisions of Companies Act, 2013
3.	Empowering women and Children	For Installation of deep tube well, distribution of Sanitary Napkin & Construction of Bathroom & Toilet	Guwahati, Assam	₹ 10.11 Lakh	₹ 10.11 Lakh by way of contribution/donation to Indian Council for Child Welfare	₹ 10.11 Lakh	Through implementing agency Indian Council for Child Welfare came into existence in the year 1968, eligible as per provisions of Companies Act, 2013
4.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹ 2.60 Lakh	₹ 2.60 Lakh by way of contribution/donation to Tiljala Society for Human and Educational Development	₹ 2.60 Lakh	Through implementing agency Tiljala Society for Human and Educational Development came into existence in the year 1987, eligible as per provisions of Companies Act, 2013
5.	Free eye operation Camp, Seva Solar Unit, Seva Vocational Training, Seva Child development programme & Construction of toilet	promoting health care and sanitation and employment enhancing vocation skills	Kolkata, West Bengal	₹ 5.60 Lakh	₹ 5.60 Lakh by way of contribution/donation to Dakhin Kalikata Kriya-O-Sanskriti Parishad	₹ 5.60 Lakh	Through implementing agency Dakhin Kalikata Kriya-O-Sanskriti Parishad came into existence in the year 1979, eligible as per provisions of Companies Act, 2013

REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT (Contd.)

6.	For purchasing 12 number of Computer	Promoting Education	Kolkata, West Bengal	₹ 3.72 Lakh	₹ 3.72 Lakh by way of contribution/donation to Save Entrust Equip Disciple Society	₹ 3.72 Lakh	Through implementing agency Save Entrust Equip Disciple Society came into existence in the year 2009, eligible as per provisions of Companies Act, 2013
7.	For organizing 2 number of Health Camp	Promoting health care including preventive health care	Kolkata, West Bengal	₹ 00.60 Lakh	₹ 00.60 Lakh by way of contribution/donation to Help Age India	₹ 00.60 Lakh	Through implementing agency Help Age India came into existence in the year 2009, eligible as per provisions of Companies Act, 2013
8.	For purchase of medicines for cancer patients	Promoting health care including preventive health care	Assam, Guwahati	₹ 4.99 Lakh	₹ 4.99 Lakh by way of contribution/donation to Deepsikha Cancer Care foundation	₹ 4.99 Lakh	Through implementing agency Deepsikha Cancer Care foundation came into existence in the year 2006, eligible as per provisions of Companies Act, 2013
9.	For constructing of class room	Promoting Education	West Bengal	₹ 5.00 Lakh	₹ 5.00 Lakh by way of contribution/donation to Ramkrishna Vivekananda Mission	₹ 5.00 Lakh	Through implementing agency Ramkrishna Vivekananda Mission came into existence in the year 1976, eligible as per provisions of Companies Act, 2013
10.	Setting up of Home at new premises with expansion of facilities	setting up homes and hostels for women and orphans	Kolkata, West Bengal	₹ 5.22 Lakh	₹ 5.22 Lakh by way of contribution/donation to Hope Kolkata Foundation	₹ 5.22 Lakh	Through implementing agency Hope Kolkata Foundation came into existence in the year 2009, eligible as per provisions of Companies Act, 2013
11	For purchasing of an eye operation machine	Promoting health care including preventive health care	Kolkata, West Bengal	₹ 1.00 Lakh	₹ 1.00 Lakh by way of contribution/donation to Nagarik Swasthya Sangha	₹ 1.00 Lakh	Through implementing agency Nagarik Swasthya Sangha came into existence in the year 1976, eligible as per provisions of Companies Act, 2013
12	For setting up a medicine shop	Promoting health care including preventive health care	West Bengal	₹ 3.00 Lakh	₹ 3.00 Lakh by way of contribution/donation to Acharya Pranavananda Seva Ashram	₹ 3.00 Lakh	Through implementing agency Acharya Pranavananda Seva Ashram came into existence in the year 2006, eligible as per provisions of Companies Act, 2013

REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD'S REPORT (Contd.)

13	For setting up 5 no of Toilet Block	Sanitation	West Bengal	₹ 25.00 Lakh	₹ 25.00 Lakh by way of contribution/donation to Vivekananda Vidyavikash Parishad	₹ 25.00 Lakh	Through implementing agency Vivekananda Vidyavikash Parishad Ashram came into existence in the year 1983, eligible as per provisions of Companies Act, 2013
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6. CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of CSR activities of the Company is in compliance with the CSR objectives and CSR Policy of the Company

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

Global Aluminium Production in 1900 was Only 1,000 Mts., which grew to 59.89 Mn.Mts in 2016 and to 63.40 Mn.Mts in 2017, showing a year on year growth of 5.86 %. 54 % of this Production is from China and Only around 5 % from India.

Indian Aluminium Production in FY 2012-13 was 1.7 Mn.Mts. growing to 2.8 Mn.Mts in FY 2016-17 and to 3.6 Mn.Mts in 2018-19, and on target to touch 4 Mn.Mts during the current financial year.

However, all the 3 Aluminium Companies, namely Vedanta, Hindalco & Nalco are going ahead with both brownfield and greenfield expansions, and in the next 3-4 yrs., an additional capacity of over 2 Mn.Mts should be in operation.

Total Aluminium Consumption in India in 2006 was 1.08 Mn.Mts, with per capita consumption at 0.98 Kgs, as compared to 8.65 Mn.Mts in China & 9.17 Mn.Mts in the US, with per capita at 6.63 Kgs. and 30.70 Kgs respectively. This in 2015 for India increased to 2.36 Mn.Mts., with per capita consumption growing from 0.98 Kgs to 1.82 Kgs., and Total consumption is forecast to grow during this year to around 4 Mn.Mts with per capita at 2.80 Kgs., and in 2025 to Over 6 Mn.Mts with per capita at 4.5 Kgs.

In this time in China the per capita consumption in 2015 was 8.86 Kgs., and stated to grow to 20.90 Kgs in 2020 and to 28.70 Kgs in 2025. This shows that we in India still have a very long way to go and the growth potential for this Sector is virtually limitless, especially with India being endowed with massive reserves of Bauxite and Coal, the two most essential raw materials for the production of Aluminium metal.

With this growing demand and increased production, there will be commensurate increase in demand of CPC, and your management is confident of taking full advantage of this and expect both factories to run to maximum capacity.

As Raw Petroleum Coke (RPC) is the sole raw material for CPC, management has taken and will ensure that adequate and timely imports are arranged for its Budge Budge factory.

OPPORTUNITIES & THREATS

Your Company constantly examines the opportunities and threats that exist in its business and already has plans to exploit the opportunity available going forward as well as equipped to handle threats.

Opportunities

Aluminum consumption in the Country from 2.4Mn.Mts in 2015 to around 3.5Mn.Mts in 2017 is expected to increase to around 6Mn.Mts by 2025. The present installed capacity is 4Mn.Mts and already all the 3 aluminum producing Companies, namely Vedanta, Hindalco & Nalco are going ahead with both brownfield and greenfield expansions, and in the next 3-5 yrs., an additional capacity of over 2 Mn.Mts should be in operation.

The present requirement of CPC by the aluminum smelters is approx 1.5 Mn.Mts, and in addition there is a substantial requirement by the Steel, Graphite Electrodes, Titanium di oxide, Ferro alloys and other Miscellaneous industries at around 0.5 Mn.Mts, taking the total requirement to around 2.0 Mn.Mt., which is in part met by imports of CPC mainly from China

As such there is immense scope not only for the Company to operate to 100% of its capacity, but also examine increasing capacity. By 2025 the demand is expected to grow to over 2.7Mn.Mts.

Threats

1. Location disadvantage especially for the Company's Budge Budge unit as compared to newer port based plants.
2. Cheap import of CPC from China.
3. Huge shortage of Raw Petroleum Coke (RPC) leading to increased dependence on imports.
4. RPC being a Crude Oil based product is subject to severe price fluctuations.
5. Inadequate and poor infrastructure at Ports, resulting in much higher freight by vessels prepared to come to Kolkata Port.
6. Very poor transport infrastructure leading to much higher transportation cost.
7. Cost and carry policy of IOC Ltd for Indian RPC resulting in much higher inventory carrying cost.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT *(Contd.)*

SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

During the financial year ended 31.03.2019, your Company has achieved a gross revenue from operation amounting to ₹ 471.65 Crore as against ₹ 342.95 Crore in the last financial year, an increase of 37.52 % as compared to the previous financial year.

Production of Calcined Petroleum Coke (CPC) during the year was 88,829MT as against 85,789MT in the previous year and Electrode Carbon Paste (ECP) production was 5,478MT as against 4,622MT in the previous year, an increase of 3.54% & 18.52% respectively.

Further, Sales of CPC for the year under review was 73,865 MT as against 82,470 MT in the previous year, a decrease of 10.43%. ECP sales were 5,449 MT as against 4,622 MT in the previous year, an increase of 17.89%.

During the year production of both CPC & ECP, which is the main constituent of your Company's turnover significantly increased as compared to the previous year, resulting in lower cost of production due to much better capacity utilization, as well as much improved prices. However the sales of CPC marginally decreased during the financial year 2018-19, as compared to previous financial year.

OUTLOOK

The outlook for the Company continues to be optimistic based on the growth in the demand for Company's both products, viz, CPC & Carbon Paste.

The Company is consolidating its customer base and also continues to expand, upgrade and modernize its plants. The Company is also exploring new growth opportunities as well as optimum utilization of its available resources.

Constant efforts are on towards achieving savings, improving operational efficiency, increasing market share, optimum utilization of production capacities and customer's satisfaction.

As reported earlier, based on the uptrend in demand since last year along with increase in prices confirms the management optimism

The Management is optimistic about the growth and profitability of the Company.

RISKS & CONCERNS

The Company is dependent on imported raw material for one of its plant, which is brought in shiploads and at times has inventory of 6 months or more. RPC and CPC are both volatile commodities and prone to significant price fluctuations. In addition, your Company is also exposed to the risk of Rupee valuation against the US \$

With most orders, there is no Price Variation Clause and thus the Company is exposed to changes in the Global Price and/or Exchange Risk.

For the year under review, the Company has incurred loss of ₹ 15,849,293/- on foreign exchange.

In addition, the Company is always exposed to the risk of imported raw material upon arrival not conforming to expectations or to the specifications, which can lead to higher consumption, lower price realization and/or longer carrying of such slow moving inventory.

Labour availability at both Guwahati as well as Budge Budge Unit is a matter of concern, which is mainly disturbing the paste production, and the labour costs are increasing astronomically.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has Internal Control Systems commensurate with the nature and size of its business. The Board of Directors is ultimately responsible for ensuring that such internal control systems are sound in theory and efficacious in practice and expressly reiterates this responsibility in the Directors' Responsibility Statement. Corporate policies, appropriate risk management processes and management information and reporting systems for key operational and functional areas underpin the overall control mechanism. Apart from identifying and documenting "Entity level policies and controls", the exercise involves identification and documentation of significant business processes followed by control assessments, mitigation plans and periodic reporting and monitoring. Responsibility and Ownership start from process owners and upwards, leading to the MD and CEO certification.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

In order to supplement the internal control processes, the Company has appointed independent professional firms to function as Internal Auditors who are authorized by the Audit Committee to assess the adequacy of control processes and report key audit observations and recommendations to the Audit Committee on a periodical interval.

Further, in compliance with the Companies' Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a system of internal financial controls over financial reporting and adequacy and operating effectiveness of such controls. During the year the internal financial controls were adequate and operating effectively. The Statutory Auditors have also certified on adequacy of internal controls and their operating effectiveness.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year ended 31.03.2019, your Company has achieved a gross revenue from operation amounting to ₹ 471.65 Crore as against ₹ 342.95 Crore in the last financial year, an increase of 37.52 % as compared to the previous financial year.

Production of Calcined Petroleum Coke (CPC) during the year was 88,829MT as against 85,789MT in the previous year and Electrode Carbon Paste (ECP) production was 5,478MT as against 4,622MT in the previous year, an increase of 3.54% & 18.52% respectively.

Further, Sales of CPC for the year under review was 73,865 MT as against 82,470 MT in the previous year, a decrease of 10.43%. ECP sales were 5,449 MT as against 4,622 MT in the previous year, an increase of 17.89%.

During the year production of both CPC & ECP, which is the main constituent of your Company's turnover significantly increased as compared to the previous year, resulting in lower cost of production due to much better capacity utilization, as well as much improved prices. However the sales of CPC marginally decreased during the financial year 2018-19, as compared to previous financial year.

Foreign Exchange loss during the year was ₹ 1.58 Crore, as against loss of ₹ 50.21 Lakh in the last financial year. In spite of several Challenging issue such as like Poor Capacity utilization, cut throat internal competition due to dumping from China; your Company has earned during the year an amount of profit after tax ₹ 153. 71 Crore as against profit of ₹ 79. 31 Crore in the last year.

Financial performance of the Company for the year under review was outstanding and operational performance was as good as expected with no cause for concern of any kind.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company has always given prime importance to Human Resources. Continued efforts towards manpower rationalization are being made for reduction of cost and optimization of productivity. The Company continues to provide thrust on regular training programmes for up gradation of job knowledge and other related skills amongst its employees.

CAUTIONARY STATEMENT

Statement in the "Management's Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied in this report. Important factors that would make a difference to the Company's operations include global and Indian demand/supply conditions, raw materials prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations/policies, tax regimes, economic developments within the country and other factors such as litigation and labour negotiations. The Company assumes no responsibility to modify or revise any forward-looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015]

INTRODUCTION

The Company always focuses on Good Corporate Governance which is a key driver of sustainable corporate growth and long term value creation. Your Company believes in conducting its affairs with the highest level of integrity, with proper authorizations, accountability, disclosure and transparency.

The details of the Corporate Governance compliance by the Company as per the Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are as under:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is the system by which companies are directed and managed. Good Corporate Governance structure encourages Companies to create value through entrepreneurship, innovation, development and exploration and provide accountability and control systems commensurate with the risk involved.

India Carbon Limited believes in ensuring true Corporate Governance Practices to enhance long term Shareholder's value through corporate performance, transparency, integrity and accountability.

The Company is fully committed to and continues to follow procedures and practices in conformity with the Corporate Governance enshrined in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

2. BOARD OF DIRECTORS – COMPOSITION:

The Board of Directors of the Company consists of an optimal mix of Executive/Non Executive Directors and Independent Directors who have in-depth knowledge of business, in addition to expertise in their areas of specialization. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that management adheres to high standards of ethics, transparency and disclosure. The Board consisted of 12(Twelve) Directors including two alternate Directors as on 31st March, 2019. The Board is headed by Mr. Rakesh Himatsingka, who is also the Managing Director. The Board meets the requirement not less than one half being Independent Directors. The size and composition of the Board confirms the requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015).

Independent directors are non-executive directors as defined under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. *Except Mr. Rakesh Himatsingka & Mr. Shaurya Veer Himatsingka none of the Directors are related to each other.*

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2019 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 Companies and Companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole. The Board periodically reviews compliance reports of all laws applicable to the Company.

CORPORATE GOVERNANCE REPORT *(Contd.)*

The Composition and Category of Director as on 31st March, 2019 is as under:

Sl. No.	Name of the Director	Category
1.	Mr. Rakesh Himatsingka Chairman & Managing Director	Executive Director (Promoter)
2.	Mr. Shaurya Veer Himatsingka Deputy Managing Director & CEO	Executive Director (Promoter)
3.	Mr. Tony William Grims	Non -Executive Director (Non- Promoter)
4.	Mr. Gordon Kenneth McIntosh	Non -Executive Director (Non- Promoter)
5.	Mr. Alvaro Emilio Martinez (Alternate to Mr. Gordon Kenneth McIntosh)	Non -Executive Director (Non- Promoter)
6.	Mr. Mark R. Jones (Alternate to Mr. Tony William Grims)	Non -Executive Director (Non- Promoter)
7.	Mr. Sunirmal Talukdar	Non-Executive and Independent Director
8.	Mr. Hemant Kumar Khaitan	Non-Executive and Independent Director
9.	Mr. Manoj Mohanka	Non-Executive and Independent Director
10.	Mr. Samar Jha	Non-Executive and Independent Director
11.	Mr. Soumendra Mohan Basu	Non-Executive and Independent Director
12.	Mrs. Susmita Ghose	Non-Executive and Independent Director

Director Induction, Familiarization and Training

The Company provides suitable training to the Independent Directors to familiarize them with the Company, their role, nature of the Industry in which the Company operates, business model of the Company etc.

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility. The Company has been organizing visits of the directors to its plants located at both Guwahati and Budge Budge with a view to familiarize them with the nature of Industry, operation, process and to interact with the management personnel and staff.

Directors are regularly briefed about the Industry specific issue by the Chairman to enable them understands the business environment. To enhance their knowledge and skill the directors are regularly updated on the changes in the policies, law and regulations, development in the business environment etc.

The details of such familiarization programmes have been uploaded in the website of the Company at www.indiacarbonltd.com.

Board Meetings:

During the year 2018-19, four Board Meetings were held on 16th May, 2018, 30th Day of July, 2018, 5th Day of November, 2018 & 13th Day of February, 2019. The necessary quorum was present for all the meetings. Video / Tele-conferencing facilities were used to facilitate directors travelling / residing abroad or at other locations to participate in the meetings. During the year 2018-19, information as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been placed before the board for its consideration.

CORPORATE GOVERNANCE REPORT (Contd.)

The details of the attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships and Committee Memberships and disclosure of relationship between Directors inter-se are given below :-

Name of the Director	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	No. of other Committee Membership/ Chairmanship	Disclosure of relationship between Directors Inter-se	No. of Shares held by Director as on 31.03.2019
Mr. Rakesh Himatsingka	4	No	8	2	Father of Mr. Shaurya Veer Himatsingka	10445
Mr. Shaurya Veer Himatsingka	2	Yes	9	Nil	Son of Mr. Rakesh Himatsingka	237431
Mr. Gordon Kenneth McIntosh	Nil	No	Nil	Nil	None	Nil
Mr. Alvaro Emilio Martinez (Alternate to Mr. Gordon Kenneth McIntosh)	1	No	Nil	Nil	None	Nil
Mr. Tony William Grims	Nil	No	Nil	Nil	None	Nil
Mr. Mark R. Jones (Alternate to Mr. Tony William Grims)	1	No	Nil	Nil	None	Nil
Mr. Hemant Kumar Khaitan	4	No	3	3	None	Nil
Mr. Manoj Mohanka	3	No	2	3	None	Nil
Mr. Samar Jha	4	No	1	1	None	Nil
Mr. Soumendra Mohan Basu	4	No	3	2	None	Nil
Mr. Sunirmal Talukdar	4	No	3	3	None	Nil
Mrs. Susmita Ghosh	4	No	Nil	Nil	None	Nil

* Excluding India Carbon Limited, Private Companies, Companies under Section 8 of the Companies Act, 2013 ("the Act") and foreign companies

** Only two Committees viz., the Audit Committee and the Stakeholders' Relationship Committee have been considered for this purpose in terms of Regulation 26(1)(b) of LODR Regulations.

The following persons are related as per the provisions of the Act:

Rakesh Himatsingka and Shaurya Veer Himatsingka;

Code of Conduct: The Board of Directors has laid down a code of Conduct for all Board Members and the employees in Management grade of the Company. All Board Members and senior management personnel have confirmed Compliance with the Code. A declaration signed by the Managing Director is attached and form part of this Annual Report

**To the Shareholders of India Carbon Ltd.
Compliance with Code of Conduct**

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Dated: 15th May, 2019

Rakesh Himatsingka
Chairman and Managing Director

Code of Conduct for independent Directors: As per provisions of Section 149(8) of the Companies Act, 2013 the Company and Independent Directors shall abide by the provisions specified in schedule IV. Further schedule IV lays down a code for the Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a code for Independent Directors of the Company and the same has also been placed in the Website of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

1. COMMITTEE OF DIRECTORS:

A) Audit Committee:

The Audit Committee functions in accordance with Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Section 177 of the Companies Act, 2013.

Composition of the Committee as on 31.03.2019 and its Meeting & Attendance during the financial year 2018-19:

Name of the Member	Category	Position	No. of Meeting attended
Mr. Sunirmal Talukdar	Non-Executive and Independent Director	Chairman	5
Mr. Hemant Kumar Khaitan	Non-Executive and Independent Director	Member	5
Mr. Rakesh Himatsingka	Executive Director (Promoter)	Member	5
Mr. Soumendra Mohan Basu	Non-Executive and Independent Director	Member	5
Mr. Manoj Mohanka	Non-Executive and Independent Director	Member	4
Mr. Shaurya Veer Himatsingka	Executive Director (Promoter)	Member	3

All the Committee Members are financially literate and all of them have accounting or related financial management expertise. During the year 2018-19, five Audit Committee Meetings were held on 16th May, 2018, 30th Day of July, 2018, 11th Day of August, 2018, 5th Day of November, 2018 & 13th Day of February, 2019.

The Chief Finance Officer and the representatives of Statutory & Internal Auditors and other officials of the Company are invited to attend the Audit Committee Meetings as and when required.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors in their subsequent Meeting.

Terms of reference: The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

B) Nomination and remuneration committee:

The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the Company's website viz. www.indiacarbonltd.com. The broad terms of reference of the nomination and Remuneration Committee are as under:

Terms of reference: The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors and the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as Section 178 of the Companies Act, 2013.

The composition of the Nomination and remuneration Committee as on 31.03.2019 is as follows:

There were two meeting of Nomination and remuneration Committee of the Company held on the 16th May, 2018 & 13th February, 2019 during the year the year 2018-19.

Name of the Member	Category	Position	No. of Meeting Attended
Mr. Soumendra Mohan Basu	Independent Director	Chairman	2
Mr. Hemant Kumar Khaitan	Independent Director	Member	2
Mr. Manoj Mohanka	Independent Director	Member	1

CORPORATE GOVERNANCE REPORT (Contd.)

The broad terms of reference of the Nomination & Remuneration is to determine on behalf of the Board of Directors of the Company, the Company's policy on specific remuneration packages for Managing Director/ Key Management Personnel and other senior employee of the Company.

Details of Remuneration paid to all Directors during the financial year 2018-19:

(i) Executive Directors –Managing Director/Deputy Managing Director:

Name	Salary (₹)	Commission (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)	Service Contract	Notice Period (in months)	Severance fees
Mr. Rakesh Himatsingka (Chairman & Managing Director)	26,40,000/-	10,21,31,700/-	3,16,800/-	27,73,400/-	10,78,61,900/-	3 years (w.e.f 01/12/2016)	3	Nil
Mr. Shaurya Veer Himatsingka (Deputy Managing Director)	24,00,000/-	10,24,85,905/-	25,15,400/-	4,60,595/-	10,78,61,900/-	3 year (w.e.f) 01/04/2017	3	Nil

(iii) Non-Whole time/Non-Executive Directors:

Non-Executive Directors	Sitting Fees paid for attending Board/Committee Meetings (₹.)
Mr. Hemant. K. Khaitan	2,35,000/-
Mr. Manoj Mohanka	1,65,000/-
Mr. Samar Jha	100,000/-
Mr. Soumendra Mohan Basu	2,15,000/-
Mr. Sunirmal Talukdar	2,00,000/-
Mrs. Susmita Ghosh	1,05,000/-

- Neither any stock option or nor any bonus paid to any of the Directors. No severance fees is payable to Directors.
- Non-Executive Directors were paid sitting fees of Rs. 20,000/- for attending each Board, Audit Committee Meeting and Independent Directors Meeting @ Rs.20, 000/- and Rs.5,000/- for other committee meetings.
- There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year 2018-19.

C) Stakeholders Relationship Committee:

In Compliance with the provisions of Section 178 of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 the Board has formed a "Stakeholders Relationship Committee"

Composition of the Shareholders Grievance Committee as on 31.03.2019 is as follows: -

Name of the Member	Position
Mr. Hemant Kumar Khaitan(Non-Executive Director)	Chairman
Mr. Samar Jha(Non-Executive Director)	Member
Mr. Rakesh Himatsingka	Member
Mr. Shaurya Veer Himatsingka	Member

The Committee looks into redressal of shareholders' complaints like transfer of shares, non-receipt of declared dividends and non-receipt of Balance Sheet etc. The Committee oversees the performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services.

CORPORATE GOVERNANCE REPORT (Contd.)

No Meeting of Shareholders Grievance Committee was held during the year 2018-19.

Investors Complaints: Balance as on 01.4.2018 – Nil, Received during the year - 3, Disposed off during the year - 3, Balance as on 31.03.2019 - Nil.

Warning against Insider Trading

Comprehensive guidelines advising and cautioning the management, staff and other relevant business associates on the procedure to be followed while dealing with the securities of the Company have been issued and implemented.

D) Share Transfer Committee:

Your Company has formed a share transfer committee of the Board of Directors facilitating smooth operation of the share transfer process of the Company. The composition of the Share Transfer Committee as on 31.03.2019 is as follows:

Name of the Member	Position	Number of Meeting Attended
Mr. Rakesh Himatsingka	Chairman	18
Mr. Shaurya Veer Himatsingka	Member	19
Mr.Hemant Kumar Khaitan	Member	5

The Share Transfer Committee mainly reviews the process of share transfers, issue of duplicate certificates and certificates after splits/consolidation/ renewal and re-materialization. This Committee meets as and when required. During the year 2018-19, Twenty One Share Transfer Committee Meetings were held on 02.04.2018, 23.04.2018, 27.04.2018, 15.05.2018, 01.06.2018, 11.06.2018, 27.06.2018, 12.07.2018, 19.07.2018, 03.08.2018, 14.08.2018, 04.09.2018, 10.09.2018, 20.11.2018, 28.11.2018, 17.12.2018, 24.12.2018, 21.01.2019, 12.02.2019, 21.02.2019 & 13.03.2019.

E) Corporate Social Responsibility Committee

Pursuant to Section 135 of Companies Act, 2013 with regards to Corporate Social Responsibilities your Company has constituted a Corporate Social Responsibility Committee comprising of the following Director:

Name of the Member	Position	Number of Meeting Attended
Ms. Susmita Ghose	Chairman	1
Mr. Soumendra Mohan Basu	Member	1
Mr. Rakesh Himatsingka	Member	1
Mr. Shaurya Veer Himatsingka	Member	1

The Company has framed a Corporate Social Responsibility Policy which has been uploaded in the website of the Company at www.indiacarbonltd.com. During the financial year ended 31.03.2019 one (1) number of meeting held by the CSR Committee in 13th February, 2019.

2. GENERAL BODY MEETINGS: The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2017-18	18.09.2018	10.00 A.M	Registered Office at Noonmati, Guwahati, Assam
2016-17	18.09.2017	10.00 A.M	Same as above
2015-16	29.09.2016	10.00 A.M	Same as above

CORPORATE GOVERNANCE REPORT (Contd.)**Special Resolutions passed in the previous three AGMs:**

AGM held on 18.09.2018	(1) Consent of the share holder of the Company accorded to the Company for investment up to an amount of Rs.200 Crore in excess of the amount prescribed in section 186 of Companies Act, 2013.
AGM held on 18.09.2017	(1) Re-appointment of Mr. Rakesh Himatsingka as Managing Director. (2) Re-appointment of Mr. Shaurya Veer Himatsingka as Deputy Managing Director. (3) Consent of the share holder of the Company accorded to the Company for investment up to an amount of Rs.100 Crore in excess of the amount prescribed in section 186 of Companies Act, 2013.
AGM held on 29.09.2016	(1) Issue of fresh 10,000 nos.- 9.3% Redeemable Cumulative Preference Shares of Rs. 100/- each aggregating to Rs.10 lakh to the Government of Assam for the purpose of redemption of and/or in lieu of existing 10,000- 9.3% Redeemable Cumulative Preference Shares of Rs.100/- each held by them at par.

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM. However the members are provided with the facility to cast their vote electronically on all the resolutions set out in the Notice of 57th Annual General Meeting.

DISCLOSURES**(a) Disclosure on materially significant related party transactions**

During the financial year ended 31st March, 2019 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Suitable disclosure as required by the Ind As has been made in Note no. 36 of the financial statements.

(b) Disclosure on accounting treatment

The Company has complied with all relevant Provisions of Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended, while preparing the Financial Statements.

(c) Details of Non Compliance by the Company, Penalties, Strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory Authority on matters relating to the capital Markets:

There has been no instance of non-compliance of any requirement of the Uniform Listing Agreement entered with the stock exchange as well as regulation and guideline of SEBI as may be applicable to the Company. No Penalties or Strictures were imposed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last three years.

(d) Risk Management

The Company has set up a risk management committee and has a well-defined risk management framework in place. A detailed exercise is being carried out to identify, evaluate, manage and monitor risks of the Company. During the year no Risk Management Committee meeting was held and no major risks were noticed, which may threaten the existence of the Company.

(e) Vigil Mechanism/ Whistle Blower Mechanism:

A Vigil Mechanism/ Whistle Blower Policy pursuant to Section 177(9) of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 have been formulated for Directors and Employees of the Company and the same is available on the Company's website.

(f) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015:

The Company in view of good corporate practice has voluntarily complied with the requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 pertaining to Corporate Governance. Adoptions of non-mandatory requirements of the aforesaid regulations are being reviewed by the Board from time to time.

CORPORATE GOVERNANCE REPORT *(Contd.)*

4. MEANS OF COMMUNICATION:

- a) Quarterly Results are published in daily newspapers viz. Business Standard (English) and Dainandin Barta (Assamese - local language). The Annual Report is posted to every Shareholder of the Company. The quarterly as well as annual financial results have also been posted on the Company's website – www.indiacarbonltd.com.
- b) Management's Discussions & Analysis Report forms part of this Annual Report, which is also being posted to all Shareholders of the Company.
- c) Official news releases, if any, are given to the press from time to time.
- d) Presentations to institutional investors or to the analysts: As and when made.

5. SUBSIDIARY COMPANIES

There is no major non-listed Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Director of the Company on the Board of Directors of the Subsidiary Companies. The requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regards to subsidiary Company has been complied with.

6. PREVENTION OF INSIDER TRADING

The Company has adopted a code of conduct with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires a pre-clearance for dealing in the Company's shares and prohibits the purchase and sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when trading window is closed. The Code of practices & procedures for fair disclosure of unpublished Price sensitive information Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 has been uploaded into the Company's website.

All directors of the Company and designated employee has confirmed with compliance with the code

7. CFO & CEO CERTIFICATION

The Chief Financial officer and the Chief Executive officer of the Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is attached and form part of the Annual Report.

8. COMPLIANCE CERTIFICATE OF THE AUDITOR

Certificate from Company's statutory Auditor confirming compliance with the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of the Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION:

- a) Annual General Meeting is proposed to be held on 27th September, 2019 at 10.00 AM at Registered Office at Noonmati, Guwahati, Assam.
- b) **Financial Calendar** : 1st April, 2018 to 31st March, 2019 (Tentative)

Financial Results for the quarter ending 30 th June, 2018	Within 45 days of 1st Quarter ended
Financial Results for the quarter ending 30 th September, 2018	Within 45 days of 2 nd Quarter ended
Financial Results for the quarter ending 31st December, 2018	Within 45 days of 3 rd Quarter ended
Financial Results for the quarter ending 31 st March, 2019	Within 60 days of 4 th Quarter ended

c) **Date of Book Closure:**

The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2019 to 27th September, 2019 (both days inclusive).

d) **Dividend Payment Date:** within 30days from AGM if approved by the shareholder

The Company had transferred to Investor Education and Protection Fund requisite amount and had also filed necessary form with Register of Companies during the F.Y. 2018-19. There were no unpaid dividends, matured

CORPORATE GOVERNANCE REPORT (Contd.)

deposits, debentures or accrued interest thereon, application money due for refund which has remained unpaid or unclaimed for seven years or more.

e) Registrars and Share Transfer Agent:

M/s. C. B. Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019, a SEBI registered Registrar, are the Registrars & Share Transfer Agent of the Company and are processing the transfers, sub-division, consolidation, splitting of securities, etc. The Company's shares can be traded in the Stock Exchanges only in the dematerialized form and any request for dematerialization and re-materialization should be sent directly to M/s. C.B. Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019. The Company has already entered into agreements with NSDL and CDSL for the purpose of dematerialization of shares, Demat ISIN Number in NSDL and CDSL: **INE 743B01015**.

f) Share Transfer System:

The shares in physical form for transmission/transposition should be lodged at the Office of the Company's Registrar and Share Transfer Agent, CB Management Services (P) Ltd., Kolkata or at the Registered Office of the Company alongwith all the requisite documents prescribed under the Statue. The transmission/transposition are processed within duly prescribed time, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in securities of any Company's equity shares in dematerialized form. Further SEBI vide notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 mandated for effecting transfer of securities (except in case transmission/transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in dematerilized form with the depositories. Therefore members are request to take action to dematerilized the Equity Shares of the Company promptly.

g) Distribution of Shareholding as on 31st March, 2019:

No. of Shares	No. of Shareholders	No. of Shares
1 - 500	2798	204637
501 - 1000	40	30290
1001 - 2000	23	33926
2001 - 3000	8	20607
3001 - 4000	2	6736
4001 - 5000	2	9668
5001 - 10000	2	11788
10001 - 50000	13	249184
50001 - 100000	2	177364
100001 and above	8	1905800
TOTAL :	2898	2,650,000

Shareholding Pattern as on 31st March, 2019:

Shareholders	Total No. of shares	Percentage to Total Issued Shares
Promoters	650894	24.56
Persons acting in Concert	0	0.00
Mutual Funds, Banks, Financial Institutions and Insurance Companies	15215	0.57
Others	1983891	74.87
TOTAL :	2650000	100.00

- a) Dematerialization of Shares: As per the notification issued by SEBI, the shares of the Company are traded compulsorily in dematerialized form by all investors with effect from 26th March, 2001. As on 31st March, 2019, 33.93% of the

CORPORATE GOVERNANCE REPORT (Contd.)

Company's paid up equity capital representing 8,99,083 shares were held in Demat form.

No. of shares in Physical segment	17,50,917	66.07%
No. of shares in Demat segment	8,99,083	33.93%

Dematerialization:

The shareholders should open a Demat account with a Depository Participant (DP) for dematerialization of shares. The person has to submit a Demat request Form duly filled up along with the share certificates to his DP. The DP will allocate a Demat request number and shall forward the same physically as well as electronically, through NSDL/CDSL, to the Registrar and Share Transfer Agent. On receipt of the Demat request both physically and electronically and after verification, the shares are dematerialized and an electronic credit of shares is given in the account of the shareholder.

b) Listing of Equity Shares on Stock Exchange:

The Company's equity shares are listed on the Stock Exchange in Kolkata.

Name of the Stock Exchanges : The Calcutta Stock Exchange Ltd
Stock Code : 19205

Stock Market Price of the Company's Share vis-à-vis Sensex:

No trading took place during the year 2018-19

10. PLANT LOCATIONS :

- A) Noonmati, Guwahati - 781020, Assam.
 B) 35, Deshbandhu Chittaranjan Road, Budge Budge, 24 Parganas (South), Kolkata-700 137.

11. ADDRESS FOR CORRESPONDENCE:

For transfer/dematerialization of shares
 payment of dividend on shares, interest
 and redemption of debentures, and any
 other query relating to the shares and
 debentures of the Company.

C B Management Services (P) Ltd
 P-22, Bondel Road,
 Kolkata 700019
 Telephone : 40116700,40116711
 40116718, 40116723, 2280-6692/93/94
 Fax No. : 033 2230 -7507
 E mail : rta@cbmsl.com

Any query on Annual Report

Secretarial Department
 "Temple Chambers", 4th Floor
 6, Old Post Office Street,
 Kolkata - 700 001
 Ph: (033) 2248-7856/9

For & on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka
 (DIN: 00632156)

Chairman and Managing Director

Date: 15th May, 2019

Place: Kolkata

CORPORATE GOVERNANCE REPORT *(Contd.)*

CFO/CEO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

In terms of regulation 17(8) of SEBI (LODR) Regulations, 2015, Managing Director and Chief Financial officer of the Company has certified to the Board that:

- A. We have reviewed financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
- (1) there has not been any significant change in internal control over financial reporting during the year;
 - (2) there has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (3) we are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 15.05.2019
Place: Kolkata

For, **INDIA CARBON LIMITED**
Mr. Shaurya Veer Himatsingka
(Chief Executive Officer)

For, **INDIA CARBON LIMITED**
Mr. Pankaj Misra
(Chief Financial Officer)

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
India Carbon Limited

We have examined the compliance of conditions of corporate governance by India Carbon Limited for the year ended on 31st March, 2019, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Uniform Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. SAMANTA & CO**
Chartered Accountants
Firm Registration No. 305020E
Sd/-
S.Samanta
(PARTNER)
Membership No .007200

Place: Kolkata
Dated: 15th May, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To
The Members of
India Carbon Limited

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 I certify that none of the directors on the board of India Carbon Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority..

Place: Kolkata
Dated: 15th May, 2019

Rajat Kumar Jalan
Membership No. 14895
CP No: 5705

INDEPENDENT AUDITOR'S REPORT

To the Members of
INDIA CARBON LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of India Carbon Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the state of affairs as at March 31, 2019., and its Profit including other comprehensive income, its Cash Flow and changes in equity for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.]

Key Audit Matter	Auditor's Response
<p>Litigations - Contingencies</p> <p>The Company has ongoing litigations with respect to entry tax under WB Entry Tax Act 2012, which might have an impact on the results, if the potential exposures were to materialise.</p> <p>The matter is sub-judice</p> <p>Refer Note 35 to the Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures. Supporting documentation are tested for the positions taken by the management.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies(Auditor's Report) Order 2016 ("the Order") as amended, issued by Central Government of India in terms of subsection(11) of Section 143 of the act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 & 4 of the order.

As required by section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit & Loss including other comprehensive income, Cash Flow Statement and statement of changes in equity dealt with by this report are in agreement with the books of account;
- d. In our opinion the aforesaid IND AS financial statements comply with the Accounting Standards specified under section 133 of the act.
- e. On the basis of written representations received from the directors as on March 31,2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019, from being appointed as a director in terms of sub section(2) of section 164 of the Act.
- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements in accordance with the generally accepted accounting practice – Refer Note 35 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.
 - iii. There has been no delay in transferring amounts, required to be transferred to the investor's education and protection fund by the company.

Place: Kolkata
Dated: 15th May, 2019

For **S. SAMANTA & CO**
Chartered Accountants
Firm Registration No. 305020E
Sd/-
S.Samanta
(PARTNER)
Membership No .007200

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 9 of the Independent Auditors Report of even date to the members of India Carbon Limited on the Financial Statements as of and for the year ended March 31, 2019.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets except furniture and fittings have been physically verified by the management during the year 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.
- (ii) (a) The management has conducted the physical verification of inventory during the year.
- (b) No material discrepancies have been noticed in physical verification of the inventory.
- (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 sec 189 of the act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security if any.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73,74,75 & 76 of the Act and the Companies (acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has specified the maintenance of Cost Records under section 148(1) of the Act for any of the products of the Company. We have broadly reviewed the books of account maintained by the Company and are of the opinion that prima-facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanation given to us and the records of the company examined by us, in our opinion the Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of income tax, sales tax, customs duty, excise duty, service tax, Goods and Service Tax and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty and value added tax which have not been deposited on account of any dispute, except following :

Name of the Statute	Nature of dues	Amount Rs.	Period to which relates	Forum where the dispute is pending
W.B.VAT Act, 2003	Sales Tax	57902	2010-11	President, appellate & revisional board, Commercial Taxes, West Bengal
DO	DO	224515	2014-15	DO
C.S.T Act	Sales Tax	3022150	2014-15	DO
Central Excise Act.	Excise Duty	3120938	2012-13 & 2013-14	Assistant Commissioner of CGST & CX Budge Budge Division.

- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company has not taken any loan from the Government and has not issued any debentures.
- (ix) According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions of banks of debenture holders as at balance sheet date.

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT *(Contd.)*

- (x) According to the Audit procedures performed and the information and explanations given to us by management, we have noticed no fraud by the Company or its officers or employees during the year.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the managerial remuneration has been paid as per the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of this clause of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us by management, the company has no transaction with the related parties during the year which requires compliance with section 177 and 188 of Companies Act, 2013.
- (xiv) According to the information and explanations given to us by management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of this clause of the Order are not applicable to the Company.
- (xv) According to the audit procedures performed and the information and explanations given to us by management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of this clause of the Order are not applicable to the Company.
- (xvi) Since the Company is a manufacturing company, hence the provisions of this clause of the order are not applicable to the Company.

For **S. SAMANTA & CO**
Chartered Accountants
Firm Registration No. 305020E
Sd/-

S.Samanta
(PARTNER)
Membership No .007200

Place: Kolkata
Dated: 15th May, 2019

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDIA CARBON LIMITED

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

- i. We have audited the internal financial controls over financial reporting of India Carbon Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- ii. 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

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

- vi. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

- vii. 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

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDIA CARBON LIMITED (Contd.)

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

- viii. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. SAMANTA & CO**
Chartered Accountants
Firm Registration No. 305020E
Sd/-

S.Samanta
(PARTNER)
Membership No .007200

Place: Kolkata
Dated: 15th May, 2019

BALANCE SHEET as at 31st March, 2019

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3A	111121165	104887685
Capital work-in-progress	3A	38833878	28095468
Intangible Assets	3B	1133152	1399818
Financial Assets:			
Investments	4	1149202096	675942015
Other financial assets	5	7077747	4148548
Other non-current assets	6	4293769	4350266
Total Non - Current Assets		1311661806	818823800
Current Assets			
Inventories	7	1289948140	603997504
Financial Assets:			
Investments	8	83121994	537173663
Trade Receivables	9	237760837	208404372
Cash and cash equivalents	10	96462451	270082943
Other Bank Balances	11	282473249	125108183
Other financial assets	12	167659232	207009681
Other Current Assets	13	144235725	152404483
Total Current Assets		2301661629	2104180829
Total Assets		3613323435	2923004629
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	26500000	26500000
Other Equity	15	2951557198	1553483132
Total Equity		2978057198	1579983132
LIABILITIES			
Non-current liabilities			
Financial Liabilities:			
Borrowings	16	472746	9828327
Provisions	17	3568385	2997048
Deferred Tax Liabilities (Net)	18	72885682	134017325
Total Non-current liabilities		76926813	146842700
Current Liabilities			
Financial Liabilities			
Borrowings	19	149822664	618137897
Trade Payables	20	79587845	106317622
Other financial liabilities	21	315634494	242177038
Other Current Liabilities	22	5163768	166896310
Provisions	23	1708911	1670230
Current Tax Liabilities (Net)	24	6421742	60979700
Total Current Liabilities		558339424	1196178797
Total Liabilities		635266237	1343021497
Total Equity and Liabilities		3613323435	2923004629

The accompanying notes form an integral part of the Balance Sheet.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

S. Samanta

Partner

Place: Kolkata,

Date: 15th May, 2019

Rakesh Himatsingka

Chairman & Managing Director

DIN: 00632156

Shaurya Veer Himatsingka

Deputy Managing Director & CEO

DIN:01200202

Sunirmal Talukdar

Director

Din:00920608

Pankaj Kumar Misra

Chief Financial officer

Hemant Kumar Khaitan

Director

Din: 00220049

Bhaskar Rakshit

Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(Amount in ₹)

PARTICULARS	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
Revenue from Operations	25	4716501255	3429525229
Other Income	26	241149116	93343475
Total Income		4957650371	3522868704
Expenses			
Cost of Materials Consumed	27	2676648723	1927075061
Cost of Materials Sold	28	48749079	104209061
Changes in Inventories of Finished Goods	29	(382379838)	(10867186)
Excise Duty	30	-	39576736
Employee Benefits Expense	31	287416828	166571129
Finance Costs	32	14388449	31999599
Depreciation and Amortization Expense	3	18047293	14781678
Other Expenses	33	322302302	225457168
Total Expenses		2985172836	2498803245
Profit (Loss) Before Tax		1972477534	1024065459
Tax Expense:			
Current tax		437797218	226590184
Deferred tax		5003050	4349264
Excess tax Provision for earlier period written back		(7449805)	-
Profit (Loss) for the Year		1537127072	793126011
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		1961642	(5021539)
Equity Instruments Through Other Comprehensive Income		(159227250)	125470500
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		(885311)	(1737854)
Equity Instruments Through Other Comprehensive Income		67020004	43422831
Total Other Comprehensive Income, Net of Tax		(91130915)	78763984
Total Comprehensive Income for the Year		1445996157	871889995
Earning per equity share of ₹ 10/- each	34		
Basic		580 .05	299 .29
Diluted		580 .05	299 .29

The accompanying notes form an integral part of Statement of Profit and Loss.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

S. Samanta

Partner

Place: Kolkata,

Date: 15th May, 2019

Rakesh Himatsingka
Chairman & Managing Director
DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO
DIN: 01200202

Sunirmal Talukdar
Director
Din: 00920608

Pankaj Kumar Misra
Chief Financial officer

Hemant Kumar Khaitan
Director
Din: 00220049

Bhaskar Rakshit
Company Secretary

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019

(Amount in ₹)

A. Equity Share Capital

	No. of Shares	Amount
Equity Shares of ₹ 10 Each, subscribed and fully paid		
As at 1st April, 2017	2650000	26500000
Changes in Equity Share Capital during the year	-	-
As at 31st March, 2018	2650000	26500000
Changes in Equity Share Capital during the year	-	-
As at 31st March, 2019	2650000	26500000

B. Other Equity

	Attributable to Equity Share holders of the Company							Total
	Reserves and surplus					Other Comprehensive Income		
	Securities Premium Account	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income	
As at 1st April, 2017	7500000	2000000	6400	318806239	176969124	184743802	(458733)	689566832
Profit for the year	-	-	-	-	793126011	-	-	793126011
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	82047669	(3283685)	78763984
Total comprehensive income for the period	-	-	-	-	793126011	82047669	(3283685)	871889995
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Final Dividend on Equity Shares and Dividend Distribution Tax thereon for the year 2016-17	-	-	-	-	7973694	-	-	7973694
As at 31 March, 2018	7500000	2000000	6400	318806239	962121441	266791471	(3742418)	1553483133
Profit for the year	-	-	-	-	1537127072	-	-	1537127072
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(92207246)	1076330	(91130916)
Total comprehensive income for the period	-	-	-	-	1537127072	(92207246)	1076330	1445996156
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Final Dividend on Equity Shares and Dividend Distribution Tax thereon for the year 2017-18	-	-	-	-	47922091	-	-	47922091
As at 31st March, 2019	7500000	2000000	6400	318806239	2451326422	174584225	(2666088)	2951557198

The accompanying notes form an integral part of the Statement of Changes in Equity.
Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants
Firm Registration No. 305020E

S. Samanta

Partner

Place: Kolkata,
Date: 15th May, 2019

Rakesh Himatsingka
Chairman & Managing Director
DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO
DIN:01200202

Sunirmal Talukdar
Director
Din:00920608

Pankaj Kumar Misra
Chief Financial officer

Hemant Kumar Khaitan
Director
Din: 00220049

Bhaskar Rakshit
Company Secretary

CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in ₹)

PARTICULARS	Year ended 31.3.2019		Year ended 31.3.2018	
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before tax		1972477534		1024065459
Adjustments for :				
Depreciation / Amortisation Expense	18047293		14781678	
Amortisation of Prepayments	56497		56497	
Finance Costs	14388449		31999599	
Actuarial Loss on Defined Benefit Plans	-		(5021539)	
Net (Gain) Loss on Sale of Assets	(5499)		(110302)	
Interest Income	(8541571)		(32240178)	
Dividend Income	(3793197)		(3521696)	
Liabilities No Longer Required written back	(1291776)		(61142)	
(Gain) / Loss on Sale of Investments	(21039672)		(3143051)	
Net (Gain)/Loss on Investment in Mutual Funds carried at fair value through profit or loss	(31983780)		(4141928)	
Foreign Exchanges Differences (Net)	(1809274)		-	
Bad Debts / Advances written off	4902715		-	
		(31069816)		(1402062)
Operating Profit before Working Capital changes		1941407718		1022663396
Adjustments for:				
Trade Receivables, Loans, Advances and Other Assets	(80077893)		(109033435)	
Inventories	(685950637)		(348777059)	
Trade Payables, Other Liabilities and Provisions	(111879465)	(877907995)	339813236	(117997258)
Cash Generated from Operations		1063499723		904666139
Income Tax Paid		(484905371)		(176138463)
NET CASH FROM OPERATING ACTIVITIES - (A)		578594352		728527676
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipments including Capital Work in Progress		(34768236)		(23394926)
Addition to Intangible Assets		-		(1600000)
Sale of Property, Plant & Equipments		21218		151760
Investment in Mutual Funds		(1731031060)		(1125396200)
Advance against Investment in Mutual Funds		-		(92090000)
Sale of Investment in Mutual Funds		1697708852		323587500
Investment in Bank Deposits (Original Maturity more than three months)		(158308306)		(113559240)
Interest Income		8541571		32240178
Dividend Income		3793197		3521696
NET CASH USED IN INVESTING ACTIVITIES - (B)		(214042764)		(996539232)

CASH FLOW STATEMENT for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

PARTICULARS	Year ended 31.3.2019		Year ended 31.3.2018	
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		(9355581)		719068
Proceeds from Short Term Borrowings		(466505959)		568012710
Finance Costs		(14388449)		(31999599)
Dividend Paid		(39750000)		(6625000)
Income Tax on Dividend Paid		(8172091)		(1348694)
NET CASH FROM FINANCING ACTIVITIES - (C)		(538172080)		528758486
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)		(173620492)		260746930
Add: Balance of Cash and Cash Equivalents As At 31.3.2018		270082943		9336013
Balance of Cash and Cash Equivalents As At 31.3.2019		96462451		270082943

The accompanying notes form an integral part of the Cash Flow Statement.

Per our report attached of even date.

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

S. Samanta

Partner

Place: Kolkata,

Date: 15th May, 2019

Rakesh Himatsingka

Chairman & Managing Director

DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO

DIN:01200202

Sunirmal Talukdar

Director

Din:00920608

Pankaj Kumar Misra
Chief Financial officer

Hemant Kumar Khaitan

Director

Din: 00220049

Bhaskar Rakshit
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019**1. Company Background**

India Carbon Limited (the 'Company') is a public limited company incorporated and domiciled in India. The equity shares of the Company are listed on The Calcutta Stock Exchange Limited. Registered office of the Company is located at Noonmati, Guwahati-781020, Assam.

The Company is mainly engaged in the business of manufacturing & selling of Carbon products.

The Financial Statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 15th May 2019.

2. Significant Accounting Policies:

This Note provides a list of the significant accounting policies adopted in the preparation of the 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**

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, to the extent applicable.

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

(iii) Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)***(b) Use of Estimates**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

2. Fair value measurements and valuation processes:

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. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Claims, Provisions and Contingent Liabilities:

In case of any ongoing dispute / litigation, where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty."

4. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(c) Fair Value Measurement

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 standalone 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 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 mutual funds. The mutual funds are valued using the closing Net Asset Value.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

Level 2: The fair value of financial instruments that are not traded in an active market (for example, 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 included in level 3.

(d) Property, Plant and Equipment

Freehold land is carried at carrying value as per previous GAAP. All other items of Properties plant and equipment are stated at their cost of acquisition or construction and are net of accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

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.

Depreciation Method, Estimated Useful Lives And Residual Values: Depreciation is calculated on a pro-rata basis using the Diminishing Balance Method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are as follows:

Buildings - 30 to 60 years

Plant and Equipments - 8 to 15 years

Furniture and Fixtures - 10 years

Vehicles - 8 years

Office Equipments - 3 to 6 years

The useful lives, residual values and the method of depreciation of property, plant and equipment 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 and are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

(e) Intangible Assets

Computer Software

Software for internal use, which is primarily acquired from third-party vendors is capitalised at cost. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Amortisation Method

Application software is amortised over the estimated economic useful life of 6 years.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

(f) 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 group of assets (cash-generating units)

(g) Research & Development:

Revenue expenditure on research and development is charged as expense in the year in which it is incurred. Capital expenditure on research and development is shown as an addition to Fixed Assets.

(h) Leasehold Land

Leasehold rights over land has been classified as operating lease and considered as Advance payment and shown under other non-current assets. The amount which will be adjusted within next 12 months is being shown under the head other current assets.

This Advance Lease payment is charged off over the tenure of the lease on straight line basis.

(i) Financial Instrument**A. Financial Assets**

Financial assets, where applicable are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

i) Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

The financial assets are classified as those measured at:

1. amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
2. fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
3. fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

Investments in Subsidiary

Investment in subsidiary is carried at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

Investments (Other than Investments in Subsidiaries) and Other Financial Assets

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

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

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

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

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

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case 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. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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 instrument 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 profit or 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 THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

B. Financial Liabilities

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

De-recognition of financial liabilities

A financial liability are de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(j) Inventories

Raw materials, stores and spare parts are valued at the lower of cost and net realisable value. Cost includes purchase price, duties and taxes, freight and other expenditure incurred in bringing such inventories to their present location and condition. In determining cost, 'first in first out' method is used. The carrying costs of raw materials, stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products, in which they will be incorporated, are expected to be sold below cost. Finished goods are valued at the lower of cost and net realisable value. Cost comprises of direct material, labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities. Traded finished goods are valued at the lower of cost and net realisable value.

(k) Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(l) Revenue

Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to customers and it is not unreasonable to expect ultimate collection of the sale consideration that is being recognised as revenue.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)***(m) Income from Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Accordingly, government grants:

- a. related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- b. related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- c. by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

(n) Foreign exchange transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

(o) Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

Short term benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Post-employment benefits

- a) Monthly contributions to Provident Funds which are in the nature of defined benefit schemes are charged to Statement of Profit and Loss and deposited with the Provident Fund administered through the Company's trust on a monthly basis.
- b) The administration of the gratuity scheme which is in the nature of defined benefit plan, has been entrusted to Gratuity Trust. Annual charge is recognised on the basis of actuarial valuation at the Balance Sheet date, conducted by an independent actuary appointed by the Company and payments are made to Trust on the basis of annual contribution determined by the actuary. The Company recognizes all actuarial gains and losses in the Statement of Profit and Loss.

Termination benefits

Costs of termination benefits have been recognised only when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle such obligation and the amount of the obligation can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)***(p) Income taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

- a. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.
- b. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related 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 net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably certain (as the case may be) to be realised.

(q) Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

(r) Provisions and Contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

(s) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in Rupees)

3. PROPERTY, PLANT AND EQUIPMENT
3A. Reconciliation of Gross and Net carrying amount of each class of Assets

	Freehold Land	Buildings	Railway Siding, Roads and Bridges	Plant and Equipment	Research & Development Equipment	Furniture and Fixtures	Utilities, Facilities & service Equipment	Vehicles	Office Equipment	Orchidarium	Floriculture plants	Total	Capital work-in-progress
Tangible Assets													
Year ended 31st March 2018													
Gross Carrying Amount as on 1st April 2017	7041500	71807621	8745898	215318452	5125216	4551847	2888564	23901373	14937146	10576290	9111185	374005092	23238177
Additions	-	4255825	2518776	6095776	-	60720	26217	3464585	2115736	-	-	18537635	7167509
Disposals	-	-	-	-	-	-	-	531212	2816437	-	-	3347649	2310218
Closing gross carrying amount as on 31.03.2018	7041500	76063446	11264674	221414228	5125216	4612557	2914781	26834746	14236445	10576290	9111185	389195078	28095468
Accumulated depreciation as at 1st April 2017	-	48500183	8258077	152815675	50668308	4232949	2300417	20576945	13554038	8594412	9111185	273032089	-
Depreciation charge during the year	-	1409628	11018	10314840	5735	5786	163557	1441556	986057	191518	-	14581496	-
Disposals	-	-	-	-	-	-	-	489754	2816437	-	-	3306191	-
Closing accumulated depreciation as on 31.03.2018	-	49098811	8269095	163130515	5074043	4310535	2463974	21528647	11723658	8789930	9111185	284307393	-
Net carrying amount as at 31 March 2018	7041500	26153634	2995579	58283713	51173	302032	450807	5306099	2512787	1790360	-	104887685	28095468
Year ended 31st March 2019													
Gross Carrying Amount as on 1st April 2018	7041500	76063446	11264674	221414228	5125216	4612557	2914781	26834746	14236445	10576290	9111185	389195078	28095468
Additions	-	2930005	228191	9100402	-	94120	1944046	6670503	1407308	-	1657250	24029826	15265301
Disposals	-	-	-	269937	-	-	-	30	43847	-	-	313814	4526891
Closing gross carrying amount as on 31.03.2019	7041500	78993451	11490865	230244693	5125216	4706687	4898827	33505219	15599906	10576290	10769435	412911090	38833878
Accumulated depreciation as at 1 April 2018	-	49098811	8269095	163130515	5074043	4310535	2463974	21528647	11723658	8789930	9111185	284307393	-
Depreciation charge during the year	-	1667785	1209090	10564655	-	49894	149921	2375548	1517405	173010	73319	17780627	-
Disposals	-	-	-	256440	-	-	-	-	41655	-	-	298095	-
Closing accumulated depreciation as on 31.03.2019	-	51577596	9478185	173438730	5074043	4360429	2613894	23904195	13199408	8958940	9184504	301789925	-
Net carrying amount as at 31 March 2019	7041500	27415856	2012680	56805963	51173	346258	2244933	9601024	2400498	1617350	1589931	111121165	38833878

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

3B. Intangible Assets

	Computer Software (ERP System)
Year ended 31st March, 2018	
Gross Carrying Amount	
Opening Balance	–
Addition	1600000
Closing Balance	1600000
Accumulated Amortisation	
Opening Balance	–
For the Year	200182
Closing Balance	200182
Net Carrying Amount	1399818
Year ended 31st March, 2019	
Gross Carrying Amount	
Opening Balance	1600000
Addition	–
Deduction	–
Closing Balance	1600000
Accumulated Amortisation	
Opening Balance	200182
Addition	266666
Deduction	–
Closing Balance	466848
Net Carrying Amount	1133152

Note No.4 - NON-CURRENT INVESTMENTS

Particulars	Face Value (Per Share / Bond / warrant)	No of Shares / Bonds / Warrants		As at 31.03.2019	As at 31.03.2018
Investments in Equity Instruments at Cost					
In Subsidiary Companies (Unquoted)					
Fully Paid Equity Shares :					
C & C Investments Limited	10	750130	7501300		
Less: Provision for Diminution in Value (Refer Note No.42)			7501300	–	–
Others (at fair value through Other Comprehensive Income)					
Fully Paid Equity Shares (Quoted)					
Amines & Plasticizers Ltd. *	2	6990000		244794750	404022000
(Inclusive of 3495000 Bonus Shares of ₹ 2/- each)					
Fully Paid Equity Shares (Unquoted)					
Him Containers Limited (In Liquidation) (Refer Note No.42)	10	1200000		–	–
Detachable Warrants-10% Upfront paid (Unquoted)					
Him Containers Limited (In Liquidation) (Refer Note No.42)	10	1200000		–	–

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Particulars	Face Value (Per Share / Bond / warrant)	No of Shares / Bonds / Warrants	As at 31.03.2019	As at 31.03.2018
Investments In Mutual Funds (Annexure A) ** (at fair value through Profit and Loss) (Note No. 39 for information about credit risk and market risk on investments.)			904407346	271920015
			1149202096	675942015

*Investments carried at fair value through Other
Comprehensive Income.

244794750 404022000

**Investments carried at fair value through Profit and Loss.

904407346 271920015

Aggregate market value of quoted investments

244794750 404022000

Aggregate amount unquoted investments

20701300 20701300

Aggregate amount of impairment in value of unquoted investments

20701300 20701300

Annexure - A

Investments In Mutual Funds

(at fair value through Profit and Loss)

Particulars	Number of Units As at	Amount As at	Number of Units As at	Amount As at
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Nos.)	(₹)	(Nos.)	(₹)
Mirae Asset India Equity Regular Direct -G	—	—	41292	1934619
L&T Short Term Income Direct-G	—	—	668010	12673683
UTI Income Opportunities Direct - G	—	—	752328	12702301
Aditya Birla Sun Life Balanced Advantage Direct - G	—	—	128193	6654498
L&T India Prudence Direct - G	—	—	152540	4110803
HDFC Balanced Direct - G	—	—	30111	4598270
L&T India Value Fund - G	—	—	77869	2913685
L&T Midcap Direct-G	—	—	14692	2129586
Kotak Select Focus - D - G	—	—	49358	1652263
Motilal Oswal Most ultra Short Term Bond Direct-G	—	—	642209	8841223
Aditya Birla SL Savings Direct - G	—	—	9979	3431986
L&T Floating Rate Direct - G	—	—	915228	16019878
HDFC Cash Mgmt Treasury Advantage Retail-G	—	—	210042	7975766
IDFC Money manager Treasury Direct-G	—	—	120110	3352091
Kotak Treasury Advantage Direct - G	—	—	119931	3385715
Mirae Asset Cash Management Direct - G	—	—	1672	3066137
Accuracap - Pico Power	—	—	1	4682366
DSP Black Rock Enhanced Equity Fund	—	—	1	10026000
IDFC Classic Equity Direct-G	—	—	36156	1692994
Motilal Oswal Most Focused Dynamic Equity D-G	—	—	410425	5022943

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.4 - NON-CURRENT INVESTMENTS

Particulars	Number of	Amount	Number of	Amount
	Units	As at	Units	As at
	As at	31.03.2019	As at	31.03.2018
	(Nos.)	(₹)	(Nos.)	(₹)
Motilal Oswal Most Focused Multicap 35 D-G	737427	17793073	64482	1761972
Edelweiss Alpha Fund / AMBIT ALPHA FUND	20014	20969345	1	10077163
L&T Liquid - G	-	-	2624	6237073
L&T India Value Fund - G	285738	10325137	105077	3852010
Kotak Liquid - D - G	76	286570	1769	6231655
Kotak Select Focus - D - G	-	-	114296	3826067
Franklin India Ultra Short Bond - G	-	-	129864	3510350
Franklin India Smaller COS - G	86929	4784230	25672	1542028
Franklin India Ultra Short Bond - G	6521	171288	159860	3865280
Franklin India Smaller COS - G	-	-	19610	1248670
Reliance Liquid Fund - TP - G	-	-	1810	7678310
Reliance Top 200 - G	-	-	73066	2361536
HDFC HOF - I - 1140D Nov 2017(1) - G	1000000	9544000	1000000	9578000
Kotak Eq Arbitrage - D - FDP	632490	14888113	632490	14900193
Edelweiss Arbitrage Fund - MDP	400260	4898184	604384	7401466
VEDANTA LIMITED (7.5% PREF 270T18)	-	-	953223	9579891
Ask Select Focus Fund	10700	9843182	4967	4725918
Old Bridge - Vantage Equity Fund	104768	9450057	24925	7420452
White Oak India Equity Fund	959429	10711732	471605	9964865
IIFL Special Opportunities Fund Series 7	601866	6131814	349787	3510634
IIFL Blended Fund	746636	7647197	24354	2388505
INDIA HOUSING FUND	248905	2583532	-	2500921
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	5347650	500000	5015050
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	5354100	500000	5085250
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	5359700	500000	5153000
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	5374550	500000	5087950
Principal Protected (NCD's)	100	11416500	100	10549000
DSP BlackRock Enhanced Equity Fund	100000	10650000	-	-
ECap Equities Limited NCD Product	1	21081305	-	-
L&T Low Duration Fund - Growth	1054135	21117910	-	-
SC CREDIT TRUST	15	16648357	-	-
UTI Credit Risk Fund - Direct Growth Plan	752328	13549497	-	-
Accuracap - Alpha Gen	1	11458051	-	-
Accuracap - Pico Power	2	10490545	-	-
Franklin India Smaller Companies Fund-D-G	83701	4939289	-	-
HDFC Small Cap Fund - Regular Plan - Growth Plan	371486	16582748	-	-
IDFC Core Equity Fund-G-D	537549	26442056	-	-
Kotak Standard Multicap Fund - Direct Plan - Growth	539614	20353709	-	-
L&T India Value Fund Direct Plan - Dividend - Reinvest	968130	27753371	-	-
L&T Midcap Fund Direct Plan - Dividend - Reinvest	229751	10559341	-	-
Mirae Asset India Equity Fund - Direct Plan - G	256194	13838831	-	-
Motilal Oswal India Opportunity Portfolio Strategy - V2	1	5876733	-	-
Reliance Large Cap Fund -Direct Growth (P) G Option	293113	10989705	-	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.4 - NON-CURRENT INVESTMENTS

Particulars	Number of	Amount	Number of	Amount
	Units	As at	Units	As at
	As at	31.03.2019	As at	31.03.2018
	(Nos.)	(₹)	(Nos.)	(₹)
SUNDARAM EMERGING SMALL CAP SR 2-5 YEARS DIRECT GROWTH	500000	4546700	-	-
SUNDARAM EMERGING SMALL CAP SR 2-5 YEARS REGULAR GROWTH	500000	4475850	-	-
SBI Blue Chip Fund - Regular Plan - Growth	529749	20769339	-	-
Aditya Birla Sunlife Balanced Advantage Fund - G -D	479202	26787373	-	-
HDFC Hybrid Equity Fund - Direct Plan - Growth Option	802176	45483403	-	-
ICICI Prudential Balanced Advantage Fund - Growth	602550	21294126	-	-
IIFL Capital Enhancer Fund - Series 1- Direct - Growth	1000000	10534700	-	-
IIFL Capital Enhancer Fund - Series 1- Regular - Growth	1000000	10420300	-	-
L&T Hybrid Equity Fund Direct Plan - Dividend	1889559	40249487	-	-
Motilal Oswal Dynamic Fund - Direct Growth	3200329	40257582	-	-
SBI Equity Hybrid Fund Regular Growth	366221	49195717	-	-
Franklin India Ultra Short Bond Fund Super Ins - D - G	8292	218774	-	-
Franklin India Ultra Short Bond Fund Super Institutional Plan-Direct	4078373	107602974	-	-
Kotak Savings Fund - Growth (Regular Plan)	1004093	30094284	-	-
L&T Money Market Fund - Growth	736620	13615100	-	-
Reliance Liquid Fund - Direct Plan-GP	86	393513	-	-
SBI Magnum Ultra Short Duration Fund Regular Growth	17036	70639555	-	-
SBI Savings Fund - Regular Plan - Growth	18620	538969	-	-
Motilal Oswal Liquid Strategy	1	2078198	-	-
		904407346		271920015

Note No.5 - OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2019		As at 31.03.2018	
Non-current				
Unsecured : Considered good				
Security Deposits		5204490		3956570
Loans and Advances to related parties				
Unsecured : Considered doubtful				
To Subsidiary Company				
C & C Investments Ltd.	4095000		4095000	
Less: Provision for doubtful advance (Refer Note No.42)	4095000	-	4095000	-
Other Financial Assets				
Deposit for maintenance charges		-		-
On Term Deposits with Banks		1873257		191978
(With more than 12 months maturity) (Under Lien)				
		7077747		4148548

Note No.6 - OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2019		As at 31.03.2018	
Prepayments (Leasehold Land)		4293769		4350266

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.7 - INVENTORIES (At lower of cost or net realisable value)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Raw Materials		745895384	
Includes in-transit ₹ 15,62,14,578 (As at 31.3.18- ₹ 4,21,45,123)				
Finished Goods		512842784		130462946
Includes in-transit ₹ 2,45,43,512 (As at 31.3.18- ₹ Nil)				
Stores and Spares		31209973		25870705
Includes in-transit ₹ 21,02,585 (As at 31.3.18- ₹ Nil)				
		1289948140		603997504

Note No.8 - CURRENT INVESTMENTS

Particulars	Number of	Amount	Number of	Amount
	Units	As at	Units	As at
	As at	31.03.2019	As at	31.03.2018
	(Nos.)	(₹)	(Nos.)	(₹)
Investments In Mutual Funds				
(at fair value through Profit and Loss)				
(Note No. 39 for information about credit risk and market risk on investments.)				
Reliance Liquid Cash -G	-	-	26744	72073391
Reliance Liquid Cash -G	-	-	26019	70119719
Reliance Liquid Cash -G	-	-	11148	30041731
HDFC Cash Mgmt Treasury Advantage Retail-G	-	-	4174392	152727212
HDFC Cash Mgmt Treasury Advantage Retail-G	-	-	820389	30015341
ICICI Pru Savings - G	-	-	314747	81963934
ICICI Pru Savings - G	-	-	269629	70214814
ICICI Pru Savings - G	-	-	115269	30017521
HDFC Liquid Fund - Regular Plan - Growth	11693	42799038	-	-
ICICI Prudential Floating Interest Fund-Growth	139	38690	-	-
ICICI Prudential Liquid Fund - Growth	146266	40284267	-	-
		83121994		537173663

Note No.9 - TRADE RECEIVABLES

Particulars	As at 31.03.2019		As at 31.03.2018	
	Unsecured : Considered good		237760837	
(Note No. 39 for information about credit risk and market risk on receivables.)				

Note No.10 - CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2019		As at 31.03.2018	
	Balances with Banks *		96157911	
Cash on hand		304540		2013441
		96462451		270082943
* Includes Margin Deposits for Future foreign currency contract amounting to ₹ 48,73,635/- (As at 31.3.18 ₹ 73,86,546)				

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.11 - OTHER BANK BALANCES

Particulars	As at 31.03.2019		As at 31.03.2018	
For Unclaimed Dividend (Earmarked for payment of unclaimed dividend)		1400332		662293
On Term Deposits (With original maturity of more than three months but less than twelve months)		281072917		124445890
		282473249		125108183

Note No.12 - OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2019		As at 31.03.2018	
Current				
Unsecured : Considered good				
Interest Receivables		1030494		2478192
Rent Receivables		54049		1509268
Advances & Deposits		37459347		44844355
Receivable from Statutory Authorities		129115342		66087867
Advance for Investments in Mutual Funds		-		92090000
		167659232		207009681

Note No.13 - OTHER CURRENT ASSETS

Particulars	As at 31.03.2019		As at 31.03.2018	
Unsecured : Considered good				
Prepaid Expenses		2239772		1890377
Advances for Raw Materials		52685879		111720496
Balances with Statutory Authorities		79464310		30789917
Advances and Deposits		9789268		7947196
Prepayments (Leasehold Land)		56497		56497
		144235725		152404483

Note No.14 - EQUITY SHARE CAPITAL

Particulars	As at 31.03.2019		As at 31.03.2018	
Authorised		85000000		85000000
8500000 Equity Shares of ₹ 10 Each				
Issued, Subscribed and Paid-up		26500000		26500000
2650000 Equity Shares of ₹ 10 Each Fully Paid-up *				

* There were no changes in number of shares during the years ended 31st March, 2019 and 31st March, 2018.

- (a) The Company has one class of Equity Shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. 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 THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(b) Details of shareholders holding more than 5 percent of the aggregate shares in the Company:

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Oxbow Calcining LLC, USA	812377	30.66	812377	30.66
Sukansuti Tea Company Pvt. Ltd.	142750	5.39	142750	5.39
Nobo Bharati Projects India Ltd.	162000	6.11	162000	6.11
Anita Himatsingka	209615	7.91	209615	7.91
Shaurya Veer Himatsingka	237431	8.96	237431	8.96

Note No.15 - OTHER EQUITY

Particulars	As at 31.03.2019		As at 31.03.2018	
RESERVES & SURPLUS				
Securities Premium Reserve		7500000		7500000
Retained Earnings		2451326422		962121441
General Reserve		318806239		318806239
OTHER RESERVES				
Capital Reserves		6400		6400
Capital Redemption Reserve		2000000		2000000
OTHER COMPREHENSIVE INCOME		171918138		263049053
		2951557198		1553483132
RETAINED EARNINGS - MOVEMENT DURING THE YEAR				
As per Last Financial Statements	962121441		176969124	
Add: Balance in Statement of Profit & Loss	1537127072		793126011	
		2499248513		970095135
Less: Dividends on Equity Shares for the year 2017-18	39750000		6625000	
Add: Dividend Distribution Tax	8172091	47922091	1348694	7973694
		2451326422		962121441
GENERAL RESERVE - MOVEMENT DURING THE YEAR				
As per Last Financial Statements	318806239		318806239	
Less: Transferred to Capital redemption Reserve	-	318806239	-	318806239
CAPITAL REDEMPTION RESERVE - MOVEMENT DURING THE YEAR				
As per Last Financial Statements	2000000		1000000	
Add: Transferred from General Reserve	-	2000000	1000000	2000000
OTHER COMPREHENSIVE INCOME - MOVEMENT DURING THE YEAR				
Equity Instruments through Other Comprehensive Income	237804750		397032000	
Less:: Income Tax thereon	63220525	174584225	130240529	266791471
Remeasurement of Defined Benefit Plans	(3761409)		(5723051)	
Less:: Income Tax thereon	(1095322)	(2666087)	(1980633)	(3742418)
		171918138		263049053

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

(Amount in ₹)

Nature and purpose of each Reserve**Securities Premium Reserve**

Premium received on equity shares are recognised in the securities premium account. This reserve may be utilised in accordance with the provisions of Section 52 of the Companies Act 2013.

Retained Earnings

Retained earning includes revaluation reserve amounting to Rs. 65,24,521 created on revaluation of freehold land and two buildings done on 30th September 1985 by approved valuers. The aforementioned revaluation reserve is not a free reserve as per the Companies Act, 2013 and hence is not available for distribution of dividend.

General Reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Capital Redemption Reserve

The Act requires that where a Company redeems its preference shares out of free reserves, a sum equal to the nominal value of the shares so redeemed shall be transferred to Capital Redemption Reserve Account. This reserve may be applied by the Company in issuing fully paid bonus shares. The Company established this reserve pursuant to the redemption of preference shares issued in earlier years.

Note No.16 - BORROWINGS

Particulars	As at 31.03.2019		As at 31.03.2018	
Non-Current				
Secured				
Term Loans				
Home Loans		-		8760736
Auto Loans		472746		1067591
Auto Loans are secured by way of hypothecation of cars. Repayable in the range of 36 to 60 equal monthly instalments at fixed rate of interest and last intalment due on 05.09.2020 and 07.11.2022				
		472746		9828327

Note No.17 - PROVISIONS

Particulars	As at 31.03.2019		As at 31.03.2018	
Non-Current				
Provision for Employee Benefits (Refer Note No. 37)		3568385		2997048

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.18 - DEFERRED TAX LIABILITIES (NET)

Significant Component and movement in Deferred Tax Assets and Liabilities during the Year

Nature - Liability / (Assets)	Balance Sheet		Statement of Profit and Loss	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Deferred Tax Liabilities				
Arising out of:				
Temporary difference in depreciable assets	3515288	6570476	(3055188)	2644289
Investment (Mutual Funds) through Profit and Loss	8879081	1433438	7445643	1433438
Investment (Equity Instruments) through Other Comprehensive Income	63220525	130240529	(67020004)	43422831
	75614894	138244443	(62629549)	47500558
Deferred Tax Assets				
Loans and Advances to Related Party	1192464	1417198	(224734)	-
Employee Benefits	441426	829287	(387861)	(271535)
Remeasurement of Defined Benefit Plans	1095322	1980633	(885311)	1737854
	2729212	4227118	(1497906)	1466319
	72885682	134017325	(61131643)	46034239

Reconciliation of Deferred Tax Liabilities (net)	As at 31.03.2019	As at 31.03.2018
Opening Balance	134017325	87983086
Tax Expense during the period recognised in Statement of Profit and Loss	5003050	4349264
Tax Expense during the period recognised through OCI	(66134693)	41684975
Closing Balance	72885682	134017325

Note No.18.1 - INCOME TAX EXPENSE

Particulars	As at 31.03.2019	As at 31.03.2018
A. Tax Expense recognised in Profit or Loss		
Current Tax		
Current Tax on profit for the Year	576166510	226590184
Adjustment for current Tax of earlier years (MAT Credit)	(138369292)	-
	437797218	226590184
Deferred Tax		
Origination and Reversal of Temporary Differences	5003050	4349264
Income Tax expense	442800268	230939448
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurements on Post-employment Defined Benefit Plans	885311	(1737854)
Equity Instruments through OCI	(67020004)	43422831
	(66134693)	41684977

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.18.2 - NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE

Particulars	As at	As at
	31.03.2019	31.03.2018
Profit before Income Tax Expense	1972477534	1024065459
Enacted Statutory Income Tax Rate in India applicable to the Company	29.12%	21.3416%
Computed Expected Income Tax Expense	574385458	218551954
Adjustments:		
Impact of employee benefit provisions, not funded	565498	271535
Impact of depreciation difference between IT and Accounts	(2927091)	2644289
Adjustment for current Tax of earlier years (MAT Credit)	(138369292)	-
Income exempt from Income Taxes	(1104579)	(751586)
Impact of appreciation in value of investment in mutual funds through profit and loss	(1868034)	1433438
Impact of capital gains	1608483	-
Adjustment for Expenses not allowable as per Income Tax	2257023	-
Impact of expenses relating to exempt income	2625668	-
Interest	5402400	8789818
Others (Temporary difference for loans and advances)	224734	-
Income Tax Expense	442800268	230939448

Note No.19 - BORROWINGS

Particulars	As at	As at
	31.03.2019	31.03.2018
Current		
Secured		
From Banks		
Cash Credit (repayable on demand) *	12302581	36747551
Buyers Credit Arrangements (in foreign currency) **	137520083	581390346
* Secured Loans from Banks are secured by way of hypothecation of Stocks, Stores, Book Debts and equitable mortgage of Fixed Assets of the Company; and have been guaranteed by Mr. Rakesh Himatsingka, Managing Director of the Company. Cash Credit is repayable on demand and carries floating interest @ 11.75 to 13.10% p.a.(31.3.2018 @ 11.75.to 13.10%, p.a.)		
** The buyers' credits are repayable in 360 days and carries interest at 6M LIBOR+ 41bps (31.3.2018 - 133 days to 180 days and carries interest at LIBOR+ 25bps to 48bps) and hypothecation of stocks and book debts, both present and future.		
Note No.39 For information about liquidity risk and market risk on borrowings.		
	149822664	618137897

Note: The Company has an authorised Preference Shares - 150000 shares of ₹ 100/- each.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.20 - TRADE PAYABLES

Particulars	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	79587845	106317622
	79587845	106317622
Details of dues to Micro, Medium and Small Enterprises as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, based on the available information with the Company are as under:		
Principal amount as at the end of the year	-	-
Interest thereon as at the end of the year	-	-
Amount paid beyond the respective due date during the year	-	-
Interest paid thereon in terms of Sec.16 during the year	-	-

Note No.21 - OTHER FINANCIAL LIABILITIES

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturities of Long-term Debt	594845	895060
Interest Accrued on borrowings	464002	71502
Unclaimed Dividends *	1400332	662293
Statutory Dues	81524672	87851102
Subjudged Adhoc Refund of Excise Incentive against furnishing solvent surety (Note No.43)	85966590	80831663
Other Payables	145684053	71865418
	315634494	242177038

* Represents dividend amounts not claimed.

Note No.22 - OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2019	As at 31.03.2018
Advances and Deposits	5163768	166896310
	5163768	166896310

Note No.23 - PROVISIONS

Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Provision for Employee Benefits (Refer Note No.37)	1708911	1670230
	1708911	1670230

Note No.24 - CURRENT TAX LIABILITIES (NET)

Particulars	As at 31.03.2019	As at 31.03.2018
Income Tax (Net of Advance Tax)	6421742	60979700
	6421742	60979700

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.25 - REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
Sale of Products:				
Calcined Petroleum Coke	4426949070		3146987046	
Electrode Carbon Paste	233331747		159275235	
Thermal Carbon (Tamping) Paste	4911500		7465375	
Raw Petroleum Coke (Trading Goods)	51308938		106245321	
		4716501255		3419972977
Sale of Services:				
Technical Assistance		-		2500000
Other Operating Revenues:				
Conversion Charges		-		7052252
		4716501255		3429525229

Note No.26 - OTHER INCOME

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
Interest Income				
From Banks	8479337		5096279	
From Others	62233	8541571	27143899	32240178
Dividend Income		3793197		3521696
Other Non-operating Income				
Rent	1800000		604800	
Sales Tax Refund in respect of earlier years	84431805		-	
Liability no longer required written back	1291776		61142	
Refunds & Claims Received	86589763		49603098	
(Includes refund of IGST ₹ 8,27,05,737 , previous year - ₹ 4,83,94,732)				
Miscellaneous Receipts	1672052		152837	
Net Gain / (Loss) on Sale of Investments	21039672		3143051	
Net Gain on Investment in Mutual Funds carried at fair value through profit or loss	31983780	228808849	4141928	57706855
Other Gains & Losses				
Net Gain (Loss) on Sale of Assets	5499		110302	
Net Gain on Exchange Difference	-	5499	(235557)	(125255)
		241149116		93343475

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.27 - COST OF MATERIALS CONSUMED

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Opening Stock		447663853	
Add: Purchases				
Raw Petroleum Coke	2113008337		1684992394	
Green Needle Coke	-		52084650	
Calcined Petroleum Coke	837294303		588358125	
Pitch	58863571		42009228	
Others	14463123	3023629334	155645	2367600042
		3471293187		2478947975
Deduct: Cost of Materials Sold		48749079		104209061
Deduct: Closing Stock		745895384		447663853
Cost of Materials Consumed				
Raw Petroleum Coke	1814942914		1288134936	
Green Needle Coke	-		58322590	
Calcined Petroleum Coke	802595820		538801386	
Pitch	58512915		40519511	
Others	597074		1296639	
		2676648723		1927075061

Note No.28 - COST OF MATERIALS SOLD

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Raw Petroleum Coke	48749079		104209061
Others	-	48749079	-	104209061

Note No.29 - CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Opening Inventory		130462946	
Less: Closing Inventory		512842784		130462946
		(382379838)		(10867186)

Note No.30 - EXCISE DUTY *

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	(Net of refund)			
Calcined Petroleum Coke		-		37302654
Electrode Carbon Paste		-		2197832
Thermal Carbon (Tamping) Paste		-		76250
Raw Petroleum Coke		-		-
Others		-		-
		-		39576736

* Upto 30.06.2017 - from 1.7.2017 excise duty discontinued.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.31 - EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Salaries and Wages		275902569	
Contribution to Provident and other Funds		6287576		8064186
Staff Welfare Expenses		5226683		5284837
		287416828		166571129

Note No.32 - FINANCE COSTS

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Interest Expense		8330363	
Other Borrowing Costs		6058086		14832369
		14388449		31999599

Note No.33 - OTHER EXPENSES

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Stores, Spare-parts and Packing Materials		29127560	
Power, Fuel and Water		42626324		38082205
Carriage and Handling		52543961		38014018
Repairs and Maintenance to Buildings		17654378		6765288
Repairs and Maintenance to Machinery		21193586		9875093
Repairs and Maintenance to Others		19042984		10705119
Insurance		2743715		2566685
Rent		647136		633650
Rates and Taxes		5820950		8726480
Net Loss (Gain) on Foreign Currency transactions and translation		15849293		5892233
Miscellaneous Expenses				
Freight and Forwarding	61104157		41274917	
Advertisement and Publicity	192847		599398	
Commission on Sales	714212		78822	
Travelling, Transport and Conveyance	13278644		13458722	
Professional and Legal Expenses	7201897		3667934	
Donations and Subscriptions	3387870		776081	
Corporate Social Responsibility	8953062		3080815	
Establishment Expenses	14053893		14946325	
Board Meeting Fees	1020000		1070000	
Bad Debts / Advances written off	4902715	114809296	-	78953014
Auditors' Remuneration				
As Auditors	150000		150000	
For Other Audits and Certifications	80000		32000	
Travelling Expenses	13120	243120	16906	198906
		322302302		225457168

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.34 - EARNING PER EQUITY SHARES

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
(A) Basic				
(i) Number of Equity Shares at the beginning of the year		2650000		2650000
(ii) Number of Equity Shares at the end of the year		2650000		2650000
(iii) Weighted Average Number of Equity Shares outstanding the Year		2650000		2650000
(iv) Face Value of each Shares (₹)		10		10
(v) Profit after Tax Available for Equity Shareholders Profit for the Year		1537127072		793126011
(vi) Basic earning per Equity Shares (Rs.) [(v)/(iii)]		580		299
(B) Diluted				
(i) Dilutive Potential Equity Shares		-		-
(ii) Dilutive Earnings per Equity Shares (₹) [Same as (A)(vi)above]		580		299

Note No.35 - CONTINGENT LIABILITIES AND COMMITMENTS (To the extent not provided for)

PARTICULARS	Year ended 31.03.2019	Year ended 31.03.2018
Contingent Liabilities		
Claims against the Company not acknowledged as debts;		
Income Tax	-	-
Central Sales Tax and W.B.VAT	3304567	2279983
Excise Duty / Service Tax	3120938	-
Employees State Insurance	1554020	1554020
Entry Tax	39576274	39576274
Railway Authorities	9912605	-
It is not probable that an outflow of economic resources will be required to settle the obligations and therefore, no provision is considered necessary.		
Indemnity Bonds/Guarantees through Banks	92322744	66194131
Letter of Credits	-	82100000
Commitments		
Estimated Amount of contracts remaining to be executed on capital account and not provided for.	2556175	1120000
Other Commitments	1818002	7201087

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.36 - RELATED PARTIES DISCLOSURE**List of related parties**

Subsidiary Company

C & C Investments Ltd.

Key Management Personnel

Mr. Rakesh Himatsingka, Managing Director

Mr. Shaurya Veer Himatsingka, Deputy Managing Director

Mr. Bhaskar Rakshit, Company Secretary

Mr. Pankaj Kumar Misra, Chief Finance Officer

Company in which Directors are interested as Director in

Assam Carbon Products Ltd. (Appointed on 25.05.2016)

Khatu Investments & Trading Co. Ltd. (Appointed on 09.05.2017)

Shree Shyam Orchids Estates Ltd. (Appointed on 09.12.2016)

Company in which Directors are interested as Trustee in

Manav Kalyan Trust

India Carbon Charitable Trust

PARTICULARS	Year ended 31.03.2019	Year ended 31.03.2018
Detail of Transactions taken place with Key Management Personnel		
Nature of Transactions		
Remuneration of :		
Managing Director	107861900	51783481
Deputy Managing Director	107861900	51783481
Company Secretary	590318	445977
Chief Finance Officer	789600	677002
Outstanding Payable	As at 31.03.2019	As at 31.03.2018
	₹	₹
Mr. Rakesh Himatsingka, Managing Director	66999855	30441738
Mr. Shaurya Veer Himatsingka, Deputy Managing Director	67231966	30465837
Company Secretary	35213	51303
Chief Finance Officer	61917	106089

The Company has incurred expenses of C & C Investments Limited, the Subsidiary Company amounting to ₹ **61,315** (2017-18 - ₹ 9,800) towards Audit Fees, Filing Fees and Compliance Certificate Fees.

The Company has sold goods amounting to ₹ **699884** (2017-18 - ₹ 5,36,753) and purchased Stores amounting to ₹ **7,83,908** (2017-18 ₹ - 8,100) to Assam Carbon Products Ltd. Balance outstanding as on 31.3.2019 ₹ **Nil** (2017-18 ₹ - 3,54,331)

The Company has taken services amounting to ₹ Nil (2017-18 - ₹ 17,58,056) from Khatu Investments & Trading Co. Ltd. Balance outstanding as on 31.3.2019 ₹ **Nil** (2017-18 - ₹ 2,12,480)

The Company has taken services amounting to ₹ **Nil** (2017-18 - ₹ 23,99,462) from Shree Shyam Orchids Estates Ltd. Balance outstanding as on 31.3.2019 ₹ **Nil** (2017-18 ₹ - 1,63,412)

The Company has given a donation under CSR activities amounting to ₹ **20,00,000** (2017-18 - ₹ 10,00,000) to Manav Kalyan Trust. Balance outstanding as on 31.3.2019 ₹ **Nil** (2017-18 - ₹ Nil)

The Company has given a donation under CSR activities amounting to ₹ **10,00,000** (2017-18 - ₹ 10,00,000) to India Carbon Charitable Trust. Balance outstanding as on 31.3.2019 ₹ **Nil** (2017-18 - ₹ Nil)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.37 - EMPLOYEE BENEFITS**I. Post Employment Defined Benefit Plans :****(A) Gratuity (Funded)**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and is funded by the Company to make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2 based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company :

(Amount in ₹)

	31 March 2019	31 March 2018
(a) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation :		
Present value of obligation at the beginning of the year	19600265	11662302
Current service cost	1542347	1333759
Interest cost	1446143	846683
Past Service cost	-	2281197
<u>Remeasurement Losses</u>		
Actuarial losses arising from changes in financial assumptions	297145	(360350)
Actuarial losses arising from changes in experience adjustments	(1756049)	4592401
Benefits paid	(892113)	(755727)
Present value of obligation at the end of the year	20237738	19600265
(b) Reconciliation of opening and closing balances of the fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	11361325	11662302
Interest income	1171165	846683
<u>Remeasurement Gains</u> (excluding interest income)		
Return on plan assets	(596329)	(391933)
Contribution from employer	9193690	-
Benefits paid	(892113)	(755727)
Fair value of plan assets at the end of the year	20237738	11361325
(c) Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets		
Present value of obligation at the end of the year	20237738	19600265
Fair value of plan assets at the end of the year	20237738	11361325
Liabilities recognised in the balance sheet	-	8238940
(d) Actual Return on plan assets	574836	454750
(e) Expense recognised in the other comprehensive income		
Remeasurement losses / (gain)	(2055233)	3840118

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

	31 March 2019	31 March 2018
(f) Expenses recognised in Profit or Loss		
Current service cost	1542347	1333759
Net Interest cost (Income)	274978	-
Total *	1817325	1333759
* Recognised under Contribution to Provident and Other Funds (Note 31)		
(g) Category of plan assets		
Funded with Gratuity Fund Trust	100%	100%
(h) Maturity profile of defined benefit obligation		
1st year	5305252	7162806
2-5 years	5097045	3638249
6-10 years	8739816	7827115
More than 10 years	20577713	18070353
(i) Principal actuarial assumptions		
Discount Rate	7.34%	7.55%
Salary growth rate	5%	5%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India for both years.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

	Changes in assumption	Impact on defined benefit obligation 31 March 2019	Impact on defined benefit obligation 31 March 2018
(j) Sensitivity analysis			
Discount rate	Increase by 1 %	Decrease by ₹ 13,42,409	Decrease by ₹ 11,40,836
	Decrease by 1 %	Increase by ₹ 15,40,096	Increase by ₹ 13,05,447
Salary growth rate	Increase by 1 %	Increase by ₹ 14,53,275	Increase by ₹ 12,16,129
	Decrease by 1 %	Decrease by ₹ 12,91,577	Decrease by ₹ 10,83,712

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior periods.

(k) The company expects to contribute ₹ **1894443** (Previous Year ₹ 79,37,963) the funded gratuity plan during the next financial year.

(l) The adjusted future service of the Defined Benefit Obligation as at 31st March, 2019 is **8.62** years (as at 31st March, 2018 is 8.42 years)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(B) Provident fund

Contributions towards provident funds are recognised as expense for the year. The Company has set up Provident Fund Trusts in respect of employees which are administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

In view of the Company's obligation to meet shortfall, if any, on account of interest, Provident Fund trusts set up by the Company are treated as defined benefit plans.

During the year, the Company's contribution of ₹ **21,04,787** (Previous year – ₹ 17,33,859) to the Provident Fund Trusts has been expensed under the 'Contribution to Provident and Other Funds' in Note 31.

II. Post Employment Defined Contribution Plans**(A) Superannuation Fund**

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Trustees. The Company makes quarterly contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

(B) The Employees Pension Scheme 1995

The employees of the Company received benefits from the above mentioned scheme, a defined contribution plan. The employer makes monthly contributions to a Government administered fund at specified percentage. The Company has no further obligation under the plan beyond its monthly contributions.

During the year the Company has made contribution amounting to ₹ **18,85,723** (Previous Year ₹ 17,04,344) has been recognised as expenditure.

III. Leave Obligations

The Company provides for accumulation of leave by its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was ₹ **52,77,294** (Previous Year - ₹ 46,67,276). The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(Amount in ₹)

Particulars	31st March, 2019	31st March, 2018
Leave provision not expected to be settled within the next 12 months	3568385	2997048

IV. Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

Note No.38 - FAIR VALUE MEASUREMENTS

Financial Instruments by category	Note No.	As at 31.03.2019	As at 31.03.2018
		Carrying Amount / Fair Value	Carrying Amount / Fair Value
Financial Assets			
Assets Carried at Fair Value through Profit or Loss / OCI			
Investments			
Equity Instrument	4	244794750	404022000
Mutual Funds	4,8	987529340	809093678
Advance for Investments in Mutual Funds	12	-	92090000
Foreign Exchange Future Contracts	10	4873635	7386546
Assets Carried at Amortised Cost			
Investments			
Trade Receivables	9	237760837	208404372
Cash and Cash Equivalents	10	91588815	262696396
Other Bank Balances	11	282473249	125108183
Other Financial Assets	5,12	174736979	119068230
Total Financial Assets		2023757606	2027869406
Financial Liabilities			
Liabilities Carried at Amortised Cost			
Borrowings (including current maturities and interest accrued)	16,19,21	150890255	628861284
Trade Payables	20	79587845	106317622
Other Financial Liabilities	21	315039649	241281978
Total Financial Liabilities		545517750	976460884

* Amounts are below the rounding off norm adopted by the Company

(ii) Fair Values

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. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2018.

The following methods and assumptions were used to estimate the fair values:

- 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.
- The fair value of foreign exchange future contracts is determined using closing exchange rates at the Balance Sheet date.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

(Amount in ₹)

- (c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

For financial assets carried at fair value, the carrying amounts are equal to their fair values.

(iii) Fair Value Hierarchy

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 level 1 and level 2 fair value measurements during the year ended 31st March, 2019 and 31st March, 2018.

(Amount in ₹)

	31st March, 2019			31st March, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Recognised and Measured at Fair Value - Recurring Measurements						
Financial Assets						
Equity Instrument	244794750			404022000		
Mutual Funds	987529340			809093678		
Advance for Investments in Mutual Funds			-			92090000
Foreign Exchange Future Contracts		4873635			7386546	
	1232324090	4873635	-	1213115678	7386546	92090000

Note No.39 - FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimize potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimization/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Company does not enter into derivative financial instruments for speculative purposes. The following table explains the sources of risk and how the entity manages the risk in its financial statements. The management reviews the status of all principal risks with a significant potential impact. Additionally, the Audit Committee carried out focused risk reviews of each Plant and divisions. These reviews included an analysis of both the principal risks, and the controls, monitoring and assurance processes established to mitigate those risks to acceptable levels. As a result of these reviews, a number of actions were identified to continue to improve internal controls and the management of risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Cash Flow forecasts	Credit facilities
Market Risk – foreign exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow forecasts	Monitoring of currency movement.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

(Amount in ₹)

Risk	Exposure arising from	Measurement	Management
Market Risk – interest rate	Long Term Borrowings/Liabilities	...	Monitoring of interest rate movements
Market Risk – security prices	Investment in Securities	...	Portfolio Management

A. Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risk arises from cash and cash equivalents, investment carried at amortised cost, deposit with banks and financing institutions as well as credit exposure to customer and other parties.

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the entity assesses and manages credit risk based on internal credit evaluation. It monitors party-wise exposure and based on evaluation credit rating is allotted for each party. Thereafter a credit limit is assigned to each party depending on the solvency of the said party.

The entity considers the probability of default on ongoing basis and at each reporting period. Micro-economic information is incorporated as part of internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

The ageing of Trade receivables i.e. receivables which are past due (net of allowances / provisions) are given below :

Age of receivables	31-Mar-19	31-Mar-18
1 – 30 days past dues	39013980	21867327
31 – 60 days past dues	15606140	15523074
61 – 90 days past dues	474120	19146512
91 – 180 days past dues	692710	5185102

B. Liquidity Risk

The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing to meet its additional need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The company is required to maintain debt equity ratio as mentioned in the loan agreements at specified levels. In the event to meet any ratios these become callable at the option of the lenders, except where exception is provided by lender.

C. Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments).

- (i) **Foreign Exchange Risk** - The company transacts business by way of purchase of raw materials in local currency and foreign currency (primarily in US dollars). The Company has taken buyer's credit facility and is therefore exposed to foreign currency risk.

The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure using Future Purchase Contracts. At the end of the current year the foreign currency exposure has been fully hedged.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(a) Foreign Currency Risk Exposer

The Company's exposure to foreign currency (in US dollar) risk at the end of the reporting period expressed in INR, are as follows:

	31st March, 2019	31st March, 2018
Financial Liabilities		
Buyers Credit	137520083	581390346
(US \$ 1986595.46 (31.3.2018 - US \$ 8973576.97)		

(b) Sensitivity

The sensitivity of profit or loss to change in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit before tax	
	31st March, 2019	31st March, 2018
USD Sensitivity		
INR/USD - Increase by 5% *	6876004	29069517
INR/USD - Decrease by 5% *	6876004	29069517

* Holding all other variables constant.

(ii) **Interest Rate Risk** - Interest rate exposure of the Company is mainly on Borrowing from Bank/FI, which is linked to their prime lending rate and the Company does not foresee any risk on the same.

(iii) **Security Price Risk** - (a) The Management invests its surplus funds in mutual funds operated by only high rated institutions. To manage price risk arising from investment in mutual funds, The Company diversifies its portfolio.

(b) Sensitivity

The sensitivity of profit or loss to change in Net Assets Value (NAVs) at the year end for investments in mutual funds.

	Impact on profit before tax	
	31st March, 2019	31st March, 2018
USD Sensitivity		
NAV - Increase by 1% *	9875293	8090937
NAV - Decrease by 1% *	9875293	8090937

* Holding all other variables constant.

Note No.40 - DIVIDENDS ON EQUITY SHARES

(a) Final dividend for the year ended 31st March, 2018 @150 % i.e. Rs.15.00 per share on face value of ₹ 10 each totalling ₹ 3,97,50,000 is paid during the year. Dividend distribution tax of ₹ 81,72,091 was also paid.

(b) The Board has recommended payment of Dividend for the Financial Year ended 31st March, 2019 @ 300 % i.e. ₹ 30 per equity shares on face value of ₹ 10/- each totalling ₹ 7,95,00,000 subject to approval of the members. Dividend distribution tax on above is ₹ 1,63,45,200.

Note No.41

The total assets of the subsidiary company (C & C Limited) is negligible as compared to the total assets of India Carbon Limited, the holding company (0.0004%). In view of above and also severe long term restriction on transfer of funds, consolidation of Financial Statements have not been considered.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note No.42

Hon'ble Gauhati High Court on 1.9.2000 ordered for winding up of Him Containers Limited (HCL) and appointed Registrar of Companies, Assam as the official liquidator of HCL. Consequently there was diminution in the value of Company's investments in HCL (in liquidation) and also in its wholly owned subsidiary C & C Investments Limited (CCIL) whose resources are fully invested in HCL. Full provision was made for diminution in the value of such investments and also advances to CCIL, as extraordinary item, totaling ₹ 2,47,96,300 by charge to Statement of Profit and Loss during the year ended 31st March, 2001.

Note No.43

Incentive declared by the Government of India to eligible industrial units under North East Industrial & Investment Promotion Policy, 2007 towards refund of Excise Duty paid on finished products was reduced from 100% to 36% for Calcined Petroleum Coke and 100% to 34% for Carbon Paste, by way of Notification No.20/2008 Central Excise dated 1st April, 2008. Some of the beneficiaries approached the Hon'ble Gauhati High Court challenging the said notification. Thereafter Hon'ble Gauhati High Court had passed an order for full refund of excise duty in terms of the original notification. The order of Gauhati High Court was then challenged before the Hon'ble Supreme Court by the Union of India. The Supreme Court had directed the government through an interim order dated 7th December, 2015 to refund 50% of the differential amount which comes to ₹ 8,08,31,663 (Rupees Eight Crore Eight Lakh Thirty-one Thousand Six hundred and Sixty-three only) to the company on furnishing solvent surety. Thus, till the final order is passed by the Supreme Court the 50% of the differential amount is liable to be refunded on demand by the Government. Therefore, the same has been treated as Other Financial Liabilities in the Balance Sheet. (Note No.21) and the final order is still awaited.

During the year an additional amount of ₹ 51,34,927 was sanctioned by the Authority and has been shown under the head other Financial Liabilities.

Note No.44

CSR	
Expenditure on Corporate Social Responsibility (CSR) :	
(a) Gross amount required to be spent	
(b) Amount spent :	
(i) Construction / acquisition of any asset	Nil
(ii) On purpose other than (i) above	₹ 89,53,062
(c) Administrative Expenses	Nil

On behalf of Board of Directors

For **S. SAMANTA & CO.**

Chartered Accountants

Firm Registration No. 305020E

S. Samanta

Partner

Place: Kolkata,

Date: 15th May, 2019

Rakesh Himatsingka

Chairman & Managing Director

DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO

DIN:01200202

Sunirmal Talukdar

Director

Din:00920608

Pankaj Kumar Misra
Chief Financial officer**Hemant Kumar Khaitan**

Director

Din: 00220049

Bhaskar Rakshit
Company Secretary

DIRECTORS' REPORT

TO
THE MEMBERS
C & C Investments Limited

The Directors submit the Forty-Second Annual Report for the year ended 31st March, 2019.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Profit & Loss Statements for the year ended 31st March, 2019 resulted in nil profit as there was neither any income nor any expenses during the usual course of business. The accumulated loss now stands at Rs. 1, 31, 86,942/- which is in excess of the paid-up share capital and reserves of the Company.

Hon'ble Guwahati High Court vides order dated 1st September, 2000 ordered for winding up of Him Containers Ltd. (HCL) and Registrar of Companies, Assam has been appointed as its official Liquidator. Consequent upon the said winding up order of HCL, provision for diminution in the value of investments of Rs. 74,36,500/- held by the Company in HCL (in liquidation) and advance of Rs. 57,50,000/- given by the Company to HCL was made as an Extraordinary item by charging the same to the Profit & Loss Account during the year ended 31st March, 2001.

Consequent upon the execution of joint guarantee with regard to the loans taken by HCL from their Bankers amounting to ₹ 26,88,80,000/-, the Banker has filed a petition before the Debt Recovery Tribunal, Kolkata praying recovery of ₹ 41,24,76,480 including proportionate interest from the defendants including your company as a Guarantor.

Debt Recovery Tribunal vide its interim order dated 20.06.2003 has restrained the Company by way of injunction to transfer, encumber or otherwise dispose of the movable and immovable properties, except in the usual course of business, till the disposal of the case. In view of the situation as explained above, the Directors are of the view that since your Company operates under Long Term restriction in dealing with the funds, it may be just and equitable for the Company to be wound up.

• **DIVIDEND**

No Dividend was declared for the current financial year due to loss incurred by the Company.

• **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

• **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

• **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

• **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

DIRECTORS' REPORT *(Contd.)*

Auditors Remuneration, Filing Fees & other expenses of Rs. 9,800/- has been incurred by M/s. India Carbon Limited, the holding company.

▪ **PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had no employee during the Financial year 2018-19.

▪ **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

▪ **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

▪ **ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 and the same is being attached to this Report as Annexure A.

▪ **NUMBER OF BOARD MEETINGS AND AUDIT COMMITTEE MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

During the Financial year under review (5) Board Meetings were convened and held on 11th April, 2018, 15th May 2018, 10th August 2018, 7th November 2018 and 6th February 2019. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

▪ **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
- (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; and
- (e) 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.

▪ **SUBSIDIARIES**

The company is a subsidiary company of M/s. India Carbon Limited.

HIM CONTAINERS LTD. (HCL)

Consequent upon the winding-up order of HCL, its Directors ceased to hold office except for the purpose of filling Statement

DIRECTORS' REPORT (Contd.)

of Affairs, which has been filed with the Official Liquidator on 30th October, 2000. As a result, C & C Investments Limited (CCIL) can no longer control the composition of the Board of Directors of HCL (in Liquidation) and hence, HCL is not considered to be a subsidiary of CCIL.

▪ **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

▪ **DIRECTORS**

In accordance with the Articles of Association of the Company, Mr. Pankaj Kumar Misra, Director nominated by ICL retires by rotation and being eligible offers himself for re-appointment.

▪ **AUDITORS**

M/s. S. K. Singhania & Co (Firm Registration No.302206E), Chartered Accountants of Kolkata has been appointed as statutory auditors of the Company for a period of five years at the last Annual General Meeting.

▪ **AUDITOR'S REPORT**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013

▪ **SHARES**

a. **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

b. **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

c. **BONUS SHARES**

No Bonus Shares were issued during the year under review.

d. **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

▪ **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to shareholders, bankers, Financial Institutions, business associates, customers, suppliers and various Government Authorities for their extended support and confidence reposed on Companies activities during the year under review.

Your Directors also acknowledges the support and services of all its workers, staffs and executives, which is largely reflected in the performance of the company.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place : Guwahati, 13th May, 2019
Registered Office:
Noonmati, Guwahati - 781 020, Assam

D. K. Dutta
Director

S. K. Bhattacharjya
Director

DIRECTORS' REPORT (Contd.)**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1. CIN	U67120AS1976PLC001654
2. Registration Date	22/03/1976
3. Name of the Company	C & C INVESTMENT LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5. Address of the Registered office & contact details	NOONMATI, GUWAHATI, ASSAM-781020
6. Whether listed company	NO
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

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)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	N.A.	N.A.	N.A.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	INDIA CARBON LIMITED	L23101AS1961PLC001173	HOLDING	99.99%	2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	10	10	-	-	10	10	0.001%	NO CHANGE
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	750130	750130	99.99%	-	750130	750130	99.99%	NO CHANGE
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	750140	750140	99.99%	-	750140	750140	99.99%	NO CHANGE

DIRECTORS' REPORT (Contd.)

B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		60	60	0.01%	-	60	60	0.01%	NO CHANGE
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)		750200	750200	100%	-	750200	750200	100%	NO CHANGE
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		750200	750200	100%	-	750200	750200	100%	NO CHANGE

DIRECTORS' REPORT (Contd.)**B) Shareholding of Promoter-**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	SHYAMAL KUMAR BHATTACHRJYA	10	0.001%	–	10	0.001%	–	NO CHANGE
2	INDIA CARBON LIMITED	750130	99.99%	–	750130	99.99%	–	NO CHANGE

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	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.	At the beginning of the year	750140	99.99%	–	–
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	–	–	–	–
3.	At the end of the year	750140	99.99%	–	–

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

SN	Name of the Shareholder	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	MR. SANTOSH KUMAR MOUR	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
2.	MR. B.K. JAIN	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
3.	MR. SANTOSH KUMAR BAJAJ	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
4.	MR. SANDIP MODI	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
5.	MR. PRANAB JYOTI BORA	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%
6.	MR. SUSHEEL KUMAR SHARMA	10	0.001%	NO CHANGE	NO CHANGE	10	0.001%

E) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Director and KMP	Shareholding at the beginning of the year		Change in shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SHYAMAL KUMAR BHATTACHRJYA	10	0.001%	10	0.001%	10	0.001%

DIRECTORS' REPORT (Contd.)**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	56,94,173	–	56,94,173
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	56,94,173	–	56,94,173
Change in Indebtedness during the financial year				
* Addition	–	–	–	–
* Reduction	–	–	–	–
Net Change	–	–	–	–
Indebtedness at the end of the financial year				
i) Principal Amount	–	56,94,173	–	56,94,173
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	56,94,173	–	56,94,173

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S N.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary	–	–	–	–	–
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	–	–	–	–
	(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, specify...	–	–	–	–	–
5	Others, please specify	–	–	–	–	–
	Total (A)	–	–	–	–	–
	Ceiling as per the Act	–	–	–	–	–

DIRECTORS' REPORT (Contd.)**B. Remuneration to other Directors**

S N.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
Total (B)=(1+2)		-	-	-	-	-
Total Managerial Remuneration		-	-	-	-	-
Overall Ceiling as per the Act		-	-	-	-	-

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

S N	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N.A.	N.A.	N.A.	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
Total		N.A.	N.A.	N.A.	N.A.

DIRECTORS' REPORT (Contd.)**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Place : Guwahati, 13th May, 2019
Registered Office:
Noonmati, Guwahati - 781 020, Assam

Sd/-

D. K. Dutta
Director

Sd/-

S. K. Bhattacharjya
Director

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

C & C INVESTMENTS LIMITED

Report on the Standalone Ind As Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **C & C INVESTMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income) and 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone 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 Standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards including Ind AS and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone 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 Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone Ind AS financial statements.

We believe that the audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 including the Ind AS, of the financial position of the company as at 31st March, 2019 and its financial performance including other comprehensive income, its cash flow and the statement of changes in equity for the year ended on that date.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Emphasis of Matters

We draw your attention to the financial statements which indicates that as at 31st March 2019, the accumulated losses amounting to Rs. 131.87 lakhs has eroded the entire net worth of the Company, indicating the existence of a material uncertainty about the Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis for the reasons stated in the said note.

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, and on the basis of such checks of books and other records as considered appropriate, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought & obtained all the information & explanation which to best of our knowledge and belief were necessary for purpose of our audit of the aforesaid Standalone Ind AS financial statements read with as reported in "Emphasis of Matters" paragraph above.
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial statements 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 the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.
 - (e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) 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, and
 - (g) 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 its pending litigations under Note 13 & 14 of the Standalone Ind AS financial statement. The impact of the litigations will be given effect to as and when the same are determined/settled.
 - (ii) The company has no long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.

For **S. K. SINGHANIA & CO.**
Chartered Accountants,
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
M. NO. 52722
Partner

19A, Jawaharlal Nehru Road,
Kolkata - 700 087
Dated : 13.05.2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of C & C INVESTMENTS LIMITED on the financial statements of the Company for the year ended 31st March 2019)

1. Since the company does not have any tangible fixed assets, clause (a), (b) & (c) of section (i) of para 3 of the Order is not applicable.
2. Since the company does not hold any inventory, section (ii) of para 3 of the Order is not applicable.
3. The company had granted unsecured loans of Rs. 57.50 lakhs to M/S. Him Containers Ltd. (parties covered in the register-maintained u/s. 189 of the Act) in earlier years which company is under liquidation and full provision has been made for such loan as the chances of recovery is not there.
4. In our opinion and according to the information & explanations given to us the company has complied with the provision of Section 185 & 186 of the Act, with respect to loans and investments made.
5. Since the company has not accepted any deposits, section (v) of para 3 of the Order is not applicable.
6. Since maintenance of cost records has not been specified by the Central Government under sub section (1) of the section 148 of the Act, nothing is reportable under section (vi) of para 3 of the Order.
7. (a) The company is regularly depositing statutory dues applicable to the company with appropriate authorities & there are no any outstanding statutory dues as at last date of financial year concerned for period of six months from date they became payable.
(b) Since there are no such dues of income tax, sales tax, service tax or excise duty which have not been deposited on account of any dispute, clause (b) of section (vii) of para 3 of the Order is not applicable.
8. Since the company has not taken any loan from Bank or Financial Institutions, section (viii) of para 3 of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
10. According to the information and explanations give to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. Since the company has not paid / provided any managerial remuneration, section (xi) of para 3 of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, as such section (xii) of para 3 of the Order is not applicable.
13. According to the information and explanations give to us and based our or examination of the records of the Company, transactions with the 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 Standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not make any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them, as such section (xv) of para 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **S. K. SINGHANIA & CO.**
Chartered Accountants,
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
M. NO. 52722
Partner

19A, Jawaharlal Nehru Road,
Kolkata - 700 087
Dated : 13.05.2019

ANNEXURE B TO THE AUDITOR'S REPORT

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 C & C INVESTMENTS LIMITED ('the Company') as of 31st March 2019 in conjunction with our audit of the Standalone 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 of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the 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 of 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 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Ind AS financial statements for external purpose 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 transaction and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 the 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 Standalone Ind AS financial statements.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**Inherent Limitation 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 period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

19A, Jawaharlal Nehru Road,
Kolkata - 700 087
Dated : 13.05.2019

For **S. K. SINGHANIA & CO.**
Chartered Accountants,
(Firm Registration No. 302206E)

(RAJESH KR. SINGHANIA)
M. NO. 52722
Partner

BALANCE SHEET as at 31st March, 2019

(Amount in ₹)

PARTICULARS	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Financial Assets			
(i) Investment	3	-	-
Total Non - Current Assets		-	-
Current assets			
(b) Financial Assets			
Cash and cash equivalents	4	12,597	13,246
Total Current Assets		12,597	13,246
Total Assets		12,597	13,246
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	5	7,502,000	7,502,000
(b) Other Equity	6	(13,186,942)	(13,186,293)
Total equity		(5,684,942)	(5,684,293)
LIABILITIES			
Current liabilities			
Financial Liabilities			
(i) Borrowings	7	5,694,173	5,694,173
(ii) Trade and other payables	8	3,366	3,366
(iii) Short-term Loans and Advances	8A	-	-
Total Current Liabilities		5,697,539	5,697,539
Total liabilities		5,697,539	5,697,539
Total Equity & Liabilities		12,597	13,246

In terms of our report of even date annexed on the Balance Sheet.

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

Rajesh Kumar Singhania

M. NO. 52722

Partner

Place : Kolkata

Date : 13th May, 2019

For and on behalf of the Board of Directors

Sd/-

Sd/-

D. K. Dutta**S. K. Bhattacharjya**

Director

Director

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(Amount in ₹)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from operations		-	-
Total income		-	-
Expenses			
Bank charges		649	649
Total expenses		649	649
Loss before tax		(649)	(649)
Income tax expenses			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Loss after tax		(649)	(649)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		-	-
<i>Items that will not be reclassified to profit or loss</i>			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Less:			
Income tax relating to items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		-	-
(ii) Remeasurements of the defined benefit plans		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(649)	(649)
Profit is attributable to:			
Owners of India Carbon Limited		(649)	(649)
Non-controlling interests		-	-
		(649)	(649)
Other comprehensive income is attributable to:			
Owners of India Carbon Limited		-	-
Non-controlling interests		-	-
		-	-
Total comprehensive income is attributable to:			
Owners of India Carbon Limited		(649)	(649)
Non-controlling interests		-	-
		(649)	(649)
Total comprehensive income attributable to owners of India Carbon			
Limited arises from:			
Continued operations		(649)	(649)
Discontinued operations		-	-
		(649)	(649)
Earnings per equity share attributable to owners of India Carbon Limited:			
Basic earnings per share			
Diluted earnings per share			

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

Rajesh Kumar Singhania

M. NO. 52722

Partner

Place : Kolkata

Date : 13th May, 2019

For and on behalf of the Board of Directors

Sd/-

Sd/-

D. K. Dutta**S. K. Bhattacharjya**

Director

Director

CASH FLOW STATEMENT for the year ended 31st March, 2019

(Amount in ₹)

	Year ended 31.3.2019		Year ended 31.3.2018	
	₹	₹	₹	₹
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before tax		(649)		(649)
NET CASH USED IN OPERATING ACTIVITIES - (A)		(649)		(649)
(B) CASH FLOW FROM INVESTING ACTIVITIES		NIL		NIL
(C) CASH FLOW FROM FINANCING ACTIVITIES		NIL		NIL
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT		649		(649)
Balance of Cash and Cash Equivalents As At 31.3.2018	13,246		13,895	
Balance of Cash and Cash Equivalents As At 31.3.2019	12,597	(649)	13,246	(649)

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS - 7 issued by the Institute of Chartered Accountants of India.

Per Our Report attached.

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

Rajesh Kumar Singhania

M. NO. 52722

Partner

Place : Kolkata

Date : 13th May, 2019

For and on behalf of the Board of Directors

Sd/-

Sd/-

D. K. Dutta

S. K. Bhattacharjya

Director

Director

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019**1. Corporate Information**

C & C Investments Limited is a public limited company domiciled in India. The company was formed on 22.03.1976 with the main objective of carrying on business of debentures, debenture-stock, bonds, notes, obligations and securities issued or guaranteed by any Government, commissioners, public bodies or authorities, trust, municipal, local or other authorities in any part of the world. The Registered office is in Guwahati, Assam, India.

It is a subsidiary of India Carbon Limited, which is a listed Company.

Summary of Significant Accounting Policies

2.1 Basis of preparation**2.1.1 Compliance with Indian Accounting Standards (Ind AS)**

The Financial Statements are prepared on accrual basis of accounting, on principal of going concern, and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

2.1.2 Basis of Accounting

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

2.1.3 Reporting Currency

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2.2 Use of Estimates and Management Judgements**(a) Provisions and Contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has been made on the basis of best judgement by management regarding probable outflow of economic resources. Such estimation can change due to unforeseeable developments.

2.3 Financial Instruments**i) Financial Assets****A. Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting.

B. Subsequent measurement**a) Financial Assets measured at Amortised Cost(AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in Order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) :

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)***c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL) :**

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of Financial Asset

Impairment of Financial Assets In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities:**A. Initial Recognition and Measurement:**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement:

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Offsetting Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

iv) Derecognition of Financial Instruments:

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.4 Revenue recognition

The revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of taxes in the Statement of profit and Loss.

2.5 Income Tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)***i. Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.6 Fair Value Measurement

Fair value is the price 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. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole :

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)..

For financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

2.7 Cash flow statement

Cash flows are recognised using the indirect method, whereby profits for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.8 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.9 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGUs) fair value less costs of disposal and its value in use. It is determined for

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.1 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.11 Foreign Currencies Transactions and Translation :

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

Note 3 Investment

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Equity Investments in subsidiary company (unquoted)</u>		
Him Containers Limited (In Liquidation) 676150 equity shares of ₹ 10 each	—	—
<u>Investments carried at amortised cost</u>		
Detachable Warrants-10% Upfront paid Him Containers Limited (In Liquidation) 676150 of ₹ 10 each	—	—
TOTAL	—	—

Note: 676150 Numbers of Equity Shares (Unquoted) of ₹ 10 each amounting to ₹ 6761500/- and 675000 numbers of Detachable Warrants - 10% Upfront Paid (Unquoted) of ₹ 10 each amounting to ₹ 675000/- in Him Containers Limited (In Liquidation) have been fully provided.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note 4 Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks		
(1) Unrestricted Balance with banks		
(i) In Current Account	12,597	13,246
Cash and cash equivalents as per balance sheet	12,597	13,246
(a) Earmarked Balances with banks		
(1) Earmarked Balance with banks		
(i) In Current Account	-	-
Total	-	-
Total Cash and Cash Equivalents	12,597	13,246

Note 5 Equity Share Capital

Authorised Share Capital	As at March 31, 2019		As at March 31, 2018	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
As at beginning of the year	1,500,000	15,000,000	1,500,000	15,000,000
Increase/(decrease) during the year	-	-	-	-
As at end of the year	1,500,000	15,000,000	1,500,000	15,000,000
	No. of Shares	₹	No. of Shares	₹
Issued equity capital				
Equity shares of ₹ 10 each issued, subscribed and fully paid				
As at beginning of the year	750,200	7,502,000	750,200	7,502,000
Changes during the period	-	-	-	-
As at end of the year	750,200	7,502,000	750,200	7,502,000

Details of shareholders holding more than 5 percent equity shares:

Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Carbon Limited	750,130	99.99	750,130	99.99

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

(Amount in ₹)

Note 6 Other equity**Other Equity****Attributable to Equity Share holders of the Company**

	Reserves and surplus	
	Retained earnings	Total
Balance at 1 April 2017	(13,185,644)	(13,185,644)
Profit/(Loss) for the year	(649)	(649)
Other comprehensive income (Net of Tax)	–	–
Balance at 31 March 2018	(13,186,293)	(13,186,293)
Profit/(Loss) for the year	(649)	(649)
Other comprehensive income	–	–
Balance at 31 March 2019	(13,186,942)	(13,186,942)

Note 7 Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured Loans		
1. From Related Parties		
- Holding Company	4,095,000	4,095,000
2. Others	1,599,173	1,599,173
Total Borrowings	5,694,173	5,694,173

Note 8 Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,366.00	3,366.00
Total	3,366.00	3,366.00

Note 8A Short Term Loan & Advance

Particulars	As at March 31, 2019	As at March 31, 2018
Loans and Advances to related parties		
Unsecured : Considered doubtful		
Him Containter Ltd. (In Liquidation)	5,750,000	5,750,000
Less: Provision for doubtful advance (Refer Note No. 14)	5,750,000	5,750,000
Total	–	–

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 *(Contd.)*

(Amount in ₹)

Note 9 Financial Risk Management

The entity's activities expose it to market risk, liquidity risk and credit risk. In order to minimise effects of the above, various arrangements are entered into by the entity. The following table explains the sources of risk and how the entity manages the risk in its financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Cash Flow forecasts	Credit facilities
Market Risk – foreign exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow forecasts	Monitoring of currency movement.
Market Risk – interest rate	Long Term Borrowings/Liabilities	...	Monitoring of interest rate movements
Market Risk – security prices	Investment in Securities	...	Portfolio Management

[A] Credit Risk

Credit risk arises from cash and cash equivalents, investment carried at amortised cost, deposit with banks and financing institutions as well as credit exposure to customer and other parties.

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the entity assesses and manages credit risk based on internal credit evaluation. It monitors party-wise exposure and based on evaluation credit rating is allotted for each party. Thereafter a credit limit is assigned to each party depending on the solvency of the said party.

The entity considers the probability of default on ongoing basis and at each reporting period.

Micro-economic information is incorporated as part of internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 60 days past due.

[B] Liquidity Risk

Prudent risk liquidity management implies maintaining sufficient cash and cash equivalents and the availability of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the group's liquidity position on the basis of expected cash flow.

[C] Market Risk

The Company has not entered into any foreign exchange or commodity derivative contracts. Accordingly, there is no significant exposure to the market risk.

Note 11 Capital Management

The Company funds its operations mainly through internal accruals and influx of fund as working capital from its holding company, India Carbon Limited.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Note 12 Related parties disclosure:**(A) List of related parties**

- (a) Holding Company
India Carbon Limited
- (b) Key Management Personnel
- (i) Mr. D. K Dutta, Director
- (ii) Mr. P. K. Misra, Director
- (iii) Mr. S. K. Bhattacharjya, Director

(B) Details of Transaction taken place

With Holding Company:

Auditors' Remuneration, Filing Fees & other expenses of ₹ 9800 (Previous Year ₹ 9800) have been incurred by M/S. India Carbon Ltd., the holding Company.

Note 13 Contingent Liabilities for Joint Guarantees/Guarantees given in respect of Him Containers Limited (in liquidation)

	As at 31.03.2019	As at 31.03.2018
Joint Guarantees/Guarantees given to Financial Institutions for Term & Other Loans	₹ 15800000	₹ 15800000
Do	St. £ 656740 (INR 59477658.10)	St. £ 656740 (INR 60606988.20)
Do	US \$ 517183 (INR 35970543.11)	US \$ 517183 (INR 33639702.77)
Bank for Loans & Others purposes	₹ 268880000*	₹ 268880000*

*Against above guarantee(s), the Bankers have filed a petition before the Debt Recovery Tribunal, Kolkata, claiming recovery of ₹ 412,476,480 from Him Containers Limited, and has also made C & C Investments Ltd. a party as Guarantor.

Debt Recovery Tribunal vide its interim order dated 20.06.2003 has restrained the Company by way of; injunction to transfer, encumber or otherwise dispose off the movable and immovable properties, except in the usual course of business, till the disposal of the case. The case is being contested by the Company at the appropriate levels.

14. Hon'ble Gauhati High Court vides order dated 1st September 2000 has issued order for winding up of Him Containers Limited (HCL) and Registrar of Companies, Assam has been appointed as its Official Liquidator. Consequent upon the said winding up order of HCL, its directors ceased to hold office except for the purpose of filing Statement of Affairs which has been filed with the Official Liquidator on 30.10.2000. As a result, C & C Investments Limited can no longer control the composition of the Board of Directors of HCL (in liquidation) and therefore, ceased to be the holding company of HCL.

The Company's involvement in Him Containers Limited (in Liquidation), is to the extent of 676,150 Equity Shares of ₹ 10/- each amounting to ₹ 6,761,500/- and 675,000 Detachable Warrants with upfront payment @ Re.1/- per Warrant amounting to ₹ 675,000/- and the Investment as unsecured loan has been fully provided/ written-off in entire year.

15. Figures for the previous year have been rearranged/ regrouped as and when necessary to conform to current year classifications and IND-AS requirement.

In terms of our report of even date annexed on the Balance Sheet

For **S. K. SINGHANIA & CO.**

Chartered Accountants.

(Registration No. 302206E)

Rajesh Kumar Singhania

M. NO. 52722

Partner

Place : Kolkata

Date : 13th May, 2019

For and on behalf of the Board of Directors

Sd/-

Sd/-

D. K. Dutta

S. K. Bhattacharjya

Director

Director

If undelivered, please return to :



India Carbon Limited

Temple Chambers, 4th Floor

6, Old Post Office Street

Kolkata - 700 001

CIN : L23101AS1961PLC001173