



ANNUAL REPORT
2019-20

INDIA CARBON LIMITED



India Carbon Limited
ANNUAL REPORT 2019-2020

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. Sunirmal Talukdar
 Mrs. Susmita Ghose

CHIEF FINANCIAL OFFICER

Mr. Vinod Kumar Agarwal

COMPANY SECRETARY

Mr. Bhaskar Rakshit

STATUTORY AUDITORS

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

BANKERS

UCO Bank
 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,

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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-Eighth Annual General Meeting of the Members of INDIA CARBON LIMITED will be held on Monday, the 28th day of September, 2020, at 10.30 A.M., through Video Conferencing ("VC") or other Audio Visual Means ("OAVM") 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, 2020, the Profit & Loss Statement and Cash Flow Statement for the year ended 31st March, 2020 & notes on financial statements together with the Reports of the Board of Directors and Auditors thereon.

2. 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.

3. 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:**4. 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, 2021, at a remuneration of ₹ 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."

5. Re-Appointment of Ms. Susmita Ghose (DIN: 07333557) 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 24th June, 2020 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, Ms. Susmita Ghose (DIN: 07333557), who was appointed as an Additional Director by the Board w.e.f 9th day of November, 2015 and consequently appointed as an Independent Director at the Fifty-Fourth Annual General Meeting of the Company and who holds office up to the 8th day of November, 2020 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 9th day of November, 2020 to 8th day of November, 2025"

Kolkata, 24th June, 2020

Registered Office:Noonmati, Guwahati 781 020, Assam
CIN: L23101AS1961PLC001173By Order of the Board of Directors,
Sd/-**Rakesh Himatsingka**

(DIN: 00632156)

Chairman & Managing Director

Email: icl@indiacarbonltd.com

NOTICE (Contd.)**NOTES: (Forming part of Notice convening the said 58th Annual General Meeting):**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the General Meetings of the Companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming 58th AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM) from a common venue. Hence, Members can attend and participate in the ensuing AGM and also vote through VC/OAVM without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 58th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM"). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized E-Voting's agency. The facility of casting votes by a member using remote E-Voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This limit will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc; who are allowed to attend the AGM without restriction of first come first serve mode.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through E-voting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice of AGM along with Annual Report for the F.Y, 2019-20 is being sent only through electronic mode to those whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company. The Notice as well as the Annual Report 2019-20 can also be accessed from the websites of the Company at www.indiacarbonltd.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e.www.evotingindia.com.
8. Members are requested to send in their queries at least ten days in advance to the Company at the Registered Office of the Company to facilitate clarifications during the Annual General meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2020 till 28th September, 2020 (both days inclusive) for the purpose of AGM.

NOTICE (Contd.)

10. VOTING THROUGH ELECTRONIC MEANS:

- a) 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 the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services. The facility of casting the votes by the members using an electronic voting system (“remote e-voting”) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL).
- b) The process and manner for remote e-voting are as under:
 - i. The remote e-voting period commences on the 25th September 2020 at 09.00 AM and ends on the 27th September, 2020 at 05.00 PM. During this period, Members of the Company, holding Shares either in physical form or in dematerialized form, as on the voting eligibility cut-off date of 21st September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - iii. Click on “Shareholders” module.
 - iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in dematerialized 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 first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Dividend Bank Details	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. Please Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the Depository or Company then please enter the Member -id/folio Number in the Bank Account Number details field as mentioned in above instruction.

- ix. After entering these details appropriately click on “SUBMIT” tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen.

NOTICE (Contd.)

However, shareholders 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.

- xi. For Members holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant Company Name i.e. INDIA CARBON LIMITED on which you choose to vote.
- 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 you assent to the Resolution and Option "NO" implies you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution, which you have decided to vote on; then click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "O.K." else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click hereto print" option on the Voting Page.
- xviii. If Demat account holder has forgotten the existing password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA 's respective email id.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.
3. The company/RTA shall co-ordinate with CDSL and provides the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

NOTICE (Contd.)

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). **Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. 10 days in advance** prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (compliance@indiacarbonltd.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

NOTE FOR INSTITUTIONAL SHAREHOLDERS & CUSTODIANS:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporate" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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 have been issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@indiacarbonltd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill

NOTICE (Contd.)

Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

11. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the voting eligibility cut-off date of 21st, September 2020. A person who is not a member as on cut-off date should treat this notice for information purpose only.
12. The Company is sending through email, the AGM Notice and the Annual Report to the shareholders whose name is recorded as on 04.09.2020, in the Register of Members or in the Register of Beneficial Owners maintained by the depositories.
13. The shareholders shall have one vote per equity share held by them as on the voting eligibility cut-off date of 21st September, 2020. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
14. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the voting eligibility cut-off date of 21.09.2020 for this purpose and not casting their vote electronically, may only cast their vote at the Annual General Meeting through the E-voting facility provided specifically for the AGM as per procedure outlined in this notice.
15. Investors who become members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the voting eligibility cut-off date i.e. 21.09.2020 are requested to send the written / email communication to the Company at compliance@indiacarbonltd.com by mentioning their Folio No. / DPID and Client ID to obtain the Login-ID and Password for e-voting. The Management/RTA will do their best to accommodate and execute such requests so that the Shareholder can participate in the e-voting which commences on the 25th September, 2020 and ends on the 28th September, 2020. Mr. Anant Kashliwal, Practicing Chartered Accountant (Membership No-302972) of M/s. Anant Kashliwal & Co ; has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting/polling at the AGM in a fair and transparent manner. The Scrutinizer will submit his Consolidated Report after the conclusion of AGM on the total votes cast in favour or against the resolutions, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the results of the voting on the day of AGM or the next day of the AGM after it is concluded or within such time as specified under the Companies Act, 2013 after also taking into account the E- votes cast on the resolutions by the members who participate in the AGM through VC and/or OAVM mode.
16. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.indiacarbonltd.com. The result will also be communicated to The Calcutta Stock Exchange Limited within 48 hours of the conclusion of the AGM or such time as permitted under the law.
17. All documents referred to in the accompanying Notice are open for inspection only through electronic mode on all working days before the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 4**

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 2021 at a remuneration of ₹ 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 2021. 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.

NOTICE (Contd.)**ITEM NO: 5**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Ms. Susmita Ghose (DIN: 07333557), as Independent Director, for a second term of five years with effect from 9th day of November, 2020 to 8th day of November, 2025, not liable to retire by rotation. Ms. Susmita Ghose (DIN: 07333557) was appointed as Independent Director at the Fifty- Fourth Annual General Meeting ("AGM") of the Company and holds office up 8th day of November, 2020.

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 Ms. Susmita Ghose (DIN: 07333557) 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, she fulfills the conditions specified in the Act and SEBI LODR 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 58th AGM.

Mrs. Susmita Ghose (DIN:07333557) is a first class passed student in M.A Hons in Psychology from Indraprastha College, University of Delhi. She has worked for 39 years with Help Age India, Kolkata as a National Director of Students Action for Value Education, (SAVE). Ms. Susmita Ghose(DIN:07333557) has specialization and comprehensive experience in various areas which inter alia includes such as oversees a staff of more than 300 professionals, Fund-raising, advocacy and programme implementation, Managing and monitoring of state Heads of SAVE, Overseeing fundraising by state heads, looking after budgetary as well as project oversight, leading the corporate fund raising etc.

Our Company is of the opinion that Mrs. Susmita Ghose(DIN:07333557) fulfills the conditions specified in the Act regarding his appointment as Independent director. Brief particulars of Mrs. Susmita Ghose(DIN:07333557) are annexed herewith in the Notice.

Eminent people having skill, expertise and standing in their respective fields / profession and whose association with the Company will bring immense benefit to the Company are considered by the Board to be appointed as Independent Director.

Our Board has recommended for approval of shareholders under Agenda Item No. 5 of the accompanying Notice of AGM, the classification of the aforesaid Director as Independent Director pursuant to Section 149 of the Companies Act, 2013 read with Rules made there under and as per the applicable provisions of SEBI Listing Regulation, 2015, with their respective term of office for a term of 5 (five) consecutive years commencing from the date of his appointment.

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 Mrs. Susmita Ghose (DIN:07333557) 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. 5 of this Notice for approval of the Members.

Except Mrs. Susmita Ghose(DIN:07333557), 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. 5 of the Notice.

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

NOTICE (Contd.)

Name of the Director	Mr. Tony William Grims (DIN: 07590220)	Mr. Gordon McIntosh (DIN: 02244237)	Ms. Susmita Ghose (DIN:07333557)
Date of Birth	29 th June, 1973	9 th , August, 1967	10 th June, 1955
Date of Appointment	11.11.2016	12.05.2009	09.11.2015
Expertise in specific functional areas	Accounting & Management	Marketing	Leadership, Fund Raising, Networking, Managerial and advocacy skills in the field of Non Governmental Organization Sector.
Qualifications	Bachelor's degree (4-year college degree) in Accounting from Lamar University in Texas.	B.A. Industrial Relations & Economics	M.A. Hons in Psychology from Indraprastha College, University of Delhi
List of outside Directorship held	Nil	Nil	Nil
Chairman/Member of the Committee of other Companies in which he is a Director			
a. Audit Committee	Nil	Nil	Nil
b. Shareholders / Stakeholders relationship Committee	Nil	Nil	Nil
c. Remuneration Committee	Nil	Nil	Nil
Shareholding in the Company as on 31.03.2020	Nil	Nil	Nil
Disclosure of relationship between Directors inter-se	None	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, Stakeholder relationship Committee and Nomination & Remuneration Committee alone has been considered.

Kolkata: 24th June, 2020

Registered Office:

Noonmati, Guwahati-781 020, Assam

By Order of the Board of Directors

Sd/-

Rakesh Himatsingka

Chairman & Managing Director

REPORT OF THE DIRECTORS

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH, 2020

To The Members,

Your Directors have pleasure in presenting the Fifty-Eighth 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, 2020 as follows:

1. FINANCIAL SUMMARY OF THE COMPANY:

FINANCIAL RESULTS	YEAR ENDED 31.03.2020 (In Rs.)	YEAR ENDED 31.03.2019 (In Rs.)
Revenue from Operations	206,19,90,213	471,65,01,255
Other Income	6,02,08,669	24,11,49,116
TOTAL INCOME	212,21,98,882	495,76,50,371
TOTAL EXPENSES	263,92,84,312	298,51,72,836
Profit / (Loss) Before Tax	(51,70,85,429)	197,24,77,534
Less: Tax Expenses (including Deferred Tax)	(15,24,54,540)	43,53,50,462
Profit / (Loss) After Tax	(36,46,30,889)	153,71,27,072
Other Comprehensive Income, Net of Tax	(7,62,68,419)	(9,11,30,915)
Total Comprehensive Income for the year	(44,08,99,308)	144,59,96,157
Earnings (Loss) per equity share of Rs.10/- each	(137.60)	580

2. STATE OF COMPANY'S AFFAIRS

During the Financial Year ended 31.03.2020, your Company has achieved a gross revenue from operations amounting to Rs.206.19 Crore, as against Rs.471.65 Crore in the Previous Financial Year, a decrease in the Sales by 56.28 %, as compared to the Financial Year ended on 31.03.2019, which was mainly due to a massive fall in the price of Company's main finished product CPC.

Production of Calcined Petroleum Coke (CPC) & Electrode Carbon Paste (ECP), during the Financial Year under review was 85,990MT & 4811MT, as against 88,829MT & 5,478MT respectively in the Previous Financial Year and exhibits a decrease in the productions of CPC & ECP by 3.20% & 12.18%.

Sales of CPC & ECP during the Financial Year under review 70,563 MT & 4,520 MT, as compared to 73,865 MT & 5,450 MT respectively, in the Previous Financial Year and also exhibits a decrease by 4.51% & 17.05%.

Even though for the year under review, the Productions and Sales of CPC, which constitutes over 90 % of the Turnover, reduced only marginally, but the realization reduced significantly and coupled with the very high cost of Stocks, both Raw Material and Finished Product, was the main reason for the unprecedented loss. Further, demand from all the consuming sectors, primarily, Aluminum, Steel and especially Graphite Electrodes decreased due to the ongoing slowdown in the economy resulting in lower capacity utilization and thus higher cost of Production.

Your Company has incurred a Loss after Tax during the Financial Year ending 31.03.2020, amounting to Rs.36.46 Crore, as against the Profit after Tax amounting to Rs.153.71 Crore in the Previous Financial Year, due to the below mentioned reasons amongst others:

- High cost Inventory from last year
- Poor Capacity Utilization
- Lower Sales realisation- Rs. (265) Crore
- Unrealised loss in Investment, carried at Market Value- Rs.(12) Crore
- Income Tax & Deferred Tax impact- Rs.59.00 Crore

REPORT OF THE DIRECTORS *(Contd.)*

During the Financial Year under review, the other income & other expenses was amounting to Rs. 6.02 Crore & Rs.45.29 Crore, as compared to the Previous Financial Year of Rs.24.11 Crore & Rs.32.23 Crore, a decrease and an increase of Rs.18.09 Crore & 13.06 Crore respectively and reasons contributing to the same inter alia includes as follows:

- Sales Tax refund received in the Previous F.Y– Rs.8.4 Crore
- Unrealised gain on Investment in Previous F.Y– Rs. 3.2 Crore
- GST refund is lower this year by -Rs. 6.5 Crore
- Increase in Corporate Social Responsibility Expenditure - Rs.1.26 Crore
- Increase in expense towards Rent - Rs.48.00 Lakh
- Increase in expense towards Freight and Forwarding - Rs.2.31 Crore
- Increase in Establishment expenses - Rs.13.67 Lakh

All of the above has resulted in a poor financial performance for your Company during the Financial Year ending on 31.03.2020 and as well as due to the slowdown in both Indian and Global Economy along with severe fall in both demand but more so in prices.

3. FUTURE OUTLOOK

Global economic growth declined consecutively for the second year in a row, to 2.9 % in 2019 from 3 % in 2018 and 3.2 % in 2017, which was forecast to bounce back in 2020.

In addition to the economic slowdown from last year, the ongoing pandemic has further caused havoc all over the world throwing global economies under severe stress and gross uncertainty and our Country is no different.

The Government of India on March 20th announced the first ever nationwide lockdown with a view to contain the Pandemic, which was extended a few times, lasting over 7 weeks with only gradual opening up thereafter. As for the entire Country, the current financial year had a very dismal start, with the operations at both the Factories under closure from the 23rd March. As a result of this both the Company's factories were totally closed for nearly 5 weeks at Guwahati and over 8 weeks at Budge Budge, due to the Amphan Super Cyclone in addition to the Pandemic.

Whilst, Guwahati factory started operations with a lower capacity utilization from early May, when the State Government allowed operations as long as all the personnel including workmen could be housed inside the factory, but Budge Budge factory could start operations only from end May, initially because of the lockdowns and then because of the devastation caused by Amphan, the super cyclone. Even at present, both the factories are operating below their optimum capacity, especially Guwahati, and we hope that the situation is soon be brought under control and regular operations are resumed.

Demand had started improving from the beginning of the calendar year, but then suddenly with the pandemic picking up pace, and industries being forced to close down, demand crashed, and only from June onwards some improvement is being seen, more so as nearly 2 months production was lost. The Positive Momentum at the start of 2020 was very short lived due to the outbreak of COVID 19 turning into a Pandemic.

Due to the lockdown, demand fell and so did production at our customers, be it the Aluminium Smelters or Steel Plants or Graphite Electrode Producers, and the effect of that will be seen all through this year, though thankfully due to the several measures taken by our Government both demand and production has picked up, and with a very good monsoon, the agricultural sector is expected to fire the economy and push the growth.

Countries around the world are taking all necessary steps to contain the pandemic, by focusing on Healthcare, Implementing Safety Measures such as, Social Distancing, Sanitization, Wearing of Masks, Segregation of Workmen at all places, regular Health Checkups, Curfews and Lockdowns.

Whilst these measures have positively slowed the pandemic and given the Local Governments time to react but it has brought much of the Global Economy to a halt and has caused massive hardship to the poor and especially to the migrant workers.

REPORT OF THE DIRECTORS (Contd.)

To jump start the economy, all the developing economies have opened up their purse strings including our Country and are announcing various stimulus packages, easing fiscal and monetary policies, providing financial aid to support families and businesses etc.

Various measures taken by our Government, especially the Atmanirbhar Bharat and Make in India initiatives, we are sure will boost the economy, and seeing the way the monsoon is progressing, it will be a bumper harvest with the Agriculture Sector driving the economy and growth.

How, where and when this is going to end is impossible to say, though with the world pretty much working as one, we are very hopeful that this pandemic should soon be slowed down and brought under control.

Your Directors are however pleased to inform you that both the Company's Factories are presently full with orders up to September and we are most hopeful that we shall be successful in bidding at Nalco for supplies from October to March from Budge Budge and that Guwahati shall also be booked with Graphite Grade CPC orders primarily.

Your Directors also like to inform you that as far as our raw material RPC is concerned, we have enough stocks to last us till end November at Budge Budge and also at Guwahati, based on the stocks in hand and the regular auctions by IOC.

However, a matter of serious concern has risen in the matter of import of a sizable quantity of RPC from the US; through our partner Oxbow's Trading Company in respect of quality. Regrettably, the quality of the material as received is significantly off the specifications as provided in the agreement, and the Company has taken up the same with the suppliers. The Company will be pursuing this matter and is very hopeful of coming to some settlement.

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. 2019-2020.

6. DIVIDEND

In view of the huge loss incurred by the Company during the Financial Year ended 31.03.2020; your Directors do not recommend payment of any Dividend to the Shareholders.

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 31.03.2020.

9. CHANGES IN SHARE CAPITAL

There has been no change in equity share capital of the Company during the F.Y. 2019-2020.

10. DIRECTORS & KEY MANAGERIAL PERSON:

DIRECTORS

Mr. 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.

KEY MANGERIAL PERSONNEL

The following employees were designated as whole –time key managerial personnel by the Board of Directors during the year 2019–2020, pursuant to section 203 of Companies Act 2013 and rules made thereon:

- Mr. Bhaskar Rakshit as Company Secretary & Compliance Officer of the Company.
- Mr. Vinod Kumar Agarwal 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, 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.

Pursuant to 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. Any Members interested in obtaining a copy should write to the Company at the registered office.

Yours Directors also affirms that remuneration paid to the Managerial Personnel is in accordance with the Remuneration Policy of the Company.

12. NUMBER OF BOARD MEETINGS

During the Financial Year 2019-20, four Board Meetings were held on 15th May, 2019, 12th Day of August, 2019, 25th Day of October, 2019 & 12th Day of February, 2020.

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 Schedules 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 THE 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, none of the employee of the Company is in receipt of remuneration exceeding the limit prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. 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 Company 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 The Companies (Accounts) Rules, 2014 has been annexed herewith as Annexure - I and forms a part of this 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 restrictions 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 Financial Year as provided in the Rule 12 (9) of The 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) is holding the post of the Statutory Auditors of the Company.

The Report of the Statutory Auditor for the Financial Year ending on 31.03.2020, 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 31.03.2021. The Report of the Secretarial Auditor for the financial Year ended 31.03.2020 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, your Company had 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 Financial Year ending on 31.03.2020.

23. COST AUDITORS

M/s A S & Associates (Firm Regd. No-000523), Cost Accountants have been appointed as the Cost Auditor of your 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, 2021. 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 prescribed 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 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 at 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 2020 is attached herein and marked as 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 relates 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:

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 vide Notification No.20CE /2007 dated 25.04.2007 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 including us had approached the Hon'ble Guwahati High Court by challenging the aforesaid Notification. Thereafter, Hon'ble Gauhati High Court had passed judgment for full refund of Excise Duty in terms of the Original Notification. The Hon'ble Supreme Court vides its Order dated 22nd April, 2020, decided the cases in favor of the Revenue, by setting aside the judgments of the Gauhati High Court. Refund of 50% of the differential amount, which comes to Rs.8,59,66,590/- (Rupees Eight Crore Fifty Nine Lakh Sixty Six Thousand Five Hundred and Ninety only), was received by the Company on furnishing Solvent Surety in pursuance of Interim Order dated 7th December, 2015 of the Apex Court. As per the said Judgment of the Hon'ble Supreme Court, it has also been made clear that the pending refund applications shall be decided as per the Subsequent Notifications/Industrial Policies, which were impugned before the respective High Courts.

The Company is in the process of filing a review petition; challenging the said order of the Hon'ble Supreme Court dated 22.04.2020. Thus, till the final conclusion is drawn, 50% of the differential amount received, as above, will continue to be treated as Other Financial Liabilities and Cost, if any, associated with the said refund will be considered in these accounts on finality.

REPORT OF THE DIRECTORS *(Contd.)*

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 the 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 Annual Report and attached herein as Annexure IV.

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 herein with this report.

35. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion & Analysis Reports forms part of this Annual Report for the Financial Year ending on 31.03.2020.

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 Financial Year under review, your Company has not received any Complaints in connection with Sexual Harassment at work place.

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 Annual 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 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 talents ongoing basis.

REPORT OF THE DIRECTORS *(Contd.)*

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. Energy consumption for each activity is recorded by individual meters and monitored by daily recording of the actual consumption and energy audit has also been introduced. The Company is actively studying various proposals for installing Solar Power Panels and converting at least part of its energy requirement to Solar.
Steps taken for utilizing alternate sources of energy	Various studies have been made to examine usage of alternate energy sources, but regrettably no workable alternative could be identified till date. Efforts are on and the Company expects to move into some Solar Power Generation at its Guwahati Factory.
Capital Investment on Energy Conservation Equipments	NIL

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

b) Foreign Exchange Earnings/ Outgo:

Earnings	Nil
Outgo	Rs.26,49,65,848/-

39. DIRECTORS RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit /loss of the Company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis;
- 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;
- 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.

REPORT OF THE DIRECTORS *(Contd.)*

40. 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 has transferred amounting to Rs.1, 67,726/-to the IEPF being the unclaimed dividend for the financial year ended 31.03.2012 and filed the necessary forms with ROC during the financial year 2019-20.

41. 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 2019-20 has already been paid.

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. 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 Agent of our Company. Members are requested to send their Communications/ Correspondences/ Queries regarding Share related matters at the following address:

C B Management Services (P) Limited

P-22, Bondel Road, Kolkata 700 019,

Phone No. 033-40116700/11/18/23/92/93/94

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

42. 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 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

REPORT OF THE DIRECTORS *(Contd.)*

Remuneration policy and appointment of Directors and Key Managerial Personnel is stated in the Corporate Governance Report.

The details criteria for Performance Evaluation as laid by Nomination & Remuneration Committee are disclosed in the Corporate Governance Report, which forms parts of this Annual Report.

- **STAKEHOLDER RELATIONSHIP COMMITTEE:**

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

43. HEALTH AND SAFETY

Your Company is wholeheartedly committed to Health and Safety of its Employees and all Stakeholders. In addition to normal medical checkup, your Company does arrange Special Medical Test for the Employees.

Safety measures have been designed and circulated at the plant site to the responsible person. Training is periodically organized for the employees in order to follow these safety measures. Senior Personnel of the Company have been deputed to enforce safety plans.

Your Company has also taken group Personal Accident Policy for the employees and has on its rolls a well qualified full time officer to monitor, control and advisory and as well implements its Policy on Health, Safety and Environment.

44. ENVIRONMENT

The Company is continuing with its Floriculture Division and has identified a portion of a land in Guwahati unit as Green Area. The Company has place at both of its Plants, State of the Art Pollution Control Systems which improves the emission norms further and enable a cleaner environment. Your Company continuously strives on Environmental Management.

45. INDUSTRIAL RELATIONS

The relation of the Company with the Employees and Workers continued to be cordial and peaceful during the Financial Year under review. Your Directors records their sincere appreciation to the Employees & Workers at large for their continued Cooperation for maintaining harmonious Industrial Relation in and around the Plants.

46. 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 parts of this Annual Report.

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

During the Financial Year ending on 31.03.2020, your Company has not given any Guarantee, Loan or made Investment under the Provisions of Section 186 of The Companies Act, 2013.

48. CREDIT RATING

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

REPORT OF THE DIRECTORS *(Contd.)*

49. PREVENTION OF INSIDER TRADING:

Your 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's 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 this Code. The Directors and the Designated Employees have confirmed compliance with the Code.

50. 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 Reports are attached herein and forms parts of this Report.

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

51. ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thank the Regulators, Organizations and Agencies for their continued help and co-operation extended towards the Company. 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: 24th June, 2020

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. (-) 13,187,591/-
6. Total assets: Rs.11, 948/-
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 2019-20 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: 24th June, 2020

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)

Annexure-II

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2020**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:**

CIN	L23101AS1961PLC001173
Registration Date	12/06/1961
Name of the Company	INDIA CARBON LIMITED
Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
Address of the Registered office & contact details	NOONMATI, GUWAHATI, ASSAM-781020
Whether listed Company	YES
Name, Address & contact details of the Registrar & Share Transfer Agent	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)

S. 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	93.02
2.	Electrode Carbon Paste	NA	5.96
3.	Thermal Carbon(Tempering) Paste	NA	0.13
4.	Desiccated Petroleum Coke Powder	NA	NA
5.	Raw Petroleum Coke	19109	0.89
6.	Others	NA	NA

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

REPORT OF THE DIRECTORS (Contd.)

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 1 st -April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	611818	0	611818	23.09	611818	0	611818	23.09	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	39076	0	39076	1.47	699970	0	699970	26.41	24.94
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)(1)	650894	0	650894	24.56	1311788	0	1311788	49.50	24.94
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs individuals	-	-	-	-	-	-	-	-	-
b) Other-individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FIs	-	-	-	-	-	-	-	-	-
e) Any others	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	650894	0	650894	24.56	1311788	0	1311788	49.50	24.94
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	148	298	446	0.02	231	183	414	0.02	0
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	14472	297	14769	0.56	14472	297	14769	0.56	0.00
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	14620	595	15215	1	14703	480	15183	1	0
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	712883	2764	715647	27.01	54209	2139	56348	2.13	-24.88

REPORT OF THE DIRECTORS (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st -April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	95441	98390	193831	7.31	99160	83917	183077	6.91	-0.41
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	171884	0	171884	6.49	171884	0	171884	6.49	0.00
c) Others (specify)									
Non Resident Indians/OCB	5485	30	5515	0.21	6323	30	6353	0.24	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	84504	-	84504	3.19	92857	0	92857	3.50	0.32
Sub-total (B)(2):-	1084847	899044	1983891	74.86	439083	883946	1323029	49.93	-24.94
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1099467	899639	1999106	75.44	453786	884426	1338212	50.50	-24.94

B) Shareholding of Promoter-

SN	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	237431	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

REPORT OF THE DIRECTORS *(Contd.)*

SN	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	
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	699970	26.41%	0.00	24.94%

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

SN	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	650894	24.56%	650894	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.):	660894	24.94%	1311788	49.50%
3	At the end of the year			1311788	49.50%

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.	OXBOW CALCINING LLC	812377	30.66	No Change	No Change	812377	30.66
2.	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	84637	3.19	8353	0.32	92990	3.51
3.	AMISHA HIMATSINGKA	22167	0.84	No Change	No Change	22167	0.84
4.	PAYEL HIMATSINGKA	21500	0.81	No Change	No Change	21500	0.81
5.	MAHENDRA GIRDHARILAL	20144	0.76	No Change	No Change	20144	0.76
6.	3A FINANCIAL SERVICES LTD	16022	0.60	1352	0.05	14670	0.55
7.	DIPAK HIMATSINGKA	15213	0.57	No Change	No Change	15213	0.57
8.	SPICEBULLS INVESTMENTS LIMITED	11815	0.45	No Change	No Change	11815	0.45
9.	THE ORIENTAL INSURANCE COMPANY LIMITED	11236	0.42	No Change	No Change	11236	0.42
10.	SUBARNA PLANTATION AND TRADING CO LTD	10958	0.41	No Change	No Change	10958	0.41

REPORT OF THE DIRECTORS (Contd.)

E) Shareholding of Directors and Key Managerial Personnel:

S.N	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

Particulars	Secured Loans excluding Deposits in Rs.	Unsecured Loans in Rs.	Deposits	Total Indebtness in Rs.
Indebtness at the beginning of the financial year				
i) Principal Amount	1067592	137520083	-	138587675
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	464002	-	464002
Total (i+ii+iii)	1067592	137984085	-	139051677
Change in Indebtness during the financial year				
* Addition	-	356802876	-	356802876
* Reduction	782823	394183774	-	394966597
Net Change (increase)	-782823	-37380898		-38163721
Indebtness at the end of the financial year				
i) Principal Amount	284768	100139185	-	100423953
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	632342	-	632342
Total (i+ii+iii)	284768	100771527	-	101056295

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

S.N	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	4512000	4128000	8640000
	(b) Value of Perquisites u/s 17(2) Income-Tax Act, 1961	1620691	1627891	3248582
	(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	LESS: Refund of Excess remuneration paid	-	-	-
	Total (A)	6132691	5755891	11888582
	Ceiling as per the Act	12000000	12000000	24000000

REPORT OF THE DIRECTORS (Contd.)

B. Remuneration to other Directors

(in Rs.)

SN.	Particulars of Remuneration	Name of Directors						TOTAL AMOUNT
		HEMANT KUMAR KHAITAN	MANOJ MOHANKA	SUNIRMAL TALUKDAR	SOUMENDRA MOHAN BASU	SUSMITA GHOSE	SAMAR JHA	
1	Independent Directors							
	Fee for attending board committee meetings	1,30,000	2,05,000	1,80,000	1,80,000	1,20,000	20,000	8,35,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	1,30,000	2,05,000	1,80,000	1,80,000	1,20,000	20,000	8,35,000
2	Other Non-Executive Directors	GORDON KENNET MCINTOSH	ALBERT JOHN ROLFE	TONY WILLIAM GRIMS	MARK RUSSELL JONES	-	-	
	Fee for attending board committee meetings	-	-	-	-	-	-	
	Commission	-	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	1,30,000	2,05,000	1,80,000	1,80,000	1,20,000	20,000	8,35,000
	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 within the said limit.

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD in Rs

SN	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL			TOTAL
		CS	CFO Mr. Vinod Kumar Agarwal	CFO Mr. Pankaj Kumar Misra	
1	Gross salary in Rs.				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,95,486/-	23,29,051/-	1,37,329/-	30,61,866
	(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	5,95,486/-	23,29,051/-	1,37,329/-	30,61,866

REPORT OF THE DIRECTORS *(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 & on behalf of the Board of Directors,

Sd/-

Rakesh Himatsingka
(DIN: 00632156)

Chairman and Managing Director

Date: 24th June, 2020
Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)

Annexure-III

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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,**

"Temple Chambers"

6, Old Post Office Street,

4th Floor, Kolkata-700 001

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, 2020, 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, 2020, 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;
 - (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

REPORT OF THE DIRECTORS (Contd.)

- (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.

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 180 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 Crore (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: 24.06.2020

Signature:
Name of Company Secretary in practice / Firm:
Rajat Kumar Jalan (ACS / FCS No.: 14895, C P No-5705)

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, 2020 which was not at Arm Length basis.**2. Details of contracts or arrangements or transactions at Arm's length basis for the year ended 31.03.2020 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 ,1 st 2019- March ,31 st 2020	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 2019-20	Sale of Goods amounting of Rs.1,37,759/- Purchase of Stores amounting to Rs.1,25,080/- The Company has rent receivable amounting to Rs.2,00,000/- and Balance Outstanding as on 31.03.2020 is Rs.3,86,119/-
Mr. Rakesh Himatsingka (Payment of Remuneration)	Managing Director (Key Managerial Personnel)	1 st December, 2019-30 th November,2024	Agreement executed between the Company and Mr. Rakesh Himatsingka for appointment his as Managing Director for 5 Year	Rs. 61,32,691/-
Mr. Shaurya Veer Himatsingka (Payment of Remuneration)	Managing Director (Key Managerial Personnel)	01 st April,2020- 31 st March, 2025	Agreement executed between the Company and Mr. Shaurya Veer Himatsingka for appointment his as Managing Director for 5 Year	Rs. 57,55,891/-
Mr. Bhaskar Rakshit (Payment of Remuneration)	Company Secretary (Key Managerial Personnel)	NA	NA	Rs. 5,95,486/-
Mr. Pankaj Kumar Misra (Payment of Remuneration)	Chief Financial Officer (Key Managerial Personnel)	From 1 st Day of April, 2019 to 15 th day of May, 2019	NA	Rs. 1,37,329/-
Mr. Vinod Kumar Agarwal (Payment of Remuneration)	Chief Financial Officer (Key Managerial Personnel)	From 16 th day of May, 2019 onwards	NA	Rs. 23,29,051/-

REPORT OF THE DIRECTORS (Contd.)

Name of the Related party & Nature of Contract	Nature of Relationship	Duration of Contract	Approval	Amount in Rs.
Upper Assam Petro Coke (P) Ltd	Promoters of the Company are Shareholder	April ,1 st 2019- March ,31 st 2020	Prior approval accorded for Sale, Purchase or Supply of any goods or material and avail or render any service not exceeding ten percent or more of the turnover of the company , as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;	The Company has purchased goods amounting to Rs.5,06,27,840/- and provided technical assistance for Rs.5,00,000/- from Upper Assam Petro Coke Pvt Ltd and Balance outstanding as on 31.03.2020 is Rs.40,05,693/-
Oxbow Carbon & Minerals International GMBH	A Group Company of Oxbow Calcining LLC	April ,1 st 2019- March ,31 st 2020	Prior approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding ten percent or more of the turnover of the company , as mentioned in clause (a) and clause (e) respectively of Sub-Section (1) of Section 188;	Purchased goods amounting to Rs.16,21,52,694/- and outstanding as on 31.03.2020 is Rs.16,48,26,663/-
C & C Investment Ltd Expenses for payment of Audit fees & Other Misc. Expenses	Subsidiary Company (Facility Expenses)	NA	NA	Rs.38,340/-

For & on behalf of the Board of Directors,

Sd/-

Rakesh Himatsingka

(DIN: 00632156)

Chairman and Managing Director

Date: 24th June, 2020

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 2019-20, 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 2019-20 in Rs.	% increase/decrease in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director to median remuneration of employees
1	Shri Rakesh Himatsingka (Managing Director)	Rs. 61, 32,691/-	-94.31	26:1
2	Shri Shaurya veer Himatsingka (Deputy Managing Director)	Rs. 57,55,891/-	-94.66	24:1
3	Shri Pankaj Kumar Misra (Chief Financial Officer from 01.04.2019-15.05.2019)	Rs. 1,37,329/-	0	5:1
4	Shri Vinod Kumar Agarwal (Chief Financial Officer from 16.05.2019-31.03.2020)	Rs. 23,29,051/-	0	11:1
5	Shri. Bhaskar Rakshit (Company Secretary)	Rs. 5,95,486/-	0	3:1

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 2019-20.
 - i) The Median Remuneration of Employees as on March 31, 2020 was Rs. 2,36,973/- and as on March 31, 2019 was Rs. 2,45,278/-.
 - ii) The percentage increase in the median remuneration of employees was Nil during the Financial Year 31.03.2020.
 - iii) There were 178 (One Hundred and Seventy Eight) permanent employees on the rolls of Company as on March 31, 2020.
 - iv) The Company has incurred a Loss after Tax amounting to Rs. 36, 46, 30,889/- during the F.Y as compared to the Profit earned by the Company after Tax amounting to Rs.153, 71, 27,072/- in the last F.Y. There was no increase/decrease in median remuneration during the Financial Year under review.
 - v) Average percentage increase made in the Salaries of the Employees other than Managerial Personnel during the Financial Year ending on 31.03.2020 is NIL and whereas there was average decrease in the Salaries of the Managerial Personnel in the Financial Year under review is 47%. Further, there was no increase made in the Salaries of the Employees during the Financial Year ended 31.03.2020 and as well remuneration paid to the Managing Director and Deputy Managing Directors in accordance with the Schedule V of The Companies Act, 2013, in view of loss incurred by the Company.
 - 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 of the Company for the Directors and others Senior Management Personnel.
 - vii) It is hereby affirmed that the remuneration paid during the year ended 31st Day of March, 2020 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: 24th June, 2020

Place: Kolkata

REPORT OF THE DIRECTORS (Contd.)

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 year 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, , Tiljala Society for Human and Educational Development with an established track record of more than 3 years, Dakhin Kalikata Krira-O-Sanskriti Parishad with an established track record of more than 3 years, Anand Samity with an established track record of more than 3 years, Akshay Patra Foundation with an established track record of more than 3 years and Society For Complementary Therpies, 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 www.indiacarbonltd.com

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

Name	Category	Position
Ms. Susmita Ghose	Non- Executive Independent Director	Chair Person
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.106, 39, 61,781/-

4. Prescribed CSR Expenditure (Two Percent of the amount as in item 3 above):Rs. 2, 12, 79,236/-

5. Details of CSR spent during the Financial Year:

- (a) Total amount spent for the year: Rs.2, 13, 07,725/-
- (b) Amount unspent, if any: Rs.2, 38,811/- donated to India Carbon Charitable Trust could not have been spent due to COVID 19 and lockdown declared by the Government.
- (c) Manner in which the amount spent during the financial year is detailed below:

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was undertaken	Amount outlay (budget) project/ program 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.	Promoting Healthcare by way of funding to Dakshin Kalikata Krira O Sanskriti Parishad through implementing agency for purchasing a Mobile Medical Van, in accordance with the CSR Policy of the Company	Health Care	Kolkata, West Bengal	Rs.11.35,000/-	Rs.11.35,000/-	Rs.11.35,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
2.	Promoting Education and Sanitation by way of funding to Narengi High School through implementing agency for construction of Class Rooms, Toilet Block and purchasing class room furniture, in accordance with the CSR Policy of the Company	Education and Sanitation	Guwahati, Assam	Rs.3,92,500/-	Rs.3,92,500/-	Rs.3,92,500/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
3.	Promoting Education and Sanitation by way of funding to Sri Nagar L P School through implementing agency for construction of Class Rooms, Toilet Block and purchasing Class Room furniture, in accordance with the CSR Policy of the Company	Education and Sanitation	Guwahati, Assam	Rs.3,72,000/-	Rs.3,72,000/-	Rs.3,72,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the Provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
4.	Setting up Old Age Home and facilities for Senior Citizens by way of funding to Mother Old Age Home , a unit of Monalisha Society , through implementing agency for purchasing Old Age Home furniture's, in accordance with the CSR Policy of the Company	Setting up Old Age Home and facilities for Senior Citizens	Guwahati, Assam	Rs.4,75,000/-	Rs.4,75,000/-	Rs.4,75,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
5.	Eradication Hunger and Preventive Health Care by way of funding to Seva Bharati Kamakhya Nagar Charitable And Dharmik Trust , through implementing agency for construction of a Kitchen Room, in accordance with the CSR Policy of the Company	Eradication Hunger and Preventive Health Care	Guwahati, Assam	Rs.8,50,000/-	Rs.8,50,000/-	Rs.8,50,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
6.	Promoting Education and Sanitation by way of funding to Construction Committee Udayachal High School through implementing agency for construction of Class Rooms, Toilet Block and purchasing Class Room furniture, in accordance with the CSR Policy of the Company	Education and Sanitation	Guwahati, Assam	Rs.7,70,000/-	Rs.7,70,000/-	Rs.7,70,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
7.	Promoting Healthcare by way of funding to Indian Council For Child Welfare through implementing agency for purchasing an Ambulance, in accordance with the CSR Policy of the Company	Health Care	Guwahati, Assam	Rs.5,34,000/-	Rs.5,34,000/-	Rs.5,34,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

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/ program 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
8.	Promoting Education and Sanitation by way of funding to Vivekananda Vidyalikash Parishad through implementing agency for construction of Class Rooms and Toilet Block in accordance with the CSR Policy of the Company	Education and Sanitation	West Bengal	Rs.44,60,000/-	Rs.44,60,000/-	Rs.44,60,000/-	Through implementing agency namely India Carbon Charitable Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
9.	Promoting Health Care including Preventive Health Care by way of funding to SHRI SHIRDI SPIRITUAL AND CHARITABLE TRUST through implementing agency for Yoga Centre in accordance with the CSR Policy of the Company	Health Care including Preventive Health Care	Guwahati, Assam	Rs.14,34,675/-	Rs.14,34,675/-	Rs.14,34,675/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
10.	Promoting Health Care including Preventive Health Care by way of funding to DEEPSIKHA through implementing agency for purchasing Medical Equipment/ Furniture for Hospital in accordance with the CSR Policy of the Company	Health Care including Preventive Health Care	Guwahati, Assam	Rs.2,16,224/-	Rs.2,16,224/-	Rs.2,16,224/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
11.	Promoting Preventive Health Care, Agro forestry and Sanitation by way of funding to DAST- R through implementing agency for purchasing a Mahindra Tractor, Construction of Kitchen and Toilet Block in accordance with the CSR Policy of the Company	Preventive Health Care, Agro Forestry and Sanitation	Guwahati, Assam	Rs.13,30,396/-	Rs.13,30,396/-	Rs.13,30,396/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
12.	Promoting Rural Development Project by way of funding to AMAYAPUR UNNAYAN SAMITI through implementing agency for purchasing Office Furniture towards setting up Project Office for Rural Development in accordance with the CSR Policy of the Company	Rural Development Project	Guwahati, Assam	Rs.15,000/-	Rs.15,000/-	Rs.15,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
13.	Promoting Rural Development Project by way of funding to SREEMANTA WAGAR UNNAYAN COMMITTEE through implementing agency for purchasing Office Furniture towards setting up Project Office for Rural Development in accordance with the CSR Policy of the Company	Rural Development Project	Guwahati, Assam	Rs.27,500/-	Rs.27,500/-	Rs.27,500/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
14.	Promoting facilities for Senior Citizens Organisation of Senior Citizens through implementing agency for purchasing office furniture in accordance with the CSR Policy of the Company	Facilities for Senior Citizens	Guwahati, Assam	Rs.17,500/-	Rs.17,500/-	Rs.17,500/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
15.	Promoting Education and Sanitation by way of funding to BAPUJI PRATHAMIK VIDYALAYA , through implementing agency for construction of Class Rooms, in accordance with the CSR Policy of the Company	Education	Guwahati, Assam	Rs.1,40,000/-	Rs.1,40,000/-	Rs.1,40,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
16	Promoting Rural Development Project by way of funding to BIJULI NAGAR UNNAYAN SAMITY through implementing agency for construction of a Stage in accordance with the CSR Policy of the Company	Rural Development Project	Guwahati, Assam	Rs.3,00,000/-	Rs.3,00,000/-	Rs.3,00,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
17	Promoting Sanitation by way of funding to BRIHATTAR SALBARI ANCHALIK DURGA MANDIR NIRMAN COMMITTEE for construction of Toilet Blocks in accordance with the CSR Policy of the Company	Sanitation	Guwahati, Assam	Rs.2,00,000/-	Rs.2,00,000/-	Rs.2,00,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
18	Promoting Rural Development Project by way of funding to KALYAN NAGAR UNNAYON SAMITI through implementing agency for construction of a Community Hall in accordance with the CSR Policy of the Company	Rural Development Project	Assam, Guwahati	Rs.10,60,000/-	Rs.10,60,000/-	Rs.10,60,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
19	Promoting Health Care by way of funding to SHREE SHYAM SEWA NIDHI TRUST through implementing agency for treatment of Cancer Patients in accordance with the CSR Policy of the Company	Health Care	Guwahati, Assam	Rs.2,40,000/-	Rs.2,40,000/-	Rs.2,40,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
20	Promoting Animal Welfare by way of funding to ASURESWAR GOMANGAL SAMITTEE through implementing agency for Animal Welfare in accordance with the CSR Policy of the Company	Animal Welfare	Orissa	Rs.3,00,000/-	Rs.3,00,000/-	Rs.3,00,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013
21	Promoting Health Care including Preventive Health Care by way of funding to SHREE VISHUDHANAND HOSPITAL through implementing agency for purchasing Medical Equipment/ Furniture for Hospital in accordance with the CSR Policy of the Company	Health Care including Preventive Health Care	West Bengal	Rs.1,00,000/-	Rs.1,00,000/-	Rs.1,00,000/-	Through implementing agency namely Manav Kalyan Trust , came into existence in the year 1975 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
22	Eradication Hunger by way of funding to Akshay Patra Foundation , directly from the Company for purchasing of Vessels for Kitchen Room, in accordance with the CSR Policy of the Company	Eradication Hunger	Guwahati, Assam	Rs.11,60,600/-	Rs.11,60,600/-	Rs.11,60,600/-	Through implementing agency namely Akshay Patra Foundation , came into existence in the year 2001 and eligible as per the provisions of The Companies Act, 2013
23	Enhancing Vocational Skills among Women by way of funding to ANAND SAMITI , directly from the Company for construction of first floor of Vocational Training Room, in accordance with the CSR Policy of the Company	Enhancing Vocational Skills among Women	West Bengal, Kolkata	Rs.7,15,380/-	Rs.7,15,380/-	Rs.7,15,380/-	Through implementing agency namely ANAND SAMITI , came into existence in the year 1981 and eligible as per the provisions of The Companies Act, 2013
24	Eradication Hunger, Promoting Health Care including Preventive Health Care, Sanitation, Making available safe drinking water, Promoting education, Enhancement of vocational training among children and women for employment, ensuring environment sustainability and Rural development projects by way of funding to DAKSHIN KALIKATA KRIRA O SANSKRITI PARISHAD , directly from the Company in accordance with the CSR Policy of the Company	Eradication Hunger, Promoting Health Care including Preventive Health Care, Sanitation, Making available Safe Drinking Water, Promoting education, and vocational training among children and women for, ensuring environment sustainability and Rural development projects	West Bengal, Kolkata	Rs.45,51,950/-	Rs.45,51,950/-	Rs.45,51,950/-	Through implementing agency namely Dakshin Kalikata Krira O Sanskriti Parishad , came into existence in the year 1979 and eligible as per the provisions of The Companies Act, 2013

REPORT OF THE DIRECTORS (Contd.)

Sl. No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1. Local area or other District where projects or program was under taken	Amount outlay (budget) project/ program 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
25	Promoting Education and Health Care by way of funding to TILJALA SHED , directly from the Company for 10 number of economically backward children, in accordance with the CSR Policy of the Company	Promoting Education and Health Care	West Bengal, Kolkata	Rs.2,60,000/-	Rs.2,60,000/-	Rs.2,60,000/-	Through implementing agency namely TILJALA SHED , came into existence in the year 1987 and eligible as per the provisions of The Companies Act, 2013
26	Promoting Health Care including Preventive Health Care by way of funding to Society For, Complementary Therpies , directly from the Company for organizing a Medical Camp, in accordance with the CSR Policy of the Company	Health Care including Preventive Health Care	New Delhi	Rs.2,50,000/-	Rs.2,50,000/-	Rs.2,50,000/-	Through implementing agency namely Society For, Complementary Therpies , came into existence in the year 2014 and eligible as per the provisions of The Companies Act, 2013

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

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 F.Y 2012-13 was 1.7 Mn.Mts. growing to 2.8 Mn.Mts in F.Y 2016-17 and to 3.6 Mn.Mts in 2018-19, and was on target to touch 4 Mn.Mts for the Financial Year ended March, 2020, but for the Global Slowdown, and thereafter with the Covid Pandemic hitting the Global Economy, and demand collapsing, it is now difficult to predict as to when this target will be achieved.

Despite the facts mentioned above, all the 4 Aluminium Companies, namely Vedanta, Hindalco, Balco & Nalco are going ahead with both Brownfield and Greenfield expansions, and in the next 4-5 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 started 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 expects 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 grew 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 4 aluminum producing Companies, namely Vedanta, Hindalco, Balco & Nalco are going ahead with both Brownfield and Greenfield expansions, and in the next 3-5 yrs., an additional capacity of over 2Mn.Mts should be in operation.

The present requirement of CPC by the aluminum smelters is approx 1.5Mn.Mts, and in addition there is a substantial requirement by the Steel, Graphite Electrodes, Titanium dioxide, Ferro alloys and other miscellaneous Industries at around 0.5 Mn.Mts, taking the total requirement to around 2.0Mn.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 mainly.
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 Kolkata Port, resulting in much higher freight by vessels prepared to come to Kolkata Port.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT *(Contd.)*

6. Very poor transport infrastructure leading to much higher transportation cost.
7. Pay and Carry Policy of IOC Ltd for Indian RPC resulting in much higher Inventory carrying cost.

SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

During the Financial Year ended 31.03.2020, your Company has achieved gross revenue from operations amounting to Rs.206.19 Crore, as against Rs.471.65 Crore in the Previous Financial Year, a decrease in the Sales by 56.28 %, as compared to the Previous Financial Year ending on 31.03.2019.

Production of Calcined Petroleum Coke (CPC) & Electrode Carbon Paste (ECP), during the Financial Year under review is 85,990MT & 4811MT, as against 88,829MT & 5,478MT respectively, in the Previous Financial Year and the same exhibits a decrease in the Productions of CPC & ECP by 3.20% & 12.18%.

Sales of CPC & ECP during the Financial Year under review is 70,563 MT & 4,520 MT, as compared to 73,865 MT & 5,450 MT respectively in the Previous Financial Year and which also exhibits a decrease in the Sales of CPC & ECP during the Financial Year ending on 31.03.2020, by 4.51% & 17.05%.

During the Financial Year ending on 31.03.2020, the Productions and Sales of CPC & ECP, which is the major constituents of your Company's Turnover reduced significantly as compared to the Financial Year ending on 31.03.2019 and consequently resulting in higher cost of Production due to Poor Capacity Utilization and diminishing prices.

Further, demand from all the consuming sectors, primarily, Aluminum, Steel and especially Graphite Electrodes decreased due to the ongoing slowdown in the Economy and curtailment in the Productions by the aforesaid Industries.

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, though the COVID 19 pandemic has put a big question mark on the Global and the Country's Economy.

However, with various measures taken by the Government to boost the Economy and with a bountiful monsoon this year, it's expected that the agriculture sector shall lead the demand.

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 plants, 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 Rs. 13,81,045/- 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT *(Contd.)*

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 starts from process owners and upwards, leading to the MD and CEO Certification.

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 periodic 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 31.03.2020, your Company has achieved gross revenue from operations amounting to Rs.206.19 Crore, as against Rs. Rs.471.65 Crore in the previous Financial Year, a decrease in the sales by 56.28 %, as compared to the Financial Year ending on 31.03.2019.

Production of Calcined Petroleum Coke (CPC) & Electrode Carbon Paste (ECP) during the Financial Year under review is 85,990MT & 4811MT, as against 88,829MT & 5,478MT respectively in the previous Financial Year and the same exhibits a decrease in the productions of CPC & ECP by 3.20% & 12.18%.

Sales of CPC & ECP during the Financial Year under review is 70,563 MT & 4,520 MT, as compared to 73,865 MT & 5,450 MT respectively in the previous Financial Year and which also exhibits a decrease in the sales of CPC & ECP during the Financial Year ending on 31.03.2020 by 4.51% & 17.05%.

During the Financial Year ended on 31.03.2020, whilst the Production and Sales of CPC your Company's main constituent decreased only marginally, but the Turnover reduced significantly as compared to the Financial Year ending on 31.03.2019 due to massive crash in the finished product prices and consequently resulted in higher Cost of Production due to lower Capacity Utilization and use of very expensive Raw Material Stock. Further, Demand from all the consuming sectors, primarily, Aluminum, Steel and especially Graphite Electrodes decreased due to the ongoing slowdown in the Economy and curtailment in the Productions by the aforesaid Industries.

Foreign Exchange loss during the year was Rs.13.81,045/-, as against loss of Rs. 1,58, 49,293/- in the last Financial Year.

In addition due to Poor Capacity Utilization, High Cost Inventory from last year, huge drop in Price of our Finished Products, unrealized loss in Investments and cut throat internal competition; your Company incurred a loss after Tax amounting to Rs.36,46,30,889/- during the Financial Year under review as against a Profit after Tax amounting to Rs. 153,71,27,072/- in the last Financial Year.

The Earning per Share of the Company for the Financial Year under review is Rs. (-) 137.60/- as against Rs.580.05/- in the Previous Financial Year.

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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT *(Contd.)***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: 24th June, 2020

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 consist 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 11(Eleven) Directors including two alternate Directors as on 31st March, 2020. The Board is headed by Mr. Rakesh Himatsingka (DIN: 00632156), 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/she is a Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2020, have been made by the Directors. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at www.indiacarbonltd.com. *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, 2020 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.

The Composition and Category of the Board of Directors of the Company, as on 31st March, 2020 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)

CORPORATE GOVERNANCE REPORT (Contd.)

Sl. No.	Name of the Director	Category
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. Soumendra Mohan Basu	Non-Executive and Independent Director
11.	Mrs. Susmita Ghose	Non-Executive and Independent Director
12.	Mr. Samar Jha (Retired at the last AGM)	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 Financial Year 2019-20, four Board Meetings were held on 15th May, 2019, 12th Day of August, 2019, 25th Day of October, 2019 & 12th Day of February, 2020. 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 2019-20, information as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been placed before the Board for its consideration.

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 31.03.2020
Mr. Rakesh Himatsingka	4	Yes	8	8	Father of Mr. Shaurya Veer Himatsingka	10445
Mr. Shaurya Veer Himatsingka	3	Yes	9	4	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	3	No	6	3	None	Nil

CORPORATE GOVERNANCE REPORT (Contd.)

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 31.03.2020
Mr. Manoj Mohanka	4	No	3	3	None	Nil
Mr. Soumendra Mohan Basu	3	No	3	2	None	Nil
Mr. Sunirmal Talukdar	4	Yes	4	4	None	Nil
Mrs. Susmita Ghosh	4	No	Nil	Nil	None	Nil
Mr. Samar Jha	1	No	NA	NA	NA	NA

* 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:

Mr. Rakesh Himatsingka and Mr. 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.

Sd/-

Rakesh Himatsingka

Chairman and Managing Director

Dated: 24th June, 2020

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 at www.indiacarbonltd.com.

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 31.03.2020 and its Meeting & Attendance during the Financial Year 2019-20:

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

All the Committee Members are financially literate and all of them have accounting or related financial management expertise. During the year 2019-20, five Audit Committee Meetings were held on 8th April, 2019, 15th Day of May, 2019, 12th Day of August, 2019, 25th Day of October, 2019 & 12th Day of February, 2020.

CORPORATE GOVERNANCE REPORT (Contd.)

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 assists 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 recommends to the Board and 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 31.03.2020 is as follows:

There were one meetings of Nomination and remuneration Committee of the Company held on 15th May, 2019 during the year the year 2019-20.

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

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 2019-20:

(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)	4512000	Nil	1620691	Nil	6132691	5 Years (w.e.f 01/12/2019)	3	Nil
Mr. Shaurya Veer Himatsingka (Deputy Managing Director)	4128000	Nil	1627891	Nil	5755891	5 Year (w.e.f) 01/04/2020	3	Nil

CORPORATE GOVERNANCE REPORT (Contd.)**(ii) Non-Whole time/Non-Executive Directors:**

Non-Executive Directors	Sitting Fees paid for attending Board/Committee Meetings (₹)
Mr. Hemant. K. Khaitan	1,30,000
Mr. Manoj Mohanka	2,05,000
Mr. Samar Jha	20,000
Mr. Soumendra Mohan Basu	1,80,000
Mr. Sunirmal Talukdar	1,80,000
Mrs. Susmita Ghosh	1,20,000

- Neither any Stock Option or nor any Bonus paid to any of the Independent Directors. No Severance Fees is payable to Directors.
- Non-Executive Independent Directors were paid sitting fees of ₹ 20,000/- for attending each Board Meeting, Audit Committee Meeting and Independent Directors Meeting @ ₹ 20, 000/- and ₹ 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 Financial Year 2019-20.

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 31.03.2020 is as follows: -

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

The Committee looks into redressed 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.

One Meeting of Shareholders Grievance Committee was held on the 12.02.2020 during the Financial Year 2019-20.

Investors Complaints: Balance as on 01.4.2019 – Nil, Received during the year - Nil, Disposed off during the Year - Nil, Balance as on 31.03.2020 - 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 31.03.2020 is as follows:

Name of the Member	Position	Number of Meeting Attended
Mr. Rakesh Himatsingka	Chairman	11
Mr. Shaurya Veer Himatsingka	Member	10
Mr.Hemant Kumar Khaitan	Member	1

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 2019-20, Eleven Share Transfer Committee Meetings were held on 15.05.2019, 22.07.2019, 16.08.2019, 06.09.2019, 19.09.2019, 14.11.2019, 25.11.2019, 27.11.2019, 27.12.2019, 12.02.2020 & 16.03.2020.

CORPORATE GOVERNANCE REPORT (Contd.)
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	Chair Person	4
Mr. Soumendra Mohan Basu	Member	3
Mr. Rakesh Himatsingka	Member	4
Mr. Shaurya Veer Himatsingka	Member	3

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 31.03.2020 Four (4) number of meeting held by the CSR Committee on 15th May 2019, 12th August 2019, 25th October 2019 & 12th February 2020.

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

Financial Year	Date	Time	Venue
2018-19	27.09.2019	10.00 A.M	Registered Office at Noonmati, Guwahati, Assam
2017-18	18.09.2018	10.00 A.M	Same as above
2016-17	18.09.2017	10.00 A.M	Same as above

Special Resolutions passed in the previous three AGMs:

AGM held on 27.09.2019	(1) Re- Appointment of Shri Manoj Mohanka (DIN:00128593) as an Independent Director (2) Re- Appointment of Shri Soumendra Mohan Basu (DIN:01125409) as an Independent Director (3) Re- Appointment of Shri Hemant Kumar Khaitan (DIN:00220049) as an Independent Director (4) Re- Appointment of Shri Sunirmal Talukdar (DIN:00920608) as an Independent Director (5) Approval of Transaction under section 185 of the Companies Act, 2013
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 ₹ 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 ₹ 100 Crore in excess of the amount prescribed in section 186 of Companies Act, 2013.

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 58th Annual General Meeting.

DISCLOSURES
(a) Disclosure on materially significant related party transactions

During the Financial Year ended as on 31st March, 2020 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 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.

CORPORATE GOVERNANCE REPORT (Contd.)**(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

A detailed exercise is being carried out to identify, evaluate, manage and monitor risks of the Company, which may threaten the existence of the Company from time to time and as and when required.

(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.

3. MEANS OF COMMUNICATION:

- a) Quarterly Results are published in daily newspapers viz. Business Standard (English) and Niyomiya Barta (Assamese- local language). The Annual Report is being sent to the Shareholders of the Company. The Quarterly as well as Annual Financial Results has also been posted on the Company's Website at www.indiacarbonltd.com.
- b) Management's Discussions & Analysis Report forms part of this Annual Report, which is also being sent 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.

4. 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.

5. 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.

6. 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.

7. 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.

CORPORATE GOVERNANCE REPORT (Contd.)

8. GENERAL SHAREHOLDERS INFORMATION:

- a) Annual General Meeting is proposed to be held on 28th September, 2020 at 10.30 AM through Video Conferencing.
 b) Financial Calendar : 1st April, 2020 to 31st March, 2021 (Tentative)

Financial Results for the quarter ending 30 th June, 2020	Within 45 days of 1 st Quarter ended
Financial Results for the quarter ending 30 th September, 2020	Within 45 days of 2 nd Quarter ended
Financial Results for the quarter ending 31 st December, 2020	Within 45 days of 3 rd Quarter ended
Financial Results for the quarter ending 31 st March, 2021	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 22nd September, 2020 to 28th September, 2020 (both days inclusive).

- d) Dividend Payment Date: NA
 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. 2019-20. There were no Unpaid Dividends, Matured 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 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:
 As per directives issued by SEBI, it is compulsory to trade in securities of any Company's Equity Shares in Dematerialized Form.

- g) **Distribution of Shareholding as on 31st March, 2020:**

No. of Shares	No. of Shareholders	No. of Shares
1 - 500	2651	195002
501 - 1000	40	29938
1001 - 2000	23	33567
2001 - 3000	8	20829
3001 - 4000	2	6486
4001 - 5000	2	9680
5001 - 10000	3	17535
10001 - 50000	12	206370
50001 - 100000	2	185717
100001 and above	4	1944876
TOTAL :	2747	2,650,000

CORPORATE GOVERNANCE REPORT (Contd.)**Shareholding Pattern as on 31st March, 2020:**

Shareholders	Total No. of shares	Percentage to Total Issued Shares
Promoters	1311788	49.50
Persons acting in Concert	0	0.00
Mutual Funds, Banks, Financial Institutions and Insurance Companies	15183	0.57
Others	1323029	49.93
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, 2020, 66.62% of the Company's Paid up Equity Capital representing 17,65,574 Shares were held in Demat form.

No. of shares in Physical segment	884426	33.38%
No. of shares in Demat segment	1765574	66.62%

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 Financial Year 2019-20

9. PLANT LOCATIONS :

A) Noonmati, Guwahati - 781020, Assam.

B) 35, Deshbandhu Chittaranjan Road, Budge Budge, 24 Parganas (South), Kolkata-700 137.

10. ADDRESS FOR CORRESPONDENCE:

For transfer/dematerialization of shares : C B Management Services (P) Ltd
 payment of dividend on shares, interest : P-22, Bondel Road, Kolkata 700019
 and redemption of debentures, and any : Telephone : 40116700,40116711
 other query relating to the shares and : 40116718, 40116723, 2280-6692/93/94
 debentures of the Company. : 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 and on behalf of the Board of Directors

Sd/-

Rakesh Himatsingka

Chairman and Managing Director

Place: Kolkata

Date: 24th June, 2020

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, Chief Executive Officer 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.

For,
INDIA CARBON LIMITED
Sd/-
Mr. Shaurya Veer Himatsingka
(Chief Executive Officer)

For,
INDIA CARBON LIMITED
Sd/-
Mr. Vinod Kumar Agarwal
(Chief Financial Officer)

Date: 24th June, 2020
Place: Kolkata

CORPORATE GOVERNANCE REPORT (Contd.)**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, 2020, 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 Exchange.

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.

Place: Kolkata
Dated: 24th June, 2020

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

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
Date: 24th June, 2020

Sd/-
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, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Cash Flow Statement 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, 2020., and its Loss including other comprehensive income, changes in equity and its Cash Flow 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. The matter is sub-judice</p> <p>Refer Note 34 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.
- If based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. 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), changes in equity and cash flows 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.
- 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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, statement of changes and Cash Flow Statement 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 31,2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2020, 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.
- 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 34 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.

For S. SAMANTA & CO.
Chartered Accountants
Firm Registration No. 305020E
S. SAMANTA
Partner
Membership No.: 007200

Kolkata
Dated 24th June, 2020

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ 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, 2020.

- (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 ₹	Period to which relates	Forum where the dispute is pending
C.S.T Act	Sales Tax	2926163	2013-14	Joint Commissioner, West Bengal State Tax
C.S.T Act	Sales Tax	88071	2014-15	President, appellate & revisional board, Commercial Taxes, West Bengal
C.S.T Act	Sales Tax	9914900	2015-16	Joint Commissioner, West Bengal State Tax

- (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.
- (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.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT *(Contd.)*

- (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
S. SAMANTA
Partner
Membership No.: 007200

Kolkata
Dated 24th June, 2020

“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, 2020 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT *(Contd.)*

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, 2020, 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
S. SAMANTA
Partner
Membership No.: 007200

Kolkata
Dated 24th June, 2020

Financial Statement

BALANCE SHEET as at 31st March, 2020

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3A	13,18,06,379	11,11,21,165
Capital work-in-progress	3A	2,59,44,864	3,88,33,878
Intangible Assets	3B	9,05,002	11,33,152
Financial Assets:			
Investments	4	84,33,89,992	1,14,92,02,096
Other financial assets	5	1,58,37,574	70,77,747
Deferred Tax Assets (Net)	18	10,77,05,823	0
Other non-current assets	6	42,37,272	42,93,769
Total Non - Current Assets		1,12,98,26,906	1,31,16,61,806
Current Assets			
Inventories	7	65,25,45,410	1,28,99,48,140
Financial Assets:			
Investments	8	21,83,48,719	8,31,21,994
Trade Receivables	9	29,28,25,443	23,77,60,837
Cash and cash equivalents	10	30,89,70,589	9,64,62,451
Other Bank Balances	11	1,12,11,042	28,24,73,249
Other financial assets	12	10,55,80,242	16,76,59,232
Other Current Assets	13	20,82,72,159	14,42,35,725
Total Current Assets		1,79,77,53,604	2,30,16,61,629
Total Assets		2,92,75,80,510	3,61,33,23,435
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	2,65,00,000	2,65,00,000
Other Equity	15	2,41,48,16,431	2,95,15,57,198
Total Equity		2,44,13,16,431	2,97,80,57,198
LIABILITIES			
Non-current liabilities			
Financial Liabilities:			
Borrowings	16	0	4,72,746
Provisions	17	42,84,095	35,68,385
Deferred Tax Liabilities (Net)	18	0	7,28,85,682
Total Non-current liabilities		42,84,095	7,69,26,813
Current Liabilities			
Financial Liabilities			
Borrowings	19	10,01,39,185	14,98,22,664
Trade Payables	20	23,88,71,038	7,95,87,845
Other financial liabilities	21	13,00,94,598	31,56,34,494
Other Current Liabilities	22	60,34,720	51,63,768
Provisions	23	19,01,714	17,08,911
Current Tax Liabilities (Net)	24	49,38,729	64,21,742
Total Current Liabilities		48,19,79,985	55,83,39,424
Total Liabilities		48,62,64,080	63,52,66,237
Total Equity and Liabilities		2,92,75,80,510	3,61,33,23,435

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: 24th June 2020

Rakesh Himatsingka
Chairman & Managing Director
DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO
DIN: 012002020

Sunirmal Talukdar
Director
DIN: 00920608

Vinod Agarwal
Chief Financial Officer

Hemant Kumar Khaitan
Director
DIN: 00220049

Bhaskar Rakshit
Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2020

(Amount in ₹)

PARTICULARS	Note No.	Year ended 31.03.2020	Year ended 31.03.2019
Revenue from Operations	25	2,06,19,90,213	4,71,65,01,255
Other Income	26	6,02,08,669	24,11,49,116
Total Income		2,12,21,98,882	4,95,76,50,371
Expenses			
Cost of Materials Consumed	27	1,78,36,60,038	2,67,66,48,723
Cost of Materials Sold	28	61,56,969	4,87,49,079
Changes in Inventories of Finished Goods	29	27,22,98,060	(38,23,79,838)
Employee Benefits Expense	30	9,18,03,686	28,74,16,828
Finance Costs	31	1,18,82,982	1,43,88,449
Depreciation and Amortization Expense	3	2,06,09,344	1,80,47,293
Other Expenses	32	45,28,73,233	32,23,02,302
Total Expenses		2,63,92,84,312	2,98,51,72,836
Profit (Loss) Before Tax		(51,70,85,429)	1,97,24,77,534
Tax Expense:			
Current tax		0	43,77,97,218
Deferred tax		(15,24,54,540)	50,03,050
Excess tax Provision for earlier period written back		0	(74,49,805)
Profit (Loss) for the Year		(36,46,30,889)	1,53,71,27,072
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		19,87,364	19,61,642
Equity Instruments Through Other Comprehensive Income		(10,63,92,750)	(15,92,27,250)
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		(5,41,820)	(8,85,311)
Equity Instruments Through Other Comprehensive Income		2,86,78,787	6,70,20,004
Total Other Comprehensive Income, Net of Tax		(7,62,68,419)	(9,11,30,915)
Total Comprehensive Income for the Year		(44,08,99,308)	1,44,59,96,157
Earning per equity share of Rs. 10/- each	33		
Basic		(137.60)	580.05
Diluted		(137.60)	580.05

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: 24th June 2020

Rakesh HimatsingkaChairman & Managing Director
DIN: 00632156**Shaurya Veer Himatsingka**Deputy Managing Director & CEO
DIN: 012002020**Sunirmal Talukdar**Director
DIN: 00920608**Vinod Agarwal**

Chief Financial Officer

Hemant Kumar KhaitanDirector
DIN: 00220049**Bhaskar Rakshit**

Company Secretary

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2020

(Amount in ₹)

A. Equity Share Capital

	No. of Shares	Amount
Equity Shares of Rs.10 Each, subscribed and fully paid		
As at 1st April, 2018	26,50,000	2,65,00,000
Changes in Equity Share Capital during the year	0	0
As at 31st March, 2019	26,50,000	2,65,00,000
Changes in Equity Share Capital during the year	0	0
As at 31st March, 2020	26,50,000	2,65,00,000

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, 2018	75,00,000	20,00,000	6,400	31,88,06,239	96,21,21,441	26,67,91,471	(37,42,418)	1,55,34,83,133
Profit for the year	0	0	0	0	1,53,71,27,072	0	0	1,53,71,27,072
Other Comprehensive Income (Net of Tax)	0	0	0	0	0	(9,22,07,246)	10,76,330	(9,11,30,916)
Total comprehensive income for the period	0	0	0	0	1,53,71,27,072	(9,22,07,246)	10,76,330	1,44,59,96,156
Transactions with owners in their capacity as owners:	0	0	0	0	0	0	0	0
Final Dividend on Equity Shares and Dividend Distribution Tax thereon for the year 2017-18					4,79,22,091			4,79,22,091
As at 31st March, 2019	75,00,000	20,00,000	6,400	31,88,06,239	2,45,13,26,422	17,45,84,225	(26,66,088)	2,95,15,57,198
Profit for the year	0	0	0	0	(36,46,30,889)	0	0	(36,46,30,889)
Other Comprehensive Income (Net of Tax)	0	0	0	0	0	(7,77,13,963)	14,45,544	(7,62,68,419)
Total comprehensive income for the period	0	0	0	0	(36,46,30,889)	(7,77,13,963)	14,45,544	(44,08,99,308)
Transactions with owners in their capacity as owners:	0	0	0	0	0	0	0	0
Final Dividend on Equity Shares and Dividend Distribution Tax thereon for the year 2018-19					9,58,41,459			9,58,41,459
As at 31st March, 2020	75,00,000	20,00,000	6,400	31,88,06,239	1,99,08,54,073	9,68,70,262	(12,20,544)	2,41,48,16,430

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: 24th June 2020

Rakesh Himatsingka

 Chairman & Managing Director
 DIN: 00632156

Shaurya Veer Himatsingka
 Deputy Managing Director & CEO
 DIN: 012002020

Sunirmal Talukdar

 Director
 DIN: 00920608

Vinod Agarwal
 Chief Financial Officer

Hemant Kumar Khaitan

 Director
 DIN: 00220049

Bhaskar Rakshit
 Company Secretary

CASH FLOW STATEMENT for the year ended 31st March, 2020

(Amount in ₹)

PARTICULARS	Year ended 31.3.2020	Year ended 31.3.2019
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	(51,70,85,429)	1,97,24,77,534
Adjustments for :		
Depreciation / Amortisation Expense	2,06,09,344	1,80,47,293
Amortisation of Prepayments	56,497	56,497
Finance Costs	1,18,82,982	1,43,88,449
Actuarial Loss/Gain. on Defined Benefit Plans	2,63,553	0
Net Gain. Loss on Sale of Assets	(1,23,327)	(5,499)
Interest Income	(1,36,68,528)	(85,41,571)
Dividend Income	(1,19,16,654)	(37,93,197)
Liabilities No Longer Required written back	(1,77,929)	(12,91,776)
Gain. / Loss on Sale of Investments	(84,69,487)	(2,10,39,672)
Net Gain./Loss on Investment in Mutual Funds carried at fair value through profit or loss	11,65,01,118	(3,19,83,780)
Foreign Exchanges Differences Net.	74,75,509	(18,09,274)
Bad Debts / Advances written off	0	49,02,715
	12,24,33,080	(3,10,69,816)
Operating Profit before Working Capital changes	(39,46,52,350)	1,94,14,07,718
Adjustments for:		
Trade Receivables, Loans, Advances and Other Assets	(5,67,79,842)	(8,00,77,893)
Inventories	63,74,02,730	(68,59,50,637)
Trade Payables, Other Liabilities and Provisions	(2,64,75,095)	(11,18,79,465)
	55,41,47,794	(87,79,07,995)
Cash Generated from Operations	15,94,95,444	1,06,34,99,723
Income Tax Paid./Refund	1,57,589	(48,49,05,371)
NET CASH FLOW FROM OPERATING ACTIVITIES - A.	15,96,53,033	57,85,94,352
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipments including Capital Work in Progress	(2,82,53,975)	(3,47,68,236)
Addition to Intangible Assets	(43,550)	0
Sale of Property, Plant & Equipments	2,43,458	21,218
Investment in Mutual Funds	(83,71,29,879)	(1,73,10,31,060)
Sale of Investment in Mutual Funds	79,32,90,877	1,69,77,08,852
Investment in Bank Deposits	26,34,85,800	(15,83,08,306)
Original Maturity more than three months.		
Interest Income Net of TDS.	1,20,27,927	85,41,571
Dividend Income	1,19,16,654	37,93,197
NET CASH FLOW FROM INVESTING ACTIVITIES - B.	21,55,37,311	(21,40,42,764)

CASH FLOW STATEMENT for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

PARTICULARS	Year ended 31.3.2020	Year ended 31.3.2019
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(4,72,746)	(93,55,581)
Proceeds from Short Term Borrowings	(5,44,85,018)	(46,65,05,959)
Finance Costs	(1,18,82,982)	(1,43,88,449)
Dividend Paid	(7,95,00,000)	(3,97,50,000)
Income Tax on Dividend Paid	(1,63,41,459)	(81,72,091)
NET CASH USED IN FINANCING ACTIVITIES - C.	(16,26,82,206)	(53,81,72,080)
NET INCREASE /DECREASE. IN CASH AND CASH EQUIVALENT		
A. + B. +C .	21,25,08,139	(17,36,20,492)
Add: Balance of Cash and Cash Equivalents As At 31.3.2019	9,64,62,451	27,00,82,943
Balance of Cash and Cash Equivalents As At 31.3.2020	30,89,70,589	9,64,62,451

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: 24th June 2020

Rakesh Himatsingka
Chairman & Managing Director
DIN: 00632156

Shaurya Veer Himatsingka
Deputy Managing Director & CEO
DIN: 012002020

Sunirmal Talukdar
Director
DIN: 00920608

Vinod Agarwal
Chief Financial Officer

Hemant Kumar Khaitan
Director
DIN: 00220049

Bhaskar Rakshit
Company Secretary

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020

Note No.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 24th June 2020.

Note No.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.

(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, judgments 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

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

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.

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

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

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.

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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

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.

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:

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

***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.

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 38 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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 *(Contd.)***(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.

(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

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 *(Contd.)*

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.

(p) xiv. 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 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.

Note No. 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 2019													
Gross Carrying Amount as on 1st April 2018	70,41,500	7,60,63,446	1,12,64,674	22,74,14,228	51,25,216	46,12,567	29,14,781	2,68,34,746	1,42,36,445	1,05,76,290	91,11,185	38,91,95,078	2,80,95,468
Additions	0	29,30,005	2,26,191	91,00,402	0	94,120	19,44,046	66,70,503	14,07,308	0	16,57,250.00	2,40,29,826	1,52,65,301
Disposals	0	0	0	2,69,937.00	0	0	0	30	43,847	0	0	3,13,814	45,26,891
Closing gross carrying amount as on 31.03.2019	70,41,500	7,89,93,451	1,14,90,865	23,02,44,693	51,25,216	47,06,687	48,58,827	3,35,05,219	1,55,99,906	1,05,76,290	1,07,68,435	41,29,11,090	3,88,33,878
Accumulated depreciation as at 1 April 2018	0	4,99,09,811	82,69,095	16,31,30,515	50,74,043	43,10,535	24,63,974	2,15,28,647	1,17,23,658	87,85,930	91,11,185	28,43,07,393	0
Depreciation charge during the year	0	16,67,785	12,09,090	1,05,64,655	0	49,894	1,49,921	23,75,548	15,17,405	1,73,010	73,319.00	1,77,80,626	0
Disposals	0	0	0	2,56,440.00	0	0	0	0	41,655	0	0	2,98,095	0
Closing accumulated depreciation as on 31.03.2019	0	51,57,7596	94,78,185	17,34,38,730	50,74,043	43,60,429	26,13,894	2,39,04,195	1,31,99,408	89,58,940	91,84,504	30,17,89,924	0
Net carrying amount as at 31 March 2019	70,41,500	2,74,15,855	20,12,680	5,68,05,963	51,173	3,46,258	22,44,933	96,01,024	24,00,498	16,17,350	15,83,931.00	11,11,21,165	3,98,33,878
Year ended 31st March 2020													
Gross Carrying Amount as on 1st April 2019	70,41,500	7,89,93,451	1,14,90,865	23,02,44,693	51,25,216	47,06,687	48,58,827	3,35,05,219	1,55,99,906	1,05,76,290	1,07,68,435	41,29,11,090	3,88,33,878
Additions	0	1,66,14,174.46	31,44,738.00	1,14,19,122.28	0	57,917.80	39,800.00	76,53,074.00	8,45,576.52	13,68,586.00	0	4,11,42,989.06	45,52,711.00
Disposals	0	0	0	0	0	0	0	36,56,755.00	0	0	0	36,56,755.00	1,74,47,725.00
Closing gross carrying amount as on 31.03.2020	70,41,500	9,56,07,625	1,46,35,603	24,16,63,815	51,25,216	47,64,605	48,98,627	3,75,01,538	1,64,45,483	1,19,44,876	1,07,68,435	45,03,97,324	2,59,44,864
Accumulated depreciation as at 1 April 2019	0	51,57,7596	94,78,185	17,34,38,730	50,74,043	43,60,429	26,13,894	2,39,04,195	1,31,99,408	89,58,940	91,84,504	30,17,89,924	0
Depreciation charge during the year	0	19,85,656	14,90,039	1,12,12,480	0	63,215	5,87,093	35,76,318	11,98,639	2,80,142	4,061	2,03,37,644	0
Disposals	0	0	0	0	0	0	0	35,36,624.00	0	0	0	35,36,624	0
Closing accumulated depreciation as on 31.03.2020	0	5,35,63,252	1,09,68,224	18,46,51,210	50,74,043	44,23,644	32,00,988	2,38,83,889	1,43,98,047	92,39,082	91,88,565	31,85,90,944	0
Net carrying amount as at 31 March 2020	70,41,500	4,20,44,374	36,67,379	5,70,12,605	51,173	3,40,961	16,97,639	1,36,17,650	20,47,436	27,05,794	15,79,870	13,18,06,379	2,59,44,864

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

3B. Intangible Assets

	Computer Software (ERP System)	Computer Software	Total
Year ended 31st March, 2019			
Gross Carrying Amount as on 1st April 2018	0	0	0
Addition	16,00,000	0	16,00,000
Disposals	0	0	0
Closing gross carrying amount as on 31.03.2019	16,00,000	0	16,00,000
Accumulated Amortisation as on 1st April 2018	2,00,182	0	2,00,182
Amortisation during the year	2,66,666	0	2,66,666
Disposals	0	0	0
Closing accumulated Amortisation as on 31.03.2019	4,66,848	0	4,66,848
Net Carrying Amount as at 31st March 2019	11,33,152	0	11,33,152
Year ended 31st March, 2020			
Gross Carrying Amount as on 1st April 2019	16,00,000	0	16,00,000
Addition	0	43,550	43,550
Disposals	0	0	0
Closing gross carrying amount as on 31.03.2020	16,00,000	43,550	16,43,550
Accumulated Amortisation as on 1st April 2019	4,66,848	0	4,66,848
Addition	2,66,649	5,051	2,71,700
Disposals	0	0	0
Closing accumulated Amortisation as on 31.03.2020	7,33,497	5,051	7,38,548
Net Carrying Amount as at 31st March 2020	8,66,503	38,499	9,05,002

Note No.4 - NON-CURRENT INVESTMENTS

Particulars	Face Value (Per Share / Bond / warrant)	No of Shares / Bonds / Warrants		As at 31.03.2020	As at 31.03.2019
Investments in Equity Instruments at Cost					
In Subsidiary Companies (Unquoted)					
Fully Paid Equity Shares :					
C & C Investments Limited	10	7,50,130	75,01,300		
Less: Provision for Diminution in Value (Refer Note No.41)			75,01,300	0	0
Others (at fair value through Other Comprehensive Income)					
Fully Paid Equity Shares (Quoted)					
Amines & Plasticizers Ltd. *	2	69,90,000		13,84,02,000	24,47,94,750
(Inclusive of 3495000 Bonus Shares of Rs.2/- each)					
Fully Paid Equity Shares (Unquoted)					
Him Containers Limited (In Liquidation) (Refer Note No.42)	10	12,00,000		0	0
Detachable Warrants-10% Upfront paid (Unquoted)					
Him Containers Limited (In Liquidation) (Refer Note No.42)	10	12,00,000		0	0
Investments In Mutual Funds (Annexure A) **					
(at fair value through Profit and Loss)				70,49,87,992	90,44,07,346
(Note No. 39 for information about credit risk and market risk on investments.)					

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

* Investments carried at fair value through Other Comprehensive Income.	13,84,02,000	24,47,94,750
** Investments carried at fair value through Profit and Loss.	70,49,87,992	90,44,07,346
Aggregate market value of quoted investments	13,84,02,000	24,47,94,750
Aggregate amount unquoted investments	2,07,01,300	2,07,01,300
Aggregate amount of impairment in value of unquoted investments	2,07,01,300	2,07,01,300

Annexure - A
**Investments In Mutual Funds
(at fair value through Profit and Loss)**

Particulars	Number Of Units As at 31.03.2020 (Nos.)		Amount As at 31.03.2020 (₹)		Number Of Units As at 31.03.2019 (Nos.)		Amount As at 31.03.2019 (₹)	
	Motilal Oswal Most Focused Multicap 35 D-G	0	0	737427	1,77,93,073	737427	1,77,93,073	737427
Edelweiss Alpha Fund / AMBIT ALPHA FUND	10014	1,07,21,769	20014	2,09,69,345	20014	2,09,69,345	20014	2,09,69,345
EDELWEISS ALPHA FUND - SCHEME I	10000	1,06,29,003	0	0	0	0	0	0
L&T India Value Fund - G	285738	70,74,297	285738	1,03,25,137	285738	1,03,25,137	285738	1,03,25,137
Kotak Liquid - D - G	0	0	76	2,86,570	76	2,86,570	76	2,86,570
Franklin India Smaller COS - G	86929	29,34,370	86929	47,84,230	86929	47,84,230	86929	47,84,230
Franklin India Ultra Short Bond - G	0	0	6521	1,71,288	6521	1,71,288	6521	1,71,288
HDFC HOF - I - 1140D Nov 2017(1) - G	1000000	63,17,000	1000000	95,44,000	1000000	95,44,000	1000000	95,44,000
Kotak Eq Arbitrage - D - FDP	150293	35,41,049	632490	1,48,88,113	632490	1,48,88,113	632490	1,48,88,113
Edelweiss Arbitrage Fund - MDP	0	0	400260	48,98,184	400260	48,98,184	400260	48,98,184
Ask Select Focus Fund	10700	81,65,742	10700	98,43,182	10700	98,43,182	10700	98,43,182
Old Bridge - Vantage Equity Fund	104768	59,31,954	104768	94,50,057	104768	94,50,057	104768	94,50,057
White Oak India Equity Fund	959429	90,60,364	959429	1,07,11,732	959429	1,07,11,732	959429	1,07,11,732
White Oak India Equity Fund II - Class A	1950056	1,78,99,953	0	0	0	0	0	0
IIFL Special Opportunities Fund Series 7	973363	88,12,054	601866	61,31,814	601866	61,31,814	601866	61,31,814
IIFL Blended Fund	0	0	746636	76,47,197	746636	76,47,197	746636	76,47,197
IIFL Blended Fund - Series A	128787	7,44,518	0	0	0	0	0	0
IIFL Blended Fund - Series B	485034	38,43,364	0	0	0	0	0	0
IIFL Blended Fund - Series C	378989	32,26,482	0	0	0	0	0	0
INDIA HOUSING FUND	571831	63,55,841	248905	25,83,532	248905	25,83,532	248905	25,83,532
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	58,35,700	500000	53,47,650	500000	53,47,650	500000	53,47,650
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	59,03,200	500000	53,54,100	500000	53,54,100	500000	53,54,100
ICICI Prudential FMP - Series 82 - G (1136 days)	500000	58,64,200	500000	53,59,700	500000	53,59,700	500000	53,59,700
ICICI Prudential FMP - Series 82 - G (1187 days)	500000	59,43,950	500000	53,74,550	500000	53,74,550	500000	53,74,550
Principal Protected (NCD's)	0	0	100	1,14,16,500	100	1,14,16,500	100	1,14,16,500
DSP Black Rock Enhanced Equity Fund	100000	1,11,16,000	100000	1,06,50,000	100000	1,06,50,000	100000	1,06,50,000
ECap Equities Limited NCD Product	185	2,32,90,945	1	2,10,81,305	1	2,10,81,305	1	2,10,81,305
L&T Low Duration Fund - Growth	1054135	2,21,18,390	1054135	2,11,17,910	1054135	2,11,17,910	1054135	2,11,17,910
SC CREDIT TRUST	35	3,46,86,776	15	1,66,48,357	15	1,66,48,357	15	1,66,48,357
UTI Credit Risk Fund - Direct Growth Plan	752328	1,48,961	752328	1,35,49,497	752328	1,35,49,497	752328	1,35,49,497
Accuracap - Alpha Gen	1	81,76,735	1	1,14,58,051	1	1,14,58,051	1	1,14,58,051
Accuracap - Pico Power	3	1,21,90,722	2	1,04,90,545	2	1,04,90,545	2	1,04,90,545
Franklin India Smaller Companies Fund-D-G	83701	30,58,458	83701	49,39,289	83701	49,39,289	83701	49,39,289
HDFC Small Cap Fund - Regular Plan - Growth Plan	501982	1,30,47,507	371486	1,65,82,748	371486	1,65,82,748	371486	1,65,82,748
IDFC Core Equity Fund-G-D	537549	1,87,87,352	537549	2,64,42,056	537549	2,64,42,056	537549	2,64,42,056
Kotak Standard Multicap Fund - Direct Plan - Growth	539614	1,56,45,575	539614	2,03,53,709	539614	2,03,53,709	539614	2,03,53,709
Kotak Standard Multicap Fund - Growth (Regular Plan)	267911	72,36,289	0	0	0	0	0	0
L&T India Value Fund Direct Plan - Dividend - Reinvest	0	0	968130	2,77,53,371	968130	2,77,53,371	968130	2,77,53,371
L&T Midcap Fund Direct Plan - Dividend - Reinvest	0	0	229751	1,05,59,341	229751	1,05,59,341	229751	1,05,59,341
Mirae Asset India Equity Fund - Direct Plan - G	352207	1,45,99,692	256194	1,38,38,831	256194	1,38,38,831	256194	1,38,38,831
Motilal Oswal India Opportunity Portfolio Strategy - V2	3	86,88,924	1	58,76,733	1	58,76,733	1	58,76,733
Reliance Large Cap Fund -Direct Growth (P) G Option	0	0	293113	1,09,89,705	293113	1,09,89,705	293113	1,09,89,705

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Particulars	Number Of	Amount	Number Of	Amount
	Units As at 31.03.2020 (Nos.)	As at 31.03.2020 (₹)	Units As at 31.03.2019 (Nos.)	As at 31.03.2019 (₹)
NIPPON INDIA LIQUID FUND - DIRECT PLAN GROWTH PLAN - GROWTH OPTION	293113	75,55,098	0	0
SUNDARAM EMERGING SMALL CAP SR 2-5 YEARS DIRECT GROWTH	500000	28,78,400	500000	45,46,700
SUNDARAM EMERGING SMALL CAP SR 2-5 YEARS REGULAR GROWTH	500000	28,11,450	500000	44,75,850
SBI Blue Chip Fund - Regular Plan - Growth	543550	1,61,71,479	529749	2,07,69,339
Aditya Birla Sunlife Balanced Advantage Fund - G -D	479202	2,33,17,953	479202	2,67,87,373
HDFC Hybrid Equity Fund - Direct Plan - Growth Option	802176	3,56,88,027	802176	4,54,83,403
ICICI Prudential Balanced Advantage Fund - Growth	602550	1,84,19,961	602550	2,12,94,126
IIFL Capital Enhancer Fund - Series 1- Direct - Growth	0	0	1000000	1,05,34,700
IIFL Capital Enhancer Fund - Series 1- Regular - Growth	0	0	1000000	1,04,20,300
L&T Hybrid Equity Fund Direct Plan - Dividend	0	0	1889559	4,02,49,487
Motilal Oswal Dynamic Fund - Direct Growth	3200329	3,76,43,233	3200329	4,02,57,582
SBI Equity Hybrid Fund Regular Growth	366221	4,34,67,324	366221	4,91,95,717
Franklin India Ultra Short Bond Fund Super Ins -D-G	0	0	8292	2,18,774
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - GROWTH	0	0	4078373	10,76,02,974
Kotak Savings Fund - Growth (Regular Plan)	0	0	1004093	3,00,94,284
L&T Money Market Fund - Growth	736620	1,46,56,165	736620	1,36,15,100
Reliance Liquid Fund - Direct Plan-GP	0	0	86	3,93,513
SBI Magnum Ultra Short Duration Fund Regular Growth	0	0	17036	7,06,39,555
SBI Savings Fund - Regular Plan - Growth	0	0	18620	5,38,969
Motilal Oswal Liquid Strategy	0	0	1	20,78,198
Franklin India Focused Equity Fund	241849	70,69,249	0	0
Axis Mid Cap Fund - Growth	246281	80,18,911	0	0
Franklin India Savings Fund Retail Option - Direct	2050947	7,77,57,542	0	0
L&T India Value Fund Direct Plan - Growth	731050	1,92,00,297	0	0
L&T Midcap Fund Direct Plan - Growth	73994	77,71,603	0	0
Mirae Asset Large Cap Fund - Regular Growth Plan Growth	186827	72,55,244	0	0
Motilal Oswal Multicap - 35 Fund - Direct - G	653171	1,34,65,705	0	0
NIPPON INDIA LARGE CAP FUND - GROWTH PLAN GROWTH OPTION	286566	69,25,151	0	0
L&T Hybrid Equity Fund Direct Plan - Growth	1447290	3,33,18,058	0	0
		70,49,87,992		90,44,07,346

Note No.5 - OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019
Non-current		
Unsecured : Considered good		
Security Deposits	49,62,283	52,04,490
Loans and Advances to related parties		
Unsecured : Considered doubtful		
To Subsidiary Company		
C & C Investments Ltd.	40,95,000	40,95,000
Less: Provision for doubtful advance	40,95,000	40,95,000
(Refer Note No.41)	0	0
Other Financial Assets		
Deposit for maintenance charges	0	0
On Term Deposits with Banks	1,08,75,292	18,73,257
(With more than 12 months maturity) (Under Lien)		
	1,58,37,574	70,77,747

Note No.6 - OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2020		As at 31.03.2019	
Prepayments (Leasehold Land)		42,37,272		42,93,769

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

Particulars	As at 31.03.2020		As at 31.03.2019	
Raw Materials		38,40,59,842		74,58,95,384
Includes in-transit ₹ 18,20,91,125 (As at 31.3.19- ₹ 15,62,14,578)				
Finished Goods		24,05,44,724		51,28,42,784
Includes in-transit ₹ 99,59,817 (As at 31.3.19- ₹ 2,45,43,512)				
Stores and Spares		2,79,40,845		3,12,09,973
Includes in-transit ₹ 0 (As at 31.3.19- ₹ 21,02,585)				
		65,25,45,410		1,28,99,48,140

Note No.8 - CURRENT INVESTMENTS

Particulars	Number Of Units		Amount	
	As at 31.03.2020 (Nos.)	As at 31.03.2020 (₹)	As at 31.03.2019 (Nos.)	As at 31.03.2019 (₹)
Investments In Mutual Funds				
(at fair value through Profit and Loss)				
(Note No. 38 for information about credit risk and market risk on investments.)				
HDFC Liquid Fund - Regular Plan - Growth	0	0	11693	4,27,99,038
ICICI Prudential Floting Interest Fund-Growth	0	0	139	38,690
ICICI Prudential Liquid Fund - Growth	0	0	146266	4,02,84,267
Franklin India Savings Fund Retail Option - Direct Growth	13,80,640	5,23,44,188	0	0
HDFC Money Market Fund - Regular Plan - Growth	12,503	5,21,88,362	0	0
ICICI Prudential Ultra Short Term Fund - Growth	35,36,853	7,20,31,901	0	0
Kotak Equity Arbitrage Fund - Direct Plan - Fortnight Dividend - Reinvest	17,73,451	4,17,84,268	0	0
		21,83,48,719		8,31,21,994

Note No.9-TRADE RECEIVABLES

Particulars	As at 31.03.2020		As at 31.03.2019	
UNSECURED: CONSIDERED GOOD		29,28,25,443		23,77,60,837
(Note No. 38 for information about credit risk and market risk on receivables)				

Note No.10 - CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020		As at 31.03.2019	
Balances with Banks *		30,88,34,529		9,61,57,911
Cash on hand		1,36,060		3,04,540
		30,89,70,589		9,64,62,451

* Includes Margin Deposits for Future foreign currency contract amounting to ₹ **1,77,50,417** (As at 31.3.19 ₹ 48,73,635)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Note No.11 - OTHER BANK BALANCES

Particulars	As at 31.03.2020		As at 31.03.2019	
For Unclaimed Dividend (Earmarked for payment of unclaimed dividend)		26,25,960		14,00,332
On Term Deposits (With original maturity of more than three months but less than twelve months) (Under Lien)		85,85,082		28,10,72,917
		1,12,11,042		28,24,73,249

Note No.12 - OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2020		As at 31.03.2019	
Current				
Unsecured : Considered good				
Interest Receivables		14,33,816		10,30,494
Rent Receivables		1,80,000		54,049
Advances & Deposits		2,40,03,866		3,74,59,347
Receivable from Statutory Authorities		7,99,62,560		12,91,15,342
Advance for Investments in Mutual Funds		0		0
		10,55,80,242		16,76,59,232

Note No.13 - OTHER CURRENT ASSETS

Particulars	As at 31.03.2020		As at 31.03.2019	
Unsecured : Considered good				
Prepaid Expenses		30,36,921		22,39,772
Advances for Raw Materials		12,66,65,320		5,26,85,879
Balances with Statutory Authorities		6,74,53,429		7,94,64,310
Advances and Deposits		1,10,59,991		97,89,268
Prepayments (Leasehold Land)		56,497		56,497
		20,82,72,159		14,42,35,725

Note No.14 - EQUITY SHARE CAPITAL

Particulars	As at 31.03.2020		As at 31.03.2019	
Authorised				
8500000 Equity Shares of ₹ 10 Each		8,50,00,000		8,50,00,000
Issued, Subscribed and Paid-up				
2650000 Equity Shares of ₹ 10 Each Fully Paid-up *		2,65,00,000		2,65,00,000

* There were no changes in number of shares during the years ended 31st March, 2020 and 31st March, 2019.

- (a) The Company has one class of Equity Shares having a par value of ₹ 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.

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

Particulars	As at 31.03.2020		As at 31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Oxbow Calcining LLC, USA	7,97,860	30.11	8,12,377	30.66
Shree Shyam Orchid Estates Ltd	6,99,970	26		
Sukansuti Tea Company Pvt. Ltd.		0	1,42,750	5.39
Nobo Bharati Projects India Ltd.		0	1,62,000	6.11
Anita Himatsingka	2,09,615	7.91	2,09,615	7.91
Shaurya Veer Himatsingka	2,37,431	8.96	2,37,431	8.96

Note No.15 - OTHER EQUITY

Particulars	As at 31.03.2020		As at 31.03.2019	
RESERVES & SURPLUS				
Securities Premium Reserve		75,00,000		75,00,000
Retained Earnings		1,99,08,54,073		2,45,13,26,422
General Reserve		31,88,06,239		31,88,06,239
OTHER RESERVES				
Capital Reserves		6,400		6,400
Capital Redemption Reserve		20,00,000		20,00,000
OTHER COMPREHENSIVE INCOME		9,56,49,719		17,19,18,138
		2,41,48,16,431		2,95,15,57,198

Particulars	As at 31.03.2020		As at 31.03.2019	
RETAINED EARNINGS - MOVEMENT DURING THE YEAR				
As per Last Financial Statements	2,45,13,26,422		96,21,21,441	
Add: Balance in Statement of Profit & Loss	(36,46,30,889)		1,53,71,27,072	
		2,08,66,95,532		2,49,92,48,513
Less: Dividends on Equity Shares for the year 2018-19	7,95,00,000		3,97,50,000	
Add: Dividend Distribution Tax	1,63,41,459	9,58,41,459	81,72,091	4,79,22,091
		1,99,08,54,073		2,45,13,26,422
GENERAL RESERVE - MOVEMENT DURING THE YEAR				
As per Last Financial Statements		31,88,06,239		31,88,06,239
CAPITAL REDEMPTION RESERVE - MOVEMENT DURING THE YEAR				
As per Last Financial Statements		20,00,000		20,00,000
OTHER COMPREHENSIVE INCOME - MOVEMENT DURING THE YEAR				
Equity Instruments through Other Comprehensive Income	13,14,12,000		23,78,04,750	
Less:: Income Tax thereon	3,45,41,738	9,68,70,262	6,32,20,525	17,45,84,225
Remeasurement of Defined Benefit Plans	(17,74,045)		(37,61,409)	
Less:: Income Tax thereon	(5,53,502)	(12,20,543)	(10,95,322)	(26,66,087)
		9,56,49,719		17,19,18,138

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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Retained Earnings

Retained earning includes revaluation reserve amounting to ₹ 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 31.03.2020	As at 31.03.2019
NON-CURRENT		
Secured		
Auto Loans	0	4,72,746
Auto Loans are secured by way of hypothecation of cars. Repayable in 36 equal monthly instalments at fixed rate of interest and last instalment due on 05.09.2020		
	0	4,72,746

Note No.17 - PROVISIONS

Particulars	As at 31.03.2020	As at 31.03.2019
NON-CURRENT		
Provision for Employee Benefits (Refer Note No.37)	42,84,095	35,68,385

Note No.18 - DEFERRED TAX LIABILITIES (NET)

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

Particulars	Balance Sheet		Statement of Profit and Loss	
	As at 31.3.2020	As at 31.3.2019	31.3.2020	31.3.2019
Nature - Liability / (Assets)				
Deferred Tax Liabilities				
Arising out of:				
Temporary difference in depreciable assets	31,57,357	35,15,288	(3,57,931)	(30,55,188)
Investment (Equity Instruments) through Other Comprehensive Income	3,45,41,738	6,32,20,525	(2,86,78,787)	(6,70,20,004)
	3,76,99,095	6,67,35,813	(2,90,36,718)	(7,00,75,192)

Particulars	Balance Sheet		Statement of Profit and Loss	
	As at 31.3.2020	As at 31.3.2019	31.3.2020	31.3.2019
Deferred Tax Assets				
Loans and Advances	12,77,640	11,92,464	85,176	(2,24,734)
Investment (Mutual Funds) through Profit and Loss	2,98,84,545	(88,79,081)	3,87,63,626	(74,45,643)
Employee Benefits	19,29,972	4,41,426	14,88,546	(3,87,861)
Business Loss	11,17,59,260	0	11,17,59,260	0
Remeasurement of Defined Benefit Plans	5,53,501	10,95,322	(5,41,821)	(8,85,311)
	14,54,04,918	(61,49,869)	15,15,54,787	(89,43,549)
	(10,77,05,823)	7,28,85,682	(18,05,91,505)	(6,11,31,643)

Reconciliation of Deferred Tax Liabilities (net)

Particulars	As at 31.3.2020	As at 31.3.2019
Opening Balance	7,28,85,682	13,40,17,325
Tax Expense during the period recognised in Statement of Profit and Loss	(15,24,54,540)	50,03,050
Tax Expense during the period recognised through OCI	(2,81,36,966)	(6,61,34,693)
Closing Balance	(10,77,05,824)	7,28,85,682

Note No.18.1 - INCOME TAX EXPENSE

Particulars	As at 31.3.2020	As at 31.3.2019
A. Tax Expense recognised in Profit or Loss		
Current Tax		
Current Tax on profit for the Year	0	57,61,66,510
Adjustment for current Tax of earlier years (MAT Credit)	0	(13,83,69,292)
	0	43,77,97,218
Deferred Tax		
Origination and Reversal of Temporary Differences	(15,24,54,540)	50,03,050
Income Tax expense	(15,24,54,540)	44,28,00,268
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurements on Post-employment Defined Benefit Plans	5,41,821	8,85,311
Equity Instruments through OCI	(2,86,78,787)	(6,70,20,004)
	(2,81,36,966)	(6,61,34,693)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

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

Particulars	As at 31.3.2020	As at 31.3.2019
Profit before Income Tax Expense	(51,70,85,429)	1,97,24,77,534
Enacted Statutory Income Tax Rate in India applicable to the Company	31.20%	29.12%
Computed Expected Income Tax Expense	(16,13,30,654)	57,43,85,458
Adjustments:		
Impact of employee benefit provisions, not funded	14,88,546	5,65,498
Impact of depreciation difference between IT and Accounts	3,57,931	(29,27,091)
Adjustment for current Tax of earlier years (MAT Credit)	0	(13,83,69,292)
Income exempt from Income Taxes	0	(11,04,579)
Impact of appreciation in value of investment in mutual funds through profit and loss	3,87,63,626	(18,68,034)
Impact of capital gains	0	16,08,483
Adjustment for Expenses not allowable as per Income Tax	0	22,57,023
Impact of expenses relating to exempt income	0	26,25,668
Interest	0	54,02,400
Others (Temporary difference for loans and advances)	85,176	2,24,734
Income Tax Expense	(12,06,35,375)	44,28,00,268

Note No.19 - BORROWINGS

Particulars	As at 31.3.2020	As at 31.3.2019
CURRENT		
Secured		
From Banks		
Cash Credit (repayable on demand) *	0	1,23,02,581
Buyers Credit Arrangements (in foreign currency) **	10,01,39,185	13,75,20,083
* 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 @ 9.70% to 11.60% p.a.(31.3.2019 @ 11.75.to 13.10%, p.a.)		
** The buyers' credits are repayable in 180 to 280 days and carries interest at 6M LIBOR+ 98bps to 12M Libor+95bps(31.3.2019 - 360 days and carries interest at 6M LIBOR+ 41bps) and hypothecation of stocks and book debts, both present and future.		
Note No.38 For information about liquidity risk and market risk on borrowings.		
	10,01,39,185	14,98,22,664

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

Note No.20 - TRADE PAYABLES

Particulars	As at 31.3.2020	As at 31.3.2019
Total outstanding dues of Micro Enterprises and Small Enterprises	3,83,26,924	0
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20,05,44,114	7,95,87,845
	23,88,71,038	7,95,87,845
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	3,83,26,924	0
Interest thereon as at the end of the year	0	0
Amount paid beyond the respective due date during the year	0	0
Interest paid thereon in terms of Sec.16 during the year	0	0

Note No.21 - OTHER FINANCIAL LIABILITIES

Particulars	As at 31.3.2020	As at 31.3.2019
Current Maturities of Long-term Debt	2,84,768	5,94,845
Interest Accrued on borrowings	6,32,342	4,64,002
Unclaimed Dividends *	26,25,960	14,00,332
Statutory Dues	2,15,92,558	8,15,24,672
Subjudiced Adhoc Refund of Excise Incentive against furnishing solvent surety (Note No.42)	8,59,66,590	8,59,66,590
Other Payables	1,89,92,380	14,56,84,053
	13,00,94,598	31,56,34,494

* Represents dividend amounts not claimed.

Note No.22 - OTHER CURRENT LIABILITIES

Particulars	As at 31.3.2020	As at 31.3.2019
Advances and Deposits	60,34,720	51,63,768
Other Payables	0	0
	60,34,720	51,63,768

Note No.23 - PROVISIONS

Particulars	As at 31.3.2020	As at 31.3.2019
CURRENT		
Provision for Employee Benefits (Refer Note No.36)	19,01,714	17,08,911
	19,01,714	17,08,911

Note No.24 - CURRENT TAX LIABILITIES (NET)

Particulars	As at 31.3.2020	As at 31.3.2019
Income Tax (Net of Advance Tax)	49,38,729	64,21,742
	49,38,729	64,21,742

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Note No.25 - REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
Sale of Products:				
Calcined Petroleum Coke	1,89,25,20,533		4,42,69,49,070	
Electrode Carbon Paste	15,82,95,188		23,33,31,747	
Thermal Carbon (Tamping) Paste	38,18,750		49,11,500	
Raw Petroleum Coke (Trading Goods)	73,55,742		5,13,08,938	
		2,06,19,90,213		4,71,65,01,255

Note No.26 - OTHER INCOME

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
Interest Income				
From Banks	1,36,08,072		84,79,337	
From Others	60,456	1,36,68,528	62,233	85,41,571
Dividend Income		1,19,16,654		37,93,197
Other Non-operating Income				
Rent	23,60,000		18,00,000	
Sales Tax Refund in respect of earlier years	0		8,44,31,805	
Earlier Years Adjustments	2,68,098		0	
Liability no longer required written back	1,77,929		12,91,776	
Refunds & Claims Received (Includes refund of IGST ₹ 2,04,46,146 previous year - ₹ 8,27,05,737)	2,08,40,634		8,65,89,763	
Miscellaneous Receipts	23,84,013		16,72,052	
Net Gain / (Loss) on Sale of Investments	84,69,487		2,10,39,672	
Net Gain on Investment in Mutual Funds carried at fair value through profit or loss	0	3,45,00,161	3,19,83,780	22,88,08,849
Other Gains & Losses				
Net Gain (Loss) on Sale of Assets	1,23,327		5,499	
		1,23,327		5,499
		6,02,08,669		24,11,49,116

Note No.27 - COST OF MATERIALS CONSUMED

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
Opening Stock		74,58,95,384		44,76,63,853
Add: Purchases				
Raw Petroleum Coke	1,14,41,82,459		2,11,30,08,337	
Calcined Petroleum Coke	24,32,60,635		83,72,94,303	
Pitch	4,01,32,965		5,88,63,571	
Others	4,05,405	1,42,79,81,465	1,44,63,123	3,02,36,29,334
		2,17,38,76,848		3,47,12,93,187
Deduct: Cost of Materials Sold		61,56,969		4,87,49,079
Deduct: Closing Stock		38,40,59,842		74,58,95,384
Cost of Materials Consumed				
Raw Petroleum Coke	1,41,45,35,136		1,81,49,42,914	
Green Needle Coke	0		0	
Calcined Petroleum Coke	32,20,84,083		80,25,95,820	
Pitch	4,15,41,285		5,85,12,915	
Others	54,99,534		5,97,074	
		1,78,36,60,038		2,67,66,48,723

Note No.28 - COST OF MATERIALS SOLD

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Raw Petroleum Coke	61,56,969		4,87,49,079
Others	0	61,56,969	0	4,87,49,079

Note No.29 - CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Opening Inventory		51,28,42,784	
Less: Closing Inventory		24,05,44,724		51,28,42,784
		27,22,98,060		(38,23,79,838)

Note No.30 - EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Salaries and Wages		7,92,51,762	
Contribution to Provident and other Funds		74,22,205		62,87,576
Staff Welfare Expenses		51,29,719		52,26,683
		9,18,03,686		28,74,16,828

Note No.31 - FINANCE COSTS

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Interest Expense		58,50,738	
Other Borrowing Costs		60,32,244		60,58,086
		1,18,82,982		1,43,88,449

Note No.32 - OTHER EXPENSES

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Stores, Spare-parts and Packing Materials		2,55,70,223	
Power, Fuel and Water		4,09,95,664		4,26,26,324
Carriage and Handling		6,60,74,085		5,25,43,961
Repairs and Maintenance to Buildings		91,51,262		1,76,54,378
Repairs and Maintenance to Machinery		1,83,38,155		2,11,93,586
Repairs and Maintenance to Others		1,35,23,370		1,90,42,984
Insurance		28,01,719		27,43,715
Rent		6,46,911		6,47,136
Rates and Taxes		1,06,52,199		58,20,950
Net Loss (Gain) on Foreign Currency transactions and translation		13,81,045		1,58,49,293
Net Loss on Investment in Mutual Funds carried at fair value through profit or loss		11,65,01,118		0
Miscellaneous Expenses				
Freight and Forwarding	8,42,02,038		6,11,04,157	
Advertisement and Publicity	1,79,756		1,92,847	
Commission on Sales	4,76,955		7,14,212	
Travelling, Transport and Conveyance	1,18,10,613		1,32,78,644	
Professional and Legal Expenses	90,04,922		72,01,897	
Donations and Subscriptions	34,59,806		33,87,870	
Corporate Social Responsibility	2,15,46,536		89,53,062	
Establishment Expenses	1,54,20,819		1,40,53,893	
Board Meeting Fees	8,35,000		10,20,000	
Bad Debts / Advances written off	0	14,69,36,445	49,02,715	11,48,09,296
Auditors' Remuneration				
As Auditors	2,00,000		1,50,000	
For Other Audits and Certifications	94,000		80,000	
Travelling Expenses	7,036	3,01,036	13,120	2,43,120
		45,28,73,233		32,23,02,302

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Note No.33 - EARNING PER EQUITY SHARES

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
(A) Basic				
(i) Number of Equity Shares at the beginning of the year		26,50,000		26,50,000
(ii) Number of Equity Shares at the end of the year		26,50,000		26,50,000
(iii) Weighted Average Number of Equity Shares outstanding the Year		26,50,000		26,50,000
(iv) Face Value of each Shares (Rs.)		10		10
(v) Profit after Tax Available for Equity Shareholders				
Profit for the Year		(36,46,30,889)		1,53,71,27,072
(vi) Basic earning per Equity Shares (Rs.) [(v)/(iii)]		(138)		580
(B) Diluted				
(i) Dilutive Potential Equity Shares		0		0
(ii) Dilutive Earnings per Equity Shares (Rs.) [Same as (A)(vi)above]		(138)		580

Note No.34 - CONTINGENT LIABILITIES AND COMMITMENTS (To the extent not provided for)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Contingent Liabilities		
Claims against the Company not acknowledged as debts;		
Central Sales Tax and W.B.VAT	1,29,29,134	33,04,567
Excise Duty / Service Tax	0	31,20,938
Employees State Insurance	15,54,020	15,54,020
Entry Tax	3,95,76,274	3,95,76,274
Railway Authorities	1,09,30,024	99,12,605
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	6,32,54,318	9,23,22,744
Commitments		
Estimated Amount of contracts remaining to be executed on capital account and not provided for.	0	25,56,175
Other Commitments	0	18,18,002

Note No.35 - 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. Vinod Kumar Agarwal, Chief Finance Officer (w.e.f. 16.5.2019)		
Mr. Pankaj Kumar Misra, Chief Finance Officer (Upto 15.5.2019)		

Company in which Directors are interested as Director in		
Assam Carbon Products Ltd. (Appointed on 25.05.2016)		
Upper Assam Petro Coke Pvt. Limited		
Others		
Oxbow Carbon & Minerals International GmbH (Bahamas Branch)		

Particulars	Year ended 31.03.2020 ₹	Year ended 31.03.2019 ₹
Detail of Transactions taken place with Key Management Personnel		
Nature of Transactions		
Remuneration of :		
Managing Director	61,32,691	10,78,61,900
Deputy Managing Director	57,55,891	10,78,61,900
Company Secretary	5,95,486	5,90,318
Chief Finance Officer (Mr. Vinod Kumar Agarwal)	23,29,051	0
Chief Finance Officer (Mr. Pankaj Kumar Misra)	1,37,329	7,89,600

Outstanding Payable

	As at 31.03.2020 ₹	As at 31.01.2019 ₹
Mr. Rakesh Himatsingka, Managing Director	16,99,000	6,69,99,855
Mr. Shaurya Veer Himatsingka, Deputy Managing Director	12,44,620	6,72,31,966
Company Secretary	35,213	35,213
Chief Finance Officer (Mr. Vinod Kumar Agarwal)	1,39,895	0
Chief Finance Officer (Mr. Pankaj Kumar Misra)	0	61,917

The Company has incurred expenses of C & C Investments Limited, the Subsidiary Company amounting to ₹ **38,340** (2018-19 - ₹61,315) towards Audit Fees, Filing Fees and Compliance Certificate Fees.

The Company has sold goods amounting to ₹ **1,37,759** (2018-19 - ₹ 6,99,884) and purchased Stores amounting to ₹ **1,25,080** (2018-19 ₹ - 7,83,908) to Assam Carbon Products Ltd. The company has rent receivable amounting to ₹ **2,00,000** (2018-19 - ₹ Nil) Balance outstanding as on 31.3.2020 ₹ 3,86,116 (2018-19 ₹ - Nil)

The Company has purchased goods amounting to ₹ **5,06,27,840** (2018-19 - ₹ Nil) and provided technical assistance for ₹ 5,00,000 (2018-19 ₹ - Nil) from Upper Assam Petro Coke Pvt. Limited Balance outstanding as on 31.3.2020 ₹ 40,05,693 (2018-19- ₹ Nil)

The Company has purchased goods amounting to ₹ 16,21,52,694 (2019-20 - ₹ Nil) from Oxbow Carbon & Minerals International GmbH (Bahamas Branch) Balance outstanding as on 31.3.2020 ₹ 16,48,26,663 (2019-20- ₹ Nil)

36. 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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

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

	31 March 2020	31 March 2019
(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	2,02,37,738	1,96,00,265
Current service cost	17,23,811	15,42,347
Interest cost	14,72,121	14,46,143
Past Service cost	0	0
Remeasurement Losses		
Actuarial losses arising from changes in financial assumptions	13,72,316	2,97,145
Actuarial losses arising from changes in demographic assumptions	(29,066)	0
Actuarial losses arising from changes in experience adjustments	(22,18,152)	(17,56,049)
Benefits paid	(3,63,188)	(8,92,113)
Present value of obligation at the end of the year	2,21,95,580	2,02,37,738
(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	2,02,37,738	1,13,61,325
Interest income	14,72,121	11,71,165
Remeasurement Gains		
Return on plan assets (excluding interest income)	11,12,462	(5,96,329)
Contribution from employer	0	91,93,690
Benefits paid	(3,63,188)	(8,92,113)
Fair value of plan assets at the end of the year	2,24,59,133	2,02,37,738
(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	2,21,95,580	2,02,37,738
Fair value of plan assets at the end of the year	2,24,59,133	2,02,37,738
Liabilities recognised in the balance sheet	(2,63,553)	0
(d) Actual Return on plan assets	25,84,583	5,74,836
(e) Expense recognised in the other comprehensive income		
Remeasurement losses / (gain)	(19,87,364)	(20,55,233)
(f) Expenses recognised in Profit or Loss		
Current service cost	17,23,811	15,42,347
Net Interest cost (Income)	0	2,74,978
Total *	17,23,811	18,17,325
* 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	53,05,252	53,05,252
2-5 years	50,97,045	50,97,045
6-10 years	87,39,816	87,39,816
More than 10 years	2,05,77,713	2,05,77,713
(i) Principal actuarial assumptions		
Discount Rate	7.34%	7.34%
Salary growth rate	5%	5.00%

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

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 2020	Impact on defined benefit obligation 31 March 2019
(j)	Sensitivity analysis			
	Discount rate	Increase by 1 % Decrease by 1 %	Decrease by ₹ 16,16,228 Increase by ₹ 18,60,746	Decrease by ₹ 13,42,409 Increase by ₹ 15,40,096
	Salary growth rate	Increase by 1 % Decrease by 1 %	Increase by ₹ 17,45,167 Decrease by ₹ 15,46,467	Increase by ₹ 14,53,275 Decrease by ₹ 12,91,577

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 ₹ **15,46,449** (Previous Year ₹ 18,94,443) the funded gratuity plan during the next financial year.

(l) The adjusted future service of the Defined Benefit Obligation as at 31st March, 2020 is **9.72 years** (as at 31st March, 2019 is 8.62 years)

(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 ₹ **29,97,795** (Previous year – ₹ 21,04,787) to the Provident Fund Trusts has been expensed under the 'Contribution to Provident and Other Funds' in Note 30.

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 annual 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 ₹ 20,88,383 (Previous Year ₹ 18,85,723) has been recognised as expenditure.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

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 ₹ **61,85,809** (Previous Year - ₹ 52,77,294). 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.

Particulars	31st March, 2020	31st March, 2019
Leave provision not expected to be settled within the next 12 months	42,84,095	35,68,385

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.

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.37 - Fair Value Measurements

Financial Instruments by category	Note No.	As at 31.03.2020	As at 31.03.2019
		Carrying Amount / Fair Value	Carrying Amount / Fair Value
Financial Assets			
Assets carried at Fair Value through Profit or Loss / OCI			
Investments			
Equity Instruments	4	13,84,02,000	24,47,94,750
Mutual Funds	4,8	92,33,36,711	98,75,29,340
Foreign Exchange Future Contracts	10	1,77,50,417	48,73,635
Assets Carried at Amortised Cost			
Investments			
Trade Receivables	9	29,28,25,443	23,77,60,837
Cash and Cash Equivalents	10	29,12,20,172	9,15,88,815
Other Bank Balances	11	1,12,11,042	28,24,73,249
Other Financial Assets	5,12	12,14,17,816	17,47,36,979
Total Financial Assets		1,79,61,63,601	2,02,37,57,606
Financial Liabilities			
Liabilities Carried at Amortised Cost			
Borrowings (including current maturities and interest accrued)	16,19,21	10,04,23,953	15,08,90,255
Trade Payables	20	23,88,71,038	7,95,87,845
Other Financial Liabilities	21	12,98,09,831	31,50,39,649
Total Financial Liabilities		46,91,04,823	54,55,17,750

* 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, 2019.

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.
- 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, 2020 and 31st March, 2019.

	31st March, 2020			31st March, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Recognised and Measured at Fair Value - Recurring Measurements						
Financial Assets						
Equity Instrument	13,84,02,000			24,47,94,750		
Mutual Funds	92,33,36,711			98,75,29,340		
Advance for Investments in Mutual Funds			0			0
Foreign Exchange Future Contracts		1,77,50,417			48,73,635	
	1,06,17,38,711	1,77,50,417	0	1,23,23,24,090	48,73,635	0

Note No.38 - 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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

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 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-20	31-Mar-19
1 – 30 days past dues	5,93,79,925	3,90,13,980
31 – 60 days past dues	2,55,59,990	1,56,06,140
61 – 90 days past dues	80,16,123	4,74,120
91 – 180 days past dues	73,09,649	6,92,710

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.

(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, 2020	31st March, 2019
Financial Liabilities		
Buyers Credit (US \$ 1327615.09 (31.3.2019 - US \$ 1986595.46))	10,01,39,185	13,75,20,083
Trade Payables Against Letter of Credit (US \$2185222.59 (31.3.2019 - 0))	16,48,26,663	0

(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, 2020	31st March, 2019
USD Sensitivity		
INR/USD - Increase by 5% *	1,32,48,292	68,76,004
INR/USD - Decrease by 5% *	1,32,48,292	68,76,004

* 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.

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, 2020	31st March, 2019
Sensitivity		
NAV - Increase by 1% *	92,33,367	98,75,293
NAV - Decrease by 1% *	92,33,367	98,75,293

* Holding all other variables constant.

Note No.39 - Dividends on Equity Shares

- (a) Final dividend for the year ended 31st March, 2019 @300 % i.e. ₹ 30.00 per share on face value of ₹ 10 each totaling ₹7,95,00,000 is paid during the year. Dividend distribution tax of ₹ 1,63,41,459 was also paid.
- (b) The Board has recommended payment of Dividend for the Financial Year ended 31st March, 2020 @ Nil % i.e. ₹ Nil per equity shares on face value of ₹ 10/- each totalling Rs.Nil subject to approval of the members. Dividend distribution tax on above is ₹ Nil.

Note No.40

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 FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Note No.41

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.42

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 vide Notification No.20CE /2007 dated 25.04.2007 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 including us had approached the Hon'ble Gauhati High Court challenging the said notification. Thereafter Hon'ble Gauhati High Court had passed judgment for full refund of excise duty in terms of the original notification. The Hon'ble Supreme Court vide its Order dated 22nd April, 2020 has decided the cases in favour of the Revenue by setting aside the judgement of the Gauhati High Court Refund of 50% of the differential amount, which comes to ₹ 8,59,66,590/- (Rupees Eight Crore Fifty Nine Lakh Sixty Six Thousand Five hundred and Ninety only), was received by the Company on furnishing solvent surety in pursuance of interim Order dated 7th December, 2015 of the Apex Court. As per the said judgment of the Hon'ble Supreme Court it has also been made clear that the pending refund applications shall be decided as per the subsequent notifications/industrial policies which were impugned before the respective High Courts.

The Company is in the process of filing a Review Petition, challenging the said Order of the Hon'ble Supreme Court dated 22.04.2020. Thus, till the final conclusion is drawn, 50% of the differential amount received, as above, will continue to be treated as Other Financial Liabilities and cost, if any, associated with the said refund will be considered in these accounts on finality. (Note 21)

Note No.43**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	2,15,46,536
(c) Administrative Expenses	Nil

Note No.44

During the quarter, lockdown was declared as per the directives of both the Central and State Governments in the wake of COVID-19 pandemic. Consequently, our manufacturing operations at Guwahati in Assam and at Budgebudge in West Bengal has been adversely impacted due to such lockdown during the period from 23rd March 2020 to 31st March 2020. The operations have since commenced in a phased manner since May '2020 conforming to the guidelines of regulatory authorities. The Company has been taking various precautionary measures to protect employees and their families from COVID-19. Our sales and profitability were adversely impacted due to the current global pandemic as demand has slowed down and prices are under pressure. In addition, cost have gone up on all fronts, as well as directly on account of arrangements to tackle COVID-19.

In light of current global pandemic, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, advances, property plant and equipment, Intangibles, etc. as well as liabilities accrued. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Note No.45

Hon'ble Supreme Court vide its judgement dated 10th November,2017 allowed the appeal filed by an aggrieved assessee and held that the appellant was entitled to refund of Education Cess and Higher Education Cess which was paid along with excise duty as the excise duty itself was exempted from levy. Accordingly, a refund of ₹ 63,42,164/- was granted to the Company during the financial year 2018-19, which was considered as Other Income in the Balance Sheet of the said financial year.

Hon'ble Supreme Court vide its Judgement dated 06th December,2019 in another case held that when a particular kind of duty is exempted, other types of duty or cess imposed by different legislation for a different purpose cannot be said to have been exempted and therefore, has over ruled the above Judgement dated 10th November, 2017. Pursuant to this judgement the Company has now recognized liability of ₹ 63,42,164/- on account of Education Cess and Higher Education Cess, which was earlier refunded during the financial year 2018-19 by reversal of Income and charging it off as expense in this year's accounts. Other costs associated with this, being indeterminate, will be considered in these accounts on finality.

Note No.46

The Company had entered into a Joint Venture Agreement on the 8th July, 2005, with Infinity Townships Private Limited, since merged with Infinity Infotech Parks Limited ("Infinity"), for construction of residential complex on Company's Land situated at Madgharia Village, Guwahati, Mouza Beltala, P.S. and Sub-Registry Guwahati, District - Kamrup, Assam. The Company has since entered into a Mutual Termination Agreement on 16th June '2020 with Infinity whereby the above-mentioned Joint Venture Agreement has been rescinded and stands terminated.

Note No.47

Figures of the previous year have been re-arranged/re-grouped wherever necessary in order to conform to the current year's classification.

DIRECTORS' REPORT

TO THE MEMBERS,

C & C INVESTMENTS LIMITED,

The Directors submits the Forty-Third Annual Report for the year ended 31st March, 2020.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Profit & Loss Statements for the year ended 31st March, 2020, 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.1,31,87,591/-, 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 Rs. 26,88,80,000/-, the Banker has filed a petition before the Debt Recovery Tribunal, Kolkata praying recovery of Rs. 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.

Auditors Remuneration, Filing Fees & Compliance Certificates amounting to Rs. 38,340/- has been incurred by M/s. India Carbon Limited, the holding Company.

DIRECTORS' REPORT (Contd.)**• PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had no employee during the Financial Year 2019-20.

• EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

The Statutory Auditors of the Company in his Independent Auditors Report for the Financial Year ending on 31.03.2020 to the Shareholders made a qualified opinion as follows:

"The Company has accumulated losses of Rs.131.88 lakhs as on 31st March, 2020 which has fully eroded the net worth of the Company indicating the existence of material uncertainty about the Company's ability to continue as a going concern. However, these Standalone Ind As financial statements have been prepared on a going concern basis"

In connection of the above, your Director's would like to explain that Hon'ble Guwahati High Court vide 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 Rs. 26,88,80,000/-, the Banker has filed a petition before the Debt Recovery Tribunal, Kolkata praying recovery of Rs. 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.

• 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 13th May, 2019, 12th August 2019, 16th September 2019, 23rd October 2019 and 10th February 2020. 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;

DIRECTORS' REPORT

- (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 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 except the qualified opinion 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.

DIRECTORS' REPORT (Contd.)
**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020
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-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% 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
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

DIRECTORS' REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
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 Rs. 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-

SN	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 BHATTACHRJA	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 BHATTACHRJA	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:

SN.	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

SN.	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/WT

SN	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, 20th June, 2020
 Registered Office:
 Noonmati, Guwahati - 781 020, Assam

Sd/-
 D.K. Dutta
 Director (DIN: 01979995)

Sd/-
 S.K. Bhattachrjya
 Director (DIN: 07007069)

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C & C INVESTMENTS LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the Standalone Ind AS financial statements of C & C INVESTMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, (including Other Comprehensive Income) and the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter as described in the Basis for Qualified Opinion Paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its statement of Profit and Loss (including other comprehensive income), its cash flows and the statement of change in equity for the year ended on that date.

Basis for Qualified Opinion

The Company has accumulated losses of Rs.131.88 lakhs as on 31st March, 2020 which has fully eroded the net worth of the Company indicating the existence of Material Uncertainty about the Company's ability to continue as a going concern. However, these Standalone Ind As financial statements have been prepared on a going concern basis.

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the Provisions of the Companies Act, 2013 & the rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our qualified opinion.

Material Uncertainty related to Going Concern

We draw your attention to the Standalone Ind As financial statements which indicates that the Company has accumulated substantial losses and its net worth has been fully eroded. The Company has incurred net loss during the Current and Previous Financial Year and its Current Liabilities exceeded its Current Assets. Further there are no business activities in hands. This condition along with the matters set forth in note 12 & 13 indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgments whereof most significant our audit of the Standalone Ind As financial Statements of the current period. These matters were addressed in the context of our Audit of the Standalone Ind As financial statements as a whole, and in forming our opinion thereon, and we do not provide any separate opinion on these matters.

Information other than the Standalone Ind AS financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to the Board Reports. Business Responsibility Reports but does not include the standalone Ind As financial statements and our auditors reports thereon.

Our opinion on the standalone Ind As 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 standalone Ind As financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

INDEPENDENT AUDITOR'S REPORT (Contd.)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the statement of 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 Companies (Indian Accounting Standard) Rules, 2015 as amended. 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 implementations and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Stand Alone Ind As financial statements, Management is responsible for assessing the Company's ability to continue as 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 the operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgments and maintain professional skepticism throughout our audit. We also;

Identify and assess the risks material misstatements of the financial statements whether due to fraud or error, design and performs the Audit Procedure responsive those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis of 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 the internal control.

Obtained an understanding the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 disclosure made by management.

Conclude on the appropriateness of management's use of going concern basis on 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 reports to the related disclosure in the standalone Ind As financial statements, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's reports. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall the presentation, structure and content of the standalone Ind AS financial statements, including the disclosure, and whether the standalone Ind As financial statements represent the underlying transaction and events in a manner that achieves free presentation.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

We also provides those charged with the governance with a statement that we have complied with the relevant ethical requirements regarding the independence, and to communicate with them all relevant 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 significant in the audit of the standalone Ind As financial statements of the Current period and are therefore the key audit matters. We describe these matters in our auditor's reports unless law and regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to out weight the public interest benefits of such communication.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 pending litigations, as mentioned in Note No. 12 & 13 of the Annexed Accounts, may have adverse impacts on the financial position of the Company.
 - (ii) The company has no long-term contracts including derivative contracts.
 - (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

ICAI UDIN: 20052722AAAAA

19A, Jawaharlal Nehru Road,
Kolkata – 700 087
Dated: 20.06.2020

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 2020)

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. Except for joint guarantee given, in earlier year on behalf of Him Containers Limited which is under liquidation, the Company has not taken any loan from banks 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

ICAI UDIN: 20052722AAAAA

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19A, Jawaharlal Nehru Road,
Kolkata – 700 087
Dated: 20.06.2020

Annexure B to the Independent 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 2020 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.

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

Annexure B to the Independent Auditor's report (Contd.)

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 2020, 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: 20.06.2020

For **S. K. SINGHANIA & CO.**
CHARTERED ACCOUNTANTS,
(Firm Registration No. 302206E)
(RAJESH KR. SINGHANIA
M. NO. 52722)
PARTNER
ICAI UDIN: 20052722AAAAA

STANDALONE BALANCE SHEET as at 31st March, 2020

(Amount in ₹)

PARTICULARS	Note No.	As at March 31, 2020	As at March 31, 2019
Non-current assets			
(a) Financial Assets			
(i) Investment	3	0	0
Total Non - Current Assets		0	0
Current assets			
(b) Financial Assets			
Cash and cash equivalents	4	11,948.00	12,597.00
Total Current Assets		11,948.00	12,597.00
Total Assets		11,948.00	12,597.00
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	5	75,02,000.00	75,02,000.00
(b) Other Equity	6	(1,31,87,591.00)	(1,31,86,942.00)
Total equity		(56,85,591.00)	(56,84,942.00)
LIABILITIES			
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	7	56,94,173.00	56,94,173.00
(ii) Trade and other payables	8	3,366.00	3,366.00
(iii) Short-term Loans and Advances	8A	0	0
Total Current Liabilities		56,97,539.00	56,97,539.00
Total liabilities		56,97,539.00	56,97,539.00
Total Equity & Liabilities		11,948.00	12,597.00

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 : 20.06.2020

For and on behalf of the Board of Directors
 Sd/-
 D. K. Dutta
Director

Sd/-
 S. K. Bhattacharya
Director

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2020

(Amount in ₹)

	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations		0	0
Total income		0	0
Expenses			
Bank charges		649.00	649.00
Total expenses		649.00	649.00
Loss before tax		(649.00)	(649.00)
Income tax expenses			
- Current tax		0	0
- Deferred tax		0	0
Total tax expense		0	0
Loss after tax		(649.00)	(649.00)
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		0	0
(ii) Remeasurements of the defined benefit plans		0	0
Less: Income tax relating to items that will not be reclassified to profit or loss			
(i) Equity Instruments through Other Comprehensive Income		0	0
(ii) Remeasurements of the defined benefit plans		0	0
Other comprehensive income for the year, net of tax		0	0
Total comprehensive income for the year		(649.00)	(649.00)
Profit is attributable to:			
Owners of India Carbon Limited		(649.00)	(649.00)
Non-controlling interests		0	0
		(649.00)	(649.00)
Other comprehensive income is attributable to:			
Owners of India Carbon Limited		0	0
Non-controlling interests		0	0
		0	0
Total comprehensive income is attributable to:			
Owners of India Carbon Limited		(649.00)	(649.00)
Non-controlling interests		0	0
		(649.00)	(649.00)
Total comprehensive income attributable to owners of India Carbon Limited arises from:			
Continued operations		(649.00)	(649.00)
Discontinued operations		0	0
		(649.00)	(649.00)
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 Profit and Loss Account

For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS
 (Registration No. 302206E)
RAJESH KUMAR SINGHANIA
M. NO. 52722

Partner

Place : Kolkata

Date : 20.06.2020

For and on behalf of the Board of Directors

Sd/-

D. K. Dutta

Director

Sd/-

S. K. Bhattacharya

Director

CASH FLOW STATEMENT for the year ended 31st March, 2020

(Amount in ₹)

	Year ended 31.3.2020		Year ended 31.3.2019	
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before tax		(649.00)		(649.00)
NET CASH USED IN OPERATING ACTIVITIES - (A)		(649.00)		(649.00)
(B) CASH FLOW FROM INVESTING ACTIVITIES		0		0
(C) CASH FLOW FROM FINANCING ACTIVITIES		0		0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT		(649.00)		(649.00)
Balance of Cash and Cash Equivalents As At 31.3.2019	12,597.00		13,246.00	
Balance of Cash and Cash Equivalents As At 31.3.2020	11,948.00	(649.00)	12,597.00	(649.00)

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.

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 : 20.06.2020

For and on behalf of the Board of Directors

Sd/-	Sd/-
D. K. Dutta	S. K. Bhattachriya
Director	Director

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020**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.

2. 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 Judgments**(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 judgment 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 recognised 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.

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.

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.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 *(Contd.)*

(Amount in ₹)

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 (CGU's) fair value less costs of disposal and its value in use. It is determined for 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, 2020	As at March 31, 2019
<u>Equity Investments in subsidiary company (unquoted)</u>		
Him Containers Limited (In Liquidation)	0	0
676150 equity shares of Rs. 10 each		
<u>Investments carried at amortised cost</u>		
Detachable Warrants-10% Upfront paid		
Him Containers Limited (In Liquidation)		
676150 of Rs. 10 each	0	0
TOTAL	0	0

Note: 676150 Numbers of Equity Shares (Unquoted) of Rs.10 each amounting to ₹ 6761500/- and 675000 numbers of Detachable Warrants - 10% Upfront Paid (Unquoted) of ₹ 10 each amounting to ₹ 6750000/- in Him Containers Limited (In Liquidation) have been fully provided.

Note 4 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
<i>(a) Balances with banks</i>		
<i>(1) Unrestricted Balance with banks</i>		
<i>(i) In Current Account</i>	11,948	12,597
Cash and cash equivalents as per balance sheet	11,948	12,597
<i>(a) Earmarked Balances with banks</i>		
<i>(1) Earmarked Balance with banks</i>		
<i>(i) In Current Account</i>	0	0
Total	0	0
Total Cash and Cash Equivalents	11,948	12,597

Note 5 Equity Share Capital

	As at 31.03.2020		As at 31.03.2019	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Authorised Share Capital				
As at beginning of the year	15,00,000	1,50,00,000	15,00,000	1,50,00,000
Increase/(decrease) during the year	0	0	0	0
As at end of the year	15,00,000	1,50,00,000	15,00,000	1,50,00,000
Issued equity capital				
Equity shares of ₹ 10 each issued, subscribed and fully paid				
As at beginning of the year	7,50,200	75,02,000	7,50,200	75,02,000
Changes during the period	0	0	0	0
As at end of the year	7,50,200	75,02,000	7,50,200	75,02,000

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

Details of shareholders holding more than 5 percent equity shares:

Name of Shareholder	As at 31.03.2020		As at 31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
India Carbon Limited	7,50,130	99.99	7,50,130	99.99

Note 6 Other equity**Other Equity****Attributable to Equity Share holders of the Company**

Particulars	Reserves and surplus	
	Retained earnings	Total
Balance at 1 April 2018	(1,31,86,293.00)	(1,31,86,293.00)
Profit/(Loss) for the year	(649.00)	(649.00)
Other comprehensive income (Net of Tax)	0	0
Balance at 31 March 2019	(1,31,86,942.00)	(1,31,86,942.00)
Profit/(Loss) for the year	(649.00)	(649.00)
Other comprehensive income	0	0
Balance at 31 March 2020	(1,31,87,591.00)	(1,31,87,591.00)

Note 7 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured Loans		
1. From Related Parties		
- Holding Company	40,95,000.00	40,95,000.00
2. Others	15,99,173.00	15,99,173.00
Total Borrowings	56,94,173.00	56,94,173.00

Note 8 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	0	0
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, 2020	As at March 31, 2019
Loans and Advances to related parties		
Unsecured : Considered doubtful		
Him Containter Ltd. (In Liquidation)	57,50,000.00	57,50,000.00
Less: Provision for doubtful advance	57,50,000.00	57,50,000.00
Total	0	0

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.

10 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.

11 Related parties disclosure:

(A) List of related parties

- (a) Holding Company
India Carbon Limited

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020 (Contd.)

(Amount in ₹)

- (b) Key Management Personnel
- (i) Mr. D. K Dutta, Director
- (ii) Mr. P. K. Misra , Director
- (iii) Mr. S. K. Bhattachrjya , Director

(B) Details of Transaction taken place

With Holding Company:

Auditors' Remuneration, Filling Fees & other expenses of Rs. 10620 (Previous Year Rs.10620) have been incurred by M/S. India Carbon Ltd., the holding Company.

12 Contingent Liabilities for Joint Guarantees/Guarantees given in respect of Him Containers Limited (in liquidation) :

	As at 31.03.2020	As at 31.03.2019
Joint Guarantees/Guarantees given to Financial Institutions for Term & Other Loans	Rs. 15800000	Rs. 15800000
Do	St. £ 656740 (INR 61413202.23)	St. £ 656740 (INR 59477658.10)
Do	US \$ 517183 (INR 38956809.48)	US \$ 517183 (INR 35970543.11)
Bank for Loans & Others purposes	Rs. 268880000*	Rs. 268880000*

*Against above guarantee(s), the Bankers have filed a petition before the Debt Recovery Tribunal, Kolkata, claiming recovery of Rs. 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.

- 13 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 Rs.10/- each amounting to Rs. 6,761,500/- and 675,000 Detachable Warrants with upfront payment @ Re.1/- per Warrant amounting to Rs. 675,000/- and the Investment as unsecured loan has been fully provided/ written-off in entire year.

- 14 Figures for the previous year have been rearranged/ regrouped as and when necessary to conform to current year classifications and IND-AS requirement.



India Carbon Limited

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CIN : L23101AS1961PLC001173