

CARBON
SPECIALITIES
LIMITED

ANNUAL REPORT
2015-2016

CORPORATE INFORMATION

REGISTERED OFFICE:

Dosi Bhawan, Paltan Bazar,
Guwahati, Assam – 781001

❖ BOARD OF DIRECTORS

Mr. Pankaj Kaya - Chairperson
Mr. Ravindra Pratap Singh- Director
Mrs. Prabha Kaya - Director
Mr. Alok Kumar Diwan - Independent Director

❖ AUDIT COMMITTEE

Mrs. Prabha Kaya - Member
Mr. Ravindra Pratap Singh- Member
Mr. Alok Kumar Diwan - Chairperson
Mr. Ravi Kumar - Member

❖ NOMINATION & REMUNERATION COMMITTEE

Mrs. Prabha Kaya - Member
Mr. Ravindra Pratap Singh- Member
Mr. Alok Kumar Diwan - Chairperson
Mr. Ravi Kumar - Member

❖ AUDITORS

M/s Tandon & Mahendra
Chartered Accountants
14/75, Civil Lines, Kanpur-208001

❖ REGISTRAR & SHARE TRANSFER AGENTS

ABS CONSULTANT PVT. LTD.
CIN: U74140WB1991PTC053081
REG. OFFICE: 4 B B D BAG (EAST), STEPHEN HOUSE, R.NO.99, 6TH
FLOOR,
KOLKATA, West Bengal
INDIA- 700001

❖ STOCK EXCHANGE

The Calcutta Stock Exchange Limited
The Guwahati Stock Exchange

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NOTICE

Notice is hereby given that the 31st Annual General Meeting of the members of **CARBON SPECIALITIES LIMITED** will be held at the Registered Office of the Company at Dosi Bhawan Paltan Bazar Guwahati 781001 on 30th day of September, 2016, Friday at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Director's Report alongwith the Audited Profit & Loss Account for the year ended 31st March, 2016 and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

Resolved That, pursuant to the provisions of Section 139 of the Companies Act 2013 and the Rules made thereunder, M/s. TANDON & MAHENDRA, Chartered Accountants, Kanpur bearing ICAI Having FRN 003747C being as an auditor of the company, be and are hereby re-appointed as the Auditors of the Company, under ratification of the appointment by the member of company at this Annual General Meeting as per the provision of Companies Act 2013, on a remuneration as may be fixed by the Board of Directors of the Company.

Resolved Further That the Board of Directors be and is hereby authorized in consultation with the Company's Auditors to appoint Auditor of the Company, to audit the accounts of the Company's on such terms and conditions including remuneration as the Board of Directors may deem fit."

3. To re-appoint a Director in place of Mr. Ravindra Pratap Singh, who retires by rotation and, being eligible, has offered himself for re-appointment.

By the order of Board
For CARBON SPECIALITIES LIMITED

(PANKAJ KAYA)
Director
DIN: 01279883

Dated this 30th May 2016 at Guwahati

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING A PROXY DULY COMPLETED AND SIGNED SHALL HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.
3. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS ANNEXED.
4. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM FRIDAY, 23 SEPTEMBER, 2016 TO FRIDAY, 30 SEPTEMBER, 2016 (BOTH DAYS INCLUSIVE).

Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)

Brief profile of Directors retiring by rotation:

1. Pursuant to item no. 3

RAVINDRA PRATAP SINGH

RAVINDRA PRATAP SINGH is 66 years of age. He is having vast experience in Business. He is efficient in controlling and managing the business affairs. He is having good leadership qualities with great devotion towards his goals. His working experience is more than 20 years with confidence and determination, his presence in the Board will definitely be benefited to the Company.

By the order of Board
For CARBON SPECIALITIES LIMITED

(PANKAJ KAYA)
Director
DIN: 01279883

Dated this 30th May 2016 at Guwahati

Directors' Report - 2015-2016

To,
The Members,
CARBON SPECIALITIES LIMITED
Guwahati

Your Directors have pleasure in presenting the Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2016.

➤ FINANCIAL PERFORMANCE

Particulars	Financial Year ended 31 st March, 2016	Financial Year ended 31 st March, 2015
	(Amount in Rs.)	(Amount in Rs.)
Net Sales/Income from Business Operations	45,304,320.51	31,764,531.00
Other Income	1,579,478.10	-
Total Income	46,883,798.61	31,764,531.00
Less: Expenses	49,097,443.49	19,427,474.32
Profit / (Loss) before tax and Extraordinary / exceptional items	(2,213,644.88)	12,337,056.68
Less: Extraordinary / exceptional items	-	-
Profit/(Loss) before tax	(2,213,644.88)	12,337,056.68
Less: Current Income Tax	0	663,312
Less: Previous year adjustment of Income Tax/Current tax expenses relating to prior years	0	5,822
Less Deferred Tax	3,308,469.49	-
Net Profit/(Loss) after Tax	1,094,824.61	11,667,922.68
Earnings per share (Basic)	0.20	2.10
Earnings per Share(Diluted)	0.20	2.10

➤ **FINANCIAL RESULTS**

During the Financial Year under reporting Company's Revenue from operation are 45,304,320.51/- and the company has earned a profits of 1,094,824.61/- . The said profit was due to economic growth, high competition in the market. Your directors wished to perform better during the coming financial year. The board of directors are in big hope to work harder in future in order to receive good recognition in the market and good profits are to be realized during the running year.

➤ **FUTURE OUTLOOK**

The Indian economy is better than that of last year. Your directors wished to perform better during the coming financial year and generate more profits in the coming financial year.

➤ **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 **Annexure I** and is attached to this Report.

➤ **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board of Director had met 10 times during the financial year under review.

➤ **DIRECTORS**

During the financial year 2015-16, Mr. Alok Kumar Diwan appointed as Director (Independent) on 31/07/2015. And Mr. Ravi Prakash Rawat Resigned on 31/07/2015. None of the Directors is disqualified as on 31st March, 2016 from being appointed as director in pursuance of Section 165 of the Companies Act, 2013.

➤ **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the Section 134 (5) of the Companies Act, 2013, the boards hereby submit its responsibility statement:

- a. In the preparation of the Annual Accounts for the financial year ended 31/03/2016, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b. The Directors had selected the 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, 2016 and of the Profit & Loss of the company for the year ended 31st March, 2016;

- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- d. The Directors had prepared the annual accounts for the year ended 31st March, 2016 on a going concern basis.
- 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.

➤ **DECLARATION OF INDEPENDENT DIRECTORS**

The provisions of Section 149 pertaining to the appointment of Independent Directors apply to our Company.

➤ **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is applicable to the Company and hence the Company has devised 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.

➤ **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.**

There was no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

➤ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

There was no Inter Corporate Loan and advances made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

➤ **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There was contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.
Detail attached in Annexure II.

CARBON SPECIALITIES LIMITED

PARTICULARS	As on 31.03.2016
Kishore Kumar Kaya (relative of director)	-
Salary	15,000,000.00
TOTAL	15,000,000.00

➤ **AFFAIRS OF THE COMPANY**

A copy of the balance sheet and the profit and loss account of the company is being enclosed herewith for the appreciation by the members of the financial position and the state of the affairs of the company.

➤ **RESULTS OF BUSINESS OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

During the year under review, the Company has achieved a total turnover including income from other operation (other income) of Rs. **46,883,798.61/-**. The Net Profit/(Loss) after tax during the year has been Rs. **1,094,824.61/-**.

➤ **DISCLOSURE ABOUT COST AUDIT**

The provision of maintenance of cost audit records and filing the same is not applicable to the Company.

➤ **CHANGE IN THE NATURE OF BUSINESS**

There was no change in nature of business during the year.

➤ **AMOUNT TRANSFER TO ANY RESERVE**

Amount of Rs 263,316,182.51 proposed to be carried on reserve during this financial year.

➤ **DIVIDEND**

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

➤ **SHARES**

a) **Equity shares with differential rights:** The Company has not issued any equity share with differential rights during the year under review.

- b) **Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.
- c) **Sweat Equity:** The Company has not issued any Sweat Equity Shares during the year under review.
- d) **Bonus Shares:** No Bonus Shares were issued during the year under review.
- e) **Employees Stock Option Plan:** The Company has not provided any Stock Option Scheme to the employees.

➤ **CHANGE IN REGISTERED OFFICE OF THE COMPANY**

There is no change in registered office of the Company during the period under review.

➤ **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

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

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

➤ **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgoing are **Nil** during the year under review. There were no foreign exchange earnings or outgo during the year under review.

(A) CONSERVATION OF ENERGY	
The steps taken or impact on conservation of energy	NA
The steps taken by the company for utilizing alternate sources of Energy	NA
The capital investment on energy conservation equipments	NA

(B) TECHNOLOGY ABSORPTION	
The efforts made towards technology absorption	NA
The benefits derived like product improvement, cost reduction, product development or import substitution	NA
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
The expenditure incurred on research and development	NA

Details of Foreign currency transactions are as follows:

- a. The company has not earned any income in Foreign Currency during the year.
- b. The company has not incurred any expenditure in Foreign Currency.

➤ **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

➤ **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.

➤ **AUDITORS**

M/s. TANDON & MAHENDRA, Chartered Accountants, Kanpur bearing ICAI Having FRN 003747C auditor of the company being as an auditor of the company, be and are hereby re-appointed as the Auditors of the Company, under ratification of the appointment by the member of company at this Annual General Meeting as per the provision of Companies Act 2013, on a remuneration as may be fixed by the Board of Directors of the Company.

➤ **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company. Hence the company has its Audit Committee.

➤ **FIXED DEPOSITS**

The Company has not accepted or invited any Fixed Deposits from the Public as envisaged under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014.

➤ **PARTICULARS OF EMPLOYEES:**

The Company has employees who were in receipt of remuneration aggregating to the sum prescribed under Section 134 of the Companies Act, 2013.

Following are the employees who are in receipt of remuneration:

1. K K Kaya 15,000,000.00

➤ **STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

➤ **CONSOLIDATED FINANCIAL STATEMENT**

The provisions of Section 129(3) of Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable to the Company.

➤ **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiaries, Joint Ventures and Associate Companies.

➤ **INTERNAL FINANCIAL CONTROLS**

The said disclosure has been taken care of by the management of the Company in relation to the financial statement of the Company.

➤ **INDUSTRIAL RELATIONS**

The Industrial Relations have remained cordial and harmonious during the year.

➤ **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant or material orders were passed by the any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

➤ **ACKNOWLEDGEMENTS**

Your directors place on record their sincere appreciation of the Company to the Bankers for their continued support, to the officers, staff and workers of the Company for their relentless and dedicated efforts and devotion put in by them in tough such time of the Company and look forward for a bright future.

By the order of Board
For CARBON SPECIALITIES LIMITED

(PRABHA KAYA)
Director
DIN: 00326278

(PANKAJ KAYA)
Director
DIN: 01279883

Dated this 30th May 2016 at Guwahati

ANEXXURE I:

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2016

Of

CARBON SPECIALITIES LIMITED

[Pursuant to Section 92(3) *of the Companies Act, 2013*

And

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

CARBON SPECIALITIES LIMITED

I. REGISTRATION AND OTHER DETAILS:

CIN:	L65929AS1985PLC002427
Registration Date [DDMMYY]	26/08/1985
Company Name	CARBON SPECIALITIES LIMITED
Category of the Company	Public Company
Address	DOSI BHAWAN, PALTAN BAZAR GUWAHATI Assam
Whether Listed Company	YES
Name , Address and contact details of Registrar and Transfer agent if any	Not Applicable

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
1	Activities auxiliary to financial service activities n.e.c.	6619	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARE HELD	APPLICABLE SECTION
		N/A			

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	De ma t	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	4706780	4706780	84.70	0	4706780	4706780	84.70	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total shareholding of Promoter (A) (1)	0	4706780	4706780	84.70	0	4706780	4706780	84.70	0
(2) Foreign									
a) NRIs Individual	0	0	0	0	0	0	0	0	0
b) Others-Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any others...	0	0	0	0	0	0	0	0	0
Sub Total shareholding of Promoter (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	4706780	4706780	84.70	0	4706780	4706780	84.70	0

CARBON SPECIALITIES LIMITED

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) HUF	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	603000	603000	10.85	0	603000	603000	10.85	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	247520	247520	4.45	0	247520	247520	4.45	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0

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Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	850520	850520	15.3	0	850520	850520	15.3	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	850520	850520	15.3	0	850520	850520	15.3	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	5557300	5557300	100	0	5557300	5557300	100	0

ii) Shareholding of Promoter-

Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Pankaj Kaya	2155040	38.78	NA	2155040	38.78	NIL	NIL
2	Kishore Kumar Kaya	2551740	45.92	NA	2551740	45.92	NIL	NIL

iii) Change in Promoters' Shareholding (please specify, if there is no change): No Change in Shareholding Pattern

SN		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
	At the beginning of the year	4706780	84.70	4706780	84.70
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
	At the end of the year	4706780	84.70	4706780	84.70

**iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	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
	At the beginning of the year	850520	15.3	850520	15.3
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change		No Change	
	At the end of the year	850520	15.3	850520	15.3

CARBON SPECIALITIES LIMITED

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of 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
1	ALOK KUMAR DIWAN	0	0	0	0
2	RAVI KUMAR	0	0	0	0
3	RAVINDRA PRATAP SINGH	0	0	0	0
4	PANKAJ KAYA	2155040	38.78	2155040	38.78
5	PRABHA KAYA	0	0	0	0

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	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
* Addition	3258040.10	0	0	0
* Reduction	0	0	0	0
Net Change	3258040.10	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	3258040.10	0	0	3258040.10
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	3258040.10	0	0	3258040.10

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	N/A				
	(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					

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	N/A				
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					

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	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/WTB

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N/A	N/A	N/A	
	(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				

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					
Punishment		NIL			
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

By the order of Board
For CARBON SPECIALITIES LIMITED

(PRABHA KAYA)
 Director
 DIN: 00326278

(PANKAJ KAYA)
 Director
 DIN: 01279883

Dated this 30th May 2016 at Guwahati

ANEXXURE II:**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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any contract or agreement or transaction with its related parties which is not at arm's length during the financial year 2015-16

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship: Kishore Kumar Kaya, Relative of director.

(b) Nature of contracts/arrangements/transactions: Salary

(c) Duration of the contracts / arrangements/transactions: Long term

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

PARTICULARS	As on 31.03.2016
Kishore Kumar Kaya (relative of director)	-
Salary	15,000,000.00
TOTAL	15,000,000.00

(e) Date(s) of approval by the Board, if any: Not applicable, since the transaction was entered into the ordinary course of business and on arm's length basis

(f) Amount paid as advances, if any: NIL

By the order of Board
For CARBON SPECIALITIES LIMITED

(PRABHA KAYA)
Director
DIN: 00326278

(PANKAJ KAYA)
Director
DIN: 01279883

Dated this 30th May 2016 at Guwahati

ANEXXURE III:

FORM NO. MR-3

Secretarial Audit Report
(For the year 2015-2016)

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

To,
The Members,
Carbon Specialities Limited
Dosi Bhawan, Paltan Bazar,
Guwahati,
Assam- 781001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Carbon Specialties Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management's Responsibility for Secretarial Compliances

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Opinion

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Carbon Specialties Limited ("**The Company**") for the period ended on 31st March 2016 according to the provisions of:

I. the Companies Act, 2013 (**the Act**) and the Rules made thereunder;

- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
 - h. The Memorandum and Articles of Association.

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 Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

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

- 2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
 - a) maintenance of various statutory registers and documents and making necessary entries therein;
 - b) closure of the Register of Members.

- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 30th Annual General Meeting held on 30th September 2015;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) appointment and remuneration of Auditors and Cost Auditors;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of dividends;
- o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;

- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

_ 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.

_ The Company has obtained all necessary approvals under the various provisions of the Act; and

_ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

- 4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
- 5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
- 6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. I further report that:

- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited;

- b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
8. I further report that based on the information received and records maintained 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 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.

Place: Lucknow
Date: 30th September 2016

CS RITIKA SRIVASTAVA
CP.NO: 14572
MEMBERSHIP NO- 31329

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

Carbon Specialities Limited is a listed company with a record of consistent growth and profitability. This Management Discussion and Analysis Report have to be read in conjunction with the Company's financial statements, which follows this section. The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013, and Generally Accepted Accounting Principles (GAAP) in India. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. The following discussion may include forward looking statements which may involve risks and uncertainties, including but not limited to the risks inherent to Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially.

STRENGTH, WEAKNESS, OPPORTUNITY, THREATS

STRENGTHS

Able to generate higher yield on assets
 Experienced management team
 Strong relationships with public as well as private banks, institutions and investors

WEAKNESSES

The Company's business and its growth are directly linked to the growth of the country
 Higher regulatory restrictions

OPPORTUNITIES

New opportunities in wholesale and trading related works.

THREATS

High cost of funds

RISK MANGEMENT

Enterprise Risk Management (ERM) at Carbon Specialities Limited encompasses practice relating to identification, evaluation, monitoring and mitigation of various key risks towards the achievement of the key business objectives. It helps to minimize adverse impact of risks and also enable to leverage market opportunities. Risk management practices seek to sustain and enhance short & long term competitive advantage to the Company. It is integral to our business model, described as the “Practicable, Sustainable, Profitable and Derisked” (PSPD) model. Our core values and ethics provide the platform for our risk management practices

RISK MANAGEMENT & GOVERNANCE

- Responsible for managing overall ERM, Internal Control, Compliance and Assurance activities.
- Co-ordinating with Internal Auditors & Functional Head for timely execution of Audit & compliance of Audit observation.
- Work with Business Management Group (BMG) of respective locations for process efficiency & productivity improvements.
- Ensure effective implementation of Standard Operating Procedure & Policies.
- Conducting management Audit & Special Audit as assigned by the Management/Audit Committee.
- Conducting Self Assessment Survey for all Business Verticals.

INTERNAL CONTROL SYSTEM

Carbon Specialities Limited has an adequate internal control system in place to safeguard assets and protect against losses for many unauthorized use or disposition. The system authorizes records and reports transactions and ensures that recorded data are reliable to prepare financial information and to maintain accountability of assets. The Company's internal controls are supplemented by an extensive programme of internal audits, review by the management, and documented policies, guidelines and procedures.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility. The Corporate Governance structure in the company assigns responsibilities and entrust authority among different participants in the organisation viz. the Board of Directors, the Senior Management, Employees, etc. The Company has adopted Corporate Governance and disclosure practices even before these were mandated legislations.

The philosophy of Corporate Governance is a principle based approach as codified in Clause 49(I) of the Listing Agreement, encompassing the fundamentals of rights and roles of various stakeholders of the Company, disclosure, transparency and board responsibility.

Keeping in view the Company's corporate traditions, we are fully committed to follow the procedures and practices in conformity with the clause 49 of the listing agreement of the Stock Exchanges, as applicable.

Your Directors present the Company's report on Corporate Governance as under:-

Mandatory Requirements

COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements. Our philosophy on Corporate Governance envisages attainment of absolute transparency, accountability and equity in all facets of its operations and in all its interactions with shareholders, employees and Government departments.

COMPOSITION OF BOARD OF DIRECTORS

The Company has optimum combination of Executive, Non-executive Directors and Independent Directors in conformity with Clause 49 of the Listing Agreement.

The Board comprises of 5 (Five) Directors, as on March 31, 2016.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

The Independent Directors of the Company are in compliance with the provisions of Clause 49(II)(B)(2). Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Clause 49(II)(D)(2) of the Listing Agreement.

CARBON SPECIALITIES LIMITED

The functions of the Board include formulation of strategic business plans, budgets, setting up of goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

Title (Mr./Ms.)	Name of Director	PAN / DIN	Category	Date of Appointment	Tenure (in yrs)	No. of Directorship in Listed entity	No. of membership in Audit/Stakeholder Relationship Committee	No. of Chairmanship in audit/Stakeholder Relationship Committee
Mrs .	Prabha Kaya	00326278	Executive Director	01/04/2010	6	1	1	Nil
Mr.	Ravindra Pratap Singh	00326358	Non-Executive Director	29/08/2001	15	1	1	Nil
Mr.	Pankaj Kaya	01279883	Executive Director	01/04/2010	6	1	0	Nil
Mr.	Alok Kumar Diwan	03504296	Independent Director	31/07/2015	1	1	1	One
Mr.	Ravi Kumar	06878278	Independent Director	22/05/2014 To 20/08/2016	2	0	0	Nil

BOARD MEETING

10 (Ten) Meetings of the Board of Directors were held during the year:

- (i) 12th May 2015
- (ii) 01st June 2015
- (iii) 31st July 2015
- (iv) 08th August 2015
- (v) 12th August 2015
- (vi) 30th September 2015
- (vii) 10th November 2015
- (viii) 11th February 2016
- (ix) 25th February 2016
- (x) 16th March 2016

Agenda papers were circulated to the Directors in advance for each meeting. All relevant information as required under Clause 49 of the Stock Exchange Listing Agreement was placed before the Board from time to time.

COMMITTEES

As mandated by Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee, a Nomination and Remuneration Committee. The functioning of each of these Committees is regulated by the specific terms of reference, roles and responsibilities and powers detailed in their respective Charters.

The Minutes of the meetings of all these Committees were placed before the Board for discussions/noting. None of the Directors is a member of more than ten committees or Chairman of more than five committees across all companies in which they are Directors.

AUDIT COMMITTEE

The Audit Committee comprises of 1 (One) Executive Directors, 1(One) Non-Executive Director and 1(one) Non-Executive Independent Director having expertise in the field of Financial Management. Mr. Alok Kumar Diwan was elected as Chairman of committee by the members.

4 (Four) meetings of the Audit Committee were held during the year:

- i. 30/05/2015
- ii. 30/07/2015
- iii. 07/11/2015
- iv. 22/02/2016

COMPOSITION

The Audit Committee consists of following members as under:

S.No.	Name	Category	Position
1.	Prabha Kaya	Director	Member
2.	Ravindra Pratap Singh	Director	Member
3.	Alok Kumar Diwan	Director	Chairman
4.	Ravi Kumar	Director (Ceased on 20/08/2016)	Member

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, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013.

The Audit Committee will also be responsible for holding discussions with Auditors periodically about:

- Internal control system and compliance thereof.
- Scope of audit including observations of the auditors.
- Review of the quarterly, half yearly and annual financial statements before submission to the Board.
- Any other matter as may be referred by the Board.

The Audit Committee is further responsible for: -

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with the management the annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and guidelines of stock exchange(s), major accounting entries, qualifications in draft audit reports, related party transactions & the going concern assumption.
- Holding discussions with external auditors to ascertain any area(s) of concern.
- Reviewing the Company's financial and risk management strategies.
- The statutory auditors of the Company are invited to attend the meetings whereas the Audit committee holds discussion with the statutory auditors on the quarterly account subjected to their Limited Review, yearly audit plan, matters relating to compliance with Accounting standards, their observations on matter arising out of annual audit and other related.

NOMINATION AND REMUNERATION COMMITTEE

Terms of reference:

The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The object of formulating Nomination and Remuneration Committee is as follows:

- To formulate the criteria for determining the qualifications, positive attributes and independence of Directors and recommend to the Board their a policy related to appointment;

- To review and approve the Executive Directors' remuneration on behalf of the Board, subject to the approval of the Shareholders, as follows:
 - Elements of the remuneration package that is salary, perquisites, retirement benefits, separation compensation and the structure of the remuneration package viz. the proportion of fixed and variable component;
 - Changes in the remuneration package, terms of appointment, notice period, severance fees, recruitment, retention and termination policies and procedures;
 - Key performance indicators, the actual performance vis-à-vis the key performance indicators and amount of the annual performance linked incentive;
- To recommend to the Board a policy, relating to the remuneration of the Executive Directors, Key Managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board.

Composition:

The Nomination and Remuneration Committee consists of following members as under:

S.No.	Name	Category	Position
1.	Prabha Kaya	Director	Member
2.	Ravindra Pratap Singh	Director	Member
3.	Alok Kumar Diwan	Director	Chairman
4.	Ravi Kumar	Director (Ceased on 20/08/2016)	Member

REMUNERATION POLICY

Remuneration of employees consists of basic salary and perquisites. Remuneration to employees is based on their qualification, experience, responsibilities held and their performance.

The objective of the remuneration policy is to motivate employees to excel in their Performance, recognize their contribution, retain talent in the organization and reward Merits.

Remuneration Policy for Board Members, Key Managerial Personnel and other Employees:

A. Objective

Nomination and Remuneration Committee of the Board shall recommend this Policy to the Board, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The objective of this policy is to ensure that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors,

2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

B. Remuneration to Executive Directors

The Remuneration to be paid to Executive Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

1. Remuneration structure of the Executive Directors shall include following components:
 - a. Fixed Pay
 - b. Perquisites and allowances
 - c. Commission
2. The Committee may recommend an increase in existing remuneration structure to the Board, within the limits as approved by shareholders.
3. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are Inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act.

C. Remuneration to Non-Executive/Independent Directors

The Remuneration to be paid to Non-Executive/Independent Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

1. Commission-based payment

Non-Executive/Independent Directors of the Company may be paid an amount not exceeding one percent of the net profits of the Company in terms of provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time, and as approved by the shareholders.

2. Sitting fee

Non-Executive/Independent Directors of the Company shall be paid a sitting fee for attending the Board as well as the Committee meetings as per the Companies Act, 2013 and Rules made thereunder as amended from time to time.

3. Employee Stock Options (ESOP)

An Independent Director shall not be entitled to any stock option of the Company.

4. Pension

The Board of Directors of the Company are not covered by any pension scheme or any defined benefit pension scheme.

5. Reimbursement of expenses

The Company shall reimburse the Directors all traveling, hotel, and other incidental expenses properly and reasonably incurred by them in the performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

D. Remuneration of Key Managerial Personnel (KMP) and Senior Management Personnel

Remuneration of KMP's (excluding the Managing Director and Executive Director, which is already covered above) and senior management personnel shall be reviewed /decided on an annual basis, or earlier if deemed necessary, by the Nomination and Remuneration Committee.

The Remuneration shall consist of the following components:

- Fixed remuneration
- Variable pay
- Incentives if any
- Employee Stock Options (ESOP)
- Reimbursement of expenses

Policy Review

This Policy is purely at the discretion of the Nomination and Remuneration Committee and it reserves its right to recommend modifications in this Policy to the Board, as per applicable laws and regulations, at any time without assigning any reason whatsoever.

GENERAL BODY MEETINGS

Details of location, time and date of the General Body Meetings held during the last three years is as follows:

<i>Date of AGM</i>	<i>Time</i>	<i>Venue</i>	<i>Special Resolution passed, if any</i>
30th September, 2015	11 AM	Dosi Bhawan, Paltan Bazar, Guwahati, Assam-781001	None
30th September, 2014	10.30 AM	Dosi Bhawan, Paltan Bazar, Guwahati, Assam-781001	None
29th September, 2013	11 AM	Dosi Bhawan, Paltan Bazar, Guwahati, Assam-781001	None

No resolution has been passed through postal ballot.

DISCLOSURES

Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large:

All transactions with related parties were in the ordinary course of business. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

Compliance with Accounting Standards

In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

Compliance Certificate from the auditors

Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 49 of the listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

Adoption of non - mandatory requirements under clause 49 and as applicable under Companies Act, 2013

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit Committee.

(a) Nomination and Remuneration Committee

The Board has constituted a remuneration committee. The nomination and remuneration committee recommends/reviews remuneration of the Directors.

(b) Vigil Mechanism/Whistle blower policy

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

The reports received from any employee will be reviewed by the committee. It is affirmed that no person has been denied access to the audit committee in this respect.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

(c) Risk Management

Your Company has a comprehensive risk management policy. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures.

These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting.

Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading as well as a Code of Corporate Disclosure Practices (Code), as prescribed by the SEBI Regulations in this regard. The Compliance Officer is responsible for monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre-clearance of trades, monitoring of trades and implementation of the Code for trading in Company's securities, under the overall supervision of the Board. All Directors and employees, who could be privy to the Unpublished Price Sensitive Information of the Company, are governed by this Code.

Code of Conduct for Board of Directors

The Board is responsible for ensuring that rules are in place to avoid conflicts of interest by members of the Board. The Company has adopted a code of conduct for members of the Board and senior management personnel as required under clause 49 of the listing agreement. All the members of the Board and senior management personnel have affirmed their compliance with the code.

MEANS OF COMMUNICATION

The Company ensures that its quarterly and annual financial results are sent to the concerned Stock Exchange immediately after the same have been considered and taken on record by the Board of Directors.

The company also ensures that its quarterly financial results are normally published in **THE FINANCIAL EXPRESS**.

GENERAL SHAREHOLDERS' INFORMATION

(i) Annual General Meeting to be held:

Day: Friday

Date: 30th September, 2016

Time: 11:00 A.M.

Venue: Dosi Bhawan, Paltan Bazar, Guwahati, Assam- 781001

ii) Financial Year: 1st April, 2015 to 31st March, 2016

(iii) Dates of Book Closure: 23rd September, 2016 to 30th September, 2016 (both days inclusive)

STOCK EXCHANGES ON WHICH THE COMPANY'S SHARES ARE LISTED

The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata -700001

SHARE PRICE DATA

There has been no trading of shares at Calcutta Stock Exchange Limited during the last financial year. Hence no data is available.

SHARE TRANSFER SYSTEM

M/s. ABS Consultant Private Limited is acting as the Registrar and Transfer Agent of the Company.

Share transfer requests are processed within 30 days of receipt by Registrar and Transfer Agent. In compliance with the listing guidelines, every six months, the share transfer system is audited by a practicing Company Secretary and certificates to that effect are issued by him.

DISTRIBUTION OF SHAREHOLDING

S. No.	Category of shareholder	Total number of shares	Percentage of total number shareholding
1	Promoter and Promoter Group	4706780	84.70
2	Bodies Corporate	603000	10.85
3	Individuals	247520	4.45
	TOTAL	5557300	100

ADDRESS FOR CORRESPONDENCE

Company Office: Dosi Bhawan, Paltan Bazar,
Guwahati, Assam- 781001
Email: carbonspecialities85@gmail.com
Phone No. : 9838823600

Registrar & Transfer Agent: 4 B B D BAG (East),
Stephen House, R.NO.99, 6th Floor,
Kolkata, West Bengal

ANNEXURE TO THE DIRECTORS REPORT

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of **Carbon Specialities Limited**,

We have examined the compliance of conditions of Corporate Governance by Carbon Specialities Limited for the year ended March 31, 2016 as stipulated in the Listing Agreement of the said company with Stock Exchange and as per relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the company for ensuring compliance with the conditions of the 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 explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance in the above mentioned Listing Agreement/ Listing regulations, as applicable.

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

For **TANDON & MAHENDRA**

Chartered Accountants

Saurabh Shukla

(Partner)

M. No. 405240

Date: 30.05.2016

Place: Kanpur

DECLARATION TO CODE OF CONDUCT

To,

The Members,
Carbon Specialities Limited,

Declaration by Managing Director of the Company on code of conduct as prescribed under clause 49 of the listing Agreement.

I hereby confirm that all Board Members and Senior Management personnel have conveyed their acceptance to the “Code of Business Conduct and Ethics for Board Members and Senior Management”.

Place: Guwahati
Date : 30/05/2016

Pankaj Kaya
(Director)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Carbon Specialties Limited.,

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating

effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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".
 - g) We report as under with respect to the other matters to be included in The Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company does not have any pending litigation which would impact its financial position.
 - ii) The company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.

- iii) There were no amounts which required to be transferred by the company to the investor education and protection fund

For Tandon & Mahendra
Chartered Accountants
FRN: 003747C

SAURABH SHUKLA
(Partner)
M. No. 405240
Place: Kanpur
Date: 30.05.2016

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Carbon Specialties Limited.

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

We have audited the internal financial controls over financial reporting of **Carbon Specialities Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Tandon & Mahendra
Chartered Accountants
FRN: 003747C

SAURABH SHUKLA
(Partner)
M. No. 405240
Place: Kanpur
Date : 30.05.2016

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date]

(i) In respect of its fixed assets:

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us all fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and the nature of its assets and no discrepancy was noticed on such physical verification.
- c) As per the records produced before us and explanations provided to us the company does not own any immovable property

(ii) In respect of its inventories:

- (a) As explained to us the company is dealing in mutual fund units and its inventory has been verified by the management from time to time from the mutual fund statements provided by the respective Asset Management Companies and other records of the company. No discrepancies were noticed on the verification between the physical stocks and the book records.
- (iii) As per the information provided to us and as per the records, the company has not granted loan to parties covered in the register maintained under section 189 of the Companies Act 2013 during the year and hence provisions of clause (iii) (a) to (c) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (iv) As explained to us, and as per the records, the company has not given any loans to companies or other parties in contravention of provisions of section 185 and 186 of the Act, during the year.
- (v) As explained to us and as per the records, the company has not accepted any deposits in contravention of provisions of section 73 to 76 or any other relevant provisions of the Act and rules made there under.
- (vi) The Central Government has not prescribed the maintenance of cost records in respect of the Company under section 148 (1) of the Companies Act, 2013.

(vii) **In respect of Statutory dues:**

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it. No such dues were in arrears, as at 31.03.2016 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no material dues outstanding against the company owing to any dispute with respect to income tax, wealth tax, sales tax, service tax, custom duty, excise duty and Cess etc.
- (viii) As explained to us and as per the records, the company has not defaulted in repayment of dues to any bank, financial institution, Government or debenture holders.
- (ix) As explained to us and as per the records, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) To the best of our knowledge and belief and according to the information and explanation given 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.
- (xi) As explained to us and as per the records, the company has not paid any remuneration to its directors or managerial personnel during the year under review hence there is no contravention of the provisions of Section 197 or any other relevant provisions of the Companies Act, 2013.
- (xii) Since the company is not a nidhi company, therefore provisions of clause (xii) of para 3 of Companies (Auditor's Report) Order, 2016.
- (xiii) As explained to us and as per the records of the company, the transactions with the related parties have been made in compliance with sections 177 and 188 of the companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) As explained to us and as per the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them; hence there is no contravention of the provisions of Section 192 or any other relevant provisions of the Companies Act, 2013.

- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Tandon & Mahendra
Chartered Accountants
FRN:003747C**

**SAURABH SHUKLA
(Partner)
M No. 405240
Date : 30.05.2016
Place : Kanpur**

CARBON SPECIALITIES LTD.

CIN-L65929AS1985PLC002427

BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in Rs.)

PARTICULARS		NOTES	As at 31st March 2016	As at 31st March 2015
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	2	55,573,000.00	55,573,000.00	
(b) Reserves and Surplus	3	263,316,182.51	262,221,357.90	
(2) Non Current Liabilities				
(a) Long Term Borrowings	4	3,258,040.10	-	
(b) Other Long Term Liabilities	5	36,139,130.00	20,901,362.00	
(3) Current Liabilities				
(a) Other Current Liabilities	6	1,674,302.70	408,936.00	
(b) Short Term Provisions	7	-	2,468,368.00	
TOTAL		359,960,655.31	341,573,023.90	
II. ASSETS				
(1) Non-current Assets				
(a) Fixed Assets				
(i)Tangible Asset	8	8,458,391.00	-	
(b) Deferred Tax Assets (Net)	9	3,308,469.49	-	
(c) Non-current Investments	10	146,256,837.00	148,756,837.00	
(d) Long Term Loans and Advances	11	14,476,120.00	21,476,120.00	
(2) Current Assets				
(a) Inventories	12	138,154,462.24	153,749,349.29	
(b) Cash and Cash Equivalents	13	42,804,618.38	10,745,983.47	
(c) Short Term Loans and Advances	14	6,483,870.20	6,554,730.14	
(d) Other Current Assets	15	17,887.00	290,004.00	
TOTAL		359,960,655.31	341,573,023.90	
			-	-
Significant Accounting Policies	1			
Notes are an integral part of the financial statements	2-34			
AS PER OUR REPORT OF EVEN DATE ATTACHED				
For TANDON & MAHENDRA		For and on behalf of the Board		
Firm Regn NO. 003747C		FOR CARBON SPECIALITIES LIMITED		
CHARTERED ACCOUNTANTS				
SAURABH SHUKLA		PANKAJ KAYA		
PARTNER		PRABHA KAYA		
MEMBERSHIP NO. 405240		Director		
PLACE : KANPUR		DIN-01279883		
DATE : 30.05.2016		DIN-00326278		

CARBON SPECIALITIES LTD.

CIN-L65929AS1985PLC002427

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in Rs.)

PARTICULARS	NOTES	Year Ended 31st March 2016	Year Ended 31st March 2015
I REVENUE :			
Revenue From Operations	16	45,304,320.51	31,764,531.00
Other Income	17	1,579,478.10	-
Total Revenue		46,883,798.61	31,764,531.00
II EXPENSES :			
(Increase)/Decrease in Inventory of Stock-in-trade	18	(15,594,887.05)	-
Employee Benefit Expenses	19	32,576,055.00	17,576,160.00
Depreciation and Amortization Expenses	8	621,607.00	
Other Expenses	20	304,894.44	1,851,314.32
Total Expenses		49,097,443.49	19,427,474.32
III PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		(2,213,644.88)	12,337,056.68
(There is no discontinuing operation)			
Less : Tax Expenses :			
1) Current Tax		-	2,468,368.00
Less: MAT Credit Entitlement		-	1,805,056.00
Net Current Tax		-	663,312.00
2) Income Tax (Earlier Years)		-	5,822.00
3) Deferred Tax		3,308,469.49	-
IV PROFIT FOR THE YEAR		1,094,824.61	11,667,922.68
V BASIC & DILUTED EARNING PER SHARE			
(in Rs.)	27		
(a) Basic		0.20	2.10
(b) Diluted		0.20	2.10
Significant Accounting Policies	1		
Notes are an integral part of the financial statements	2-34		
AS PER OUR REPORT OF EVEN DATE ATTACHED			
For TANDON & MAHENDRA Firm Regn NO. 003747C CHARTERED ACCOUNTANTS		For and on behalf of the Board FOR CARBON SPECIALITIES LIMITED	
SAURABH SHUKLA PARTNER MEMBERSHIP NO. 405240 PLACE : KANPUR DATE : 30.05.2016		PANKAJ KAYA Director DIN-01279883	PRABHA KAYA Director DIN-00326278

CARBON SPECIALITIES LTD.

(Amount in Rs.)

PARTICULARS		As at 31 March 2016	As at 31 March 2015
Note:2	SHARE CAPITAL		
	AUTHORISED : 5570000 Equity Shares of Rs.10/- each	55,700,000.00	55,700,000.00
	ISSUED, SUBSCRIBED AND PAID UP : 5557300 Equity Shares of Rs.10/- each fully paid up.	55,573,000.00	55,573,000.00
	TOTAL	55,573,000.00	55,573,000.00
2.1.	The company has only one class of shares referred to as equity shares having a par value of Rs. 10/-.		
2.2.	Each holder of equity shares is entitled to one vote per share.		

2.3.	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period	As at 31st March 2016		As at 31st March 2015	
		Number of shares	Amount	Number of shares	Amount
			(in Rs.)		(in Rs.)
	Equity Share of Rs.10/- each fully paid up:-				
	Opening Balance	5,557,300	55,573,000.00	5,557,300.0	55,573,000.00
	Closing Balance	5,557,300	55,573,000.00	5,557,300.0	55,573,000.00

2.4.	Details of shares held by shareholders holding more than 5% shares	As at 31st March 2016		As at 31st March 2015	
	Class of shares/Name of shareholders	Number of shares held	holding %	Number of shares held	holding %
	Equity Share of Rs.10/- each fully paid up:-				
	a)Pankaj Kaya	2,155,040	38.78%	2,155,040	38.78%
	b)Kishore Kumar Kaya	2,551,740	45.92%	2,551,740	45.92%

CARBON SPECIALITIES LTD.

(Amount in Rs.)

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:3	<u>RESERVES & SURPLUS :</u>		
	(a) Capital Reserve		
	As per last Balance Sheet	53,098,000.00	53,098,000.00
	Closing Balance (A)	53,098,000.00	53,098,000.00
	(b) Profit & Loss Account - As per account annexed		
	As per last Balance Sheet	209,123,357.90	197,455,435.22
	Add-Profit for the year	1,094,824.61	11,667,922.68
		210,218,182.51	209,123,357.90
	Less: Appropriations	-	-
	Closing Balance (B)	210,218,182.51	209,123,357.90
	TOTAL (A+B)	263,316,182.51	262,221,357.90

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note: 4	<u>LONG TERM BORROWINGS :</u>		
	<u>Secured Loans :</u>		
	Term Loan from Bank :		
	Vehicle Loan from ICICI Bank Ltd. (Refer Point No. 4.1.)	3,258,040.10	-
	TOTAL	3,258,040.10	-
4.1.	The Company has taken a secured loan from ICICI Bank .This term loan is against hypothecation of vehicle and carries interest rate @ 9.50% p.a. The Loan from ICICI Bank is repayable in 36 monthly equated installments commencing from 1st Feb, 2016 and ending on 1st Jan, 2019.		

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:5	<u>OTHER LONG TERM LIABILITIES :</u>		
	Security Deposits against Lease Rent	36,139,130.00	20,901,362.00
	TOTAL	36,139,130.00	20,901,362.00

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:6	<u>OTHER CURRENT LIABILITIES :</u>		
	(i) Current Maturities of Long Term Debt		
	Vehicle Loan from ICICI Bank Ltd. (Refer Point No.4.1.)	1,562,054.70	-
	(ii) Other Payables		
	Creditors for Expenses	106,500.00	127,862.00
	Government Dues Payables	5,748.00	281,074.00
	TOTAL	1,674,302.70	408,936.00

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:7	<u>SHORT TERM PROVISIONS :</u>		
	Provision for Current Tax	-	2,468,368.00
	TOTAL	-	2,468,368.00

CARBON SPECIALITIES LIMITED

CARBON SPECIALITIES LTD.										
NOTE:8 FIXED ASSETS										(Amount in Rs.)
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.15	Additions	Transfer	As at 31.03.16	Up To 31.03.15	For the year	Adjustment	Up To 31.03.16	As at 31.03.16	As at 31.03.15
Tangible Assets										
Car Audi Q7	-	9,079,998.00	-	9,079,998.00	-	621,607.00	-	621,607.00	8,458,391.00	-
TOTAL	-	9,079,998.00	-	9,079,998.00	-	621,607.00	-	621,607.00	8,458,391.00	-
PREVIOUS YEAR	-	-	-	-	-	-	-	-	-	-

(Amount in Rs.)

PARTICULARS		As at 31st March 2016	As at 31st March 2015
NOTE 9	DEFERRED TAX ASSET (Net) :		
	Deferred Tax Asset	3,308,469.49	-
	TOTAL	3,308,469.49	-

CARBON SPECIALITIES LIMITED

PARTICULARS		QUANTITY (NOS.)		AMOUNT (in Rs.)	
		AS AT 31.03.2016	AS AT 31.03.2015	AS AT 31.03.2016	AS AT 31.03.2015
10	Non Current Investment (at cost)				
	A. Unquoted - Non Trade				
	Investment in Mutual Funds, Each , Fully paid up				
	Franklin India Prima Fund--Grpwth	3,658.407	3,658.407	2,500,000.00	2,500,000.00
	Axis Treasury Advantage Fund Growth	-	2,431.899	-	2,500,000.00
	IDFC Sterling Equity Fund -Growth	78,827.799	78,827.799	2,500,000.00	2,500,000.00
	Kotak Mid-Cap-Growth	57,271.145	57,271.145	2,500,000.00	2,500,000.00
	UTI Top 100 Fund - Growth	48,996.167	48,996.167	2,500,000.00	2,500,000.00
	Reliance Tax Saver Fund-Growth	59,716.752	59,716.752	2,500,000.00	2,500,000.00
	HSBC Monthly Income Plan Regular Plan Growth	262,310.219	262,310.219	5,000,000.00	5,000,000.00
	Reliance Gold Savings Fund - Growth Plan	439,230.364	439,230.364	5,000,000.00	5,000,000.00
	Reliance Vision Fund-Growth	10,535.403	10,535.403	5,000,000.00	5,000,000.00
	SBI Magnum Equity Fund - Regular Plan - Growth	51,646.597	51,646.597	2,500,000.00	2,500,000.00
	UTI Floating Rate Short Term Plan Growth - 96	4,052.865	4,052.865	6,249,337.00	6,249,337.00
	UTI Floating Rate Fund Short Term Plan Growth	4,882.689	4,882.689	7,500,000.00	7,500,000.00
	TOTAL (A)			43,749,337.00	46,249,337.00
	B. Investment in Property				
	Property at Embassy Prime			102,507,500.00	102,507,500.00
	TOTAL (B)			102,507,500.00	102,507,500.00
	Aggregate Cost	TOTAL (A+B)		146,256,837.00	148,756,837.00

CARBON SPECIALITIES LTD.

(Amount in Rs.)

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:11	<u>LONG TERM LOANS & ADVANCES (Unsecured, Considered Good)</u>		
	Other Loans and Advances pending adjustments.	14,476,120.00	21,476,120.00
	TOTAL	14,476,120.00	21,476,120.00

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:12	<u>INVENTORIES : (At cost, as certified by the management)</u>		
	Trading Items - Mutual Funds	138,154,462.24	153,749,349.29
	TOTAL	138,154,462.24	153,749,349.29

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:13	<u>CASH & CASH EQUIVALENTS :</u>		
	(a) Cash in hand	1,447,867.32	604,272.32
	(b) Balances with Scheduled Banks in Current Accounts	41,356,751.06	10,141,711.15
	TOTAL	42,804,618.38	10,745,983.47

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:14	<u>SHORT TERM LOANS & ADVANCES (Unsecured, Considered Good)</u>		
	Other Loans and Advances		
	Advance Tax & Tax Deducted at Sources	2,397,503.20	4,136,453.14
	Income Tax Refunds Due	4,086,367.00	2,418,277.00
	TOTAL	6,483,870.20	6,554,730.14

PARTICULARS		As at 31st March 2016	As at 31st March 2015
Note:15	<u>OTHER CURRENT ASSETS :</u>		
	Rent Receivable	-	275,004.00
	Advance for Services	17,887.00	15,000.00
	TOTAL	17,887.00	290,004.00

PARTICULARS		Year Ended 31-March 2016	Year Ended 31-March 2015
Note:16	<u>REVENUE FROM OPERATIONS :</u>		
	Sale of Traded Goods - Mutual Funds	21,329,288.51	-
	Lease Rent	23,975,032.00	31,764,531.00
	TOTAL	45,304,320.51	31,764,531.00

CARBON SPECIALITIES LTD.

(Amount in Rs.)

PARTICULARS		Year Ended 31-March 2016	Year Ended 31-March 2015
Note:17	<u>OTHER INCOME :</u>		
	Profit on Sale of Investments	1,304,550.10	-
	Other Income	274,928.00	-
	TOTAL	1,579,478.10	-

PARTICULARS		Year Ended 31-March 2016	Year Ended 31-March 2015
Note:18	<u>CHANGES IN INVENTORIES OF STOCK-IN-TRADE :</u>		
	Opening Stock		
	Trading Items- Mutual Funds	153,749,349.29	153,749,349.29
	Closing Stock		
	Trading Items- Mutual Funds	138,154,462.24	153,749,349.29
	Changes in Inventories of Stock-In-Trade	(15,594,887.05)	-

PARTICULARS		Year Ended 31-March 2016	Year Ended 31-March 2015
Note:19	<u>EMPLOYEE BENEFIT EXPENSES :</u>		
	Salaries to staff	15,072,000.00	72,000.00
	Employer Employee Insurance	17,500,000.00	17,500,000.00
	Staff Welfare Expenses	4,055.00	4,160.00
	TOTAL	32,576,055.00	17,576,160.00

PARTICULARS		Year Ended 31-March 2016	Year Ended 31-March 2015
Note:20	<u>OTHER EXPENSES :</u>		
	Accounting Charges	12,000.00	12,000.00
	Advertisement Expenses	82,710.00	185,284.00
	Auditor's Remuneration	66,125.00	65,550.00
	Bank Charges	1,259.50	-
	Custodial Fees	8,989.00	8,989.00
	General Expenses	1,452.14	4,877.32
	Legal Charges	24,000.00	22,800.00
	Listing Fees	28,625.00	-
	Municipal Taxes	-	1,529,794.00
	Rent	12,000.00	12,000.00
	Interest on TDS	11.00	20.00
	Interest on Car Loan	64,614.80	-
	Interest on Service Tax	108.00	-
	Professional charges	2,000.00	-
	Appeal Fees	1,000.00	10,000.00
	TOTAL	304,894.44	1,851,314.32

CARBON SPECIALITIES LIMITED

Note:21

CONTINGENT LIABILITIES :

As per the management estimate and belief there is no contingent liability as at 31.03.2016 (Previous Year Nil).

Note:22

PAYMENTS TO AUDITORS :

Payments to Auditors :	For the year ended 31.03.2016	For the year ended 31.03.2015
(a) As Auditors	39,675.00	39,330.00
(b) For Tax Consultancy	13,225.00	13,110.00
(c) Other Matters	13,225.00	13,110.00
TOTAL	66,125.00	65,550.00

Note:23

Disclosure regarding quantitative details of traded goods (mutual fund units) is as follows;

PARTICULARS	Quantity For the year ended 31st March, 2016	Quantity For the year ended 31st March, 2015
Shares:		
Stock at the beginning of the year	6,952,864.43	6,952,864.43
Purchase during the year	-	-
Sale during the year	920,753.00	-
Stock at the end of the year	6,032,111.43	6,952,864.43

Note:24

Related Party Disclosures in accordance with the Accounting Standards (AS-18) 'Related Party Disclosure', issued by the Institute of Chartered Accountants of India are as under :

(i) Names of related parties and description of relationship :

(A) Key Management Personnel & their Relatives :

Name of related Parties	Description
(A) Ravindra Pratap Singh	Director, Key Managerial Personnel
(B) Pankaj Kaya	
(C) Prabha Kaya	
(D) Alok Kumar Diwan	
(E) Ravi Kumar	Relative of Key Managerial Personnel.
(F) Kishore Kumar Kaya	

The company has the following transactions with the related parties :

PARTICULARS	As on 31.03.2016	As on 31.03.2015
(F) Kishore Kumar Kaya		
Salary	15,000,000.00	-
TOTAL	15,000,000.00	-

Note:25

The company has identified two reportable segments viz. Investment Business as the primary segment and Trading in units of mutual funds and other securities as the secondary segment. There is no geographical segment within the meaning of Accounting Standard-17 issued by the Institute of Chartered Accountants of India. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segments. Segment assets and segment liabilities represent asset and liabilities in respective segments.

Information about Business Segments :

Primary Segment - Investment Business	Current Year	Previous Year
(A) Segment Revenue		
i) Investment Business	25,279,582.10	31,764,531.00
ii) Trading Business	21,329,288.51	-
iii) Unallocated	274,928.00	-
TOTAL	46,883,798.61	31,764,531.00
(B) Segment Results (Before Taxes)		

CARBON SPECIALITIES LIMITED

ii) Trading Business	(27,768,046.98)	(19,427,474.32)
iii) Unallocated	274,928.00	-
TOTAL	(2,213,644.88)	12,337,056.68
(C) Segment Assets		
i) Investment Business	146,256,837.00	148,756,837.00
ii) Trading Business	210,395,348.82	192,816,186.90
iii) Unallocated	3,308,469.49	-
TOTAL	359,960,655.31	341,573,023.90

CARBON SPECIALITIES LIMITED

Note:26

EARNING PER SHARE :

Earning Per Share :	For the year ended 31.03.2016	For the year ended 31.03.2015
(a) Profit after tax (Profit attributable to Equity Shareholders)	1,094,824.61	11,667,922.68
(b) Weighted average nos. of Equity Shares for Basic / Diluted EPS	5,557,300.00	5,557,300.00
(c) Nominal Value of Equity Share (in Rs.)	10.00	10.00
(d) Basic Earning per Equity Share (in Rs.)	0.20	2.10

Note:27

Consequent to the Accounting Standard-22 on "Accounting for Taxes on Income", the deferred tax asset of Rs. 33,08,469.49 Cr (P.Y NIL) is recognized in the Profit & Loss. Deferred Tax Assets and Liabilities (As shown in the brackets below) comprises of following tax effects:

PARTICULARS	Year Ended 31.03.2016	Year Ended 31.03.2015
Fixed Assets	(18,352.44)	NIL
Unabsorbed Depreciation and Business Loss	3,326,821.93	NIL
	3,308,469.49	NIL

Carried forward long term capital losses has not been taken into consideration while calculating deferred tax asset as there is no virtual certainty that when will the company next earn taxable long term capital gain.

Note:28

In the opinion of the board Current Assests, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business and provisions for all known liabilities are made

Note:29

As per the information available with the company no amount is due to Micro, Small and Medium Enterprise as defined under the Micro, Small and Medium Enterprise Development Act, 2006.

Note:30

Earning in Foreign Currency : NIL

Note:31

Expenditures in Foreign Currency : NIL

Note:32

Balances are subject to confirmation or reconciliation, if any.

Note:33

Gratuity Liability is not provided as none of the employee has completed qualifying period of service.

Note:34

Previous year figures have been regrouped, re-arranged or re-casted wherever considered necessary

AS PER OUR REPORT OF EVEN DATE ATTACHED

For TANDON & MAHENDRA
Firm Regn NO. 003747C
CHARTERED ACCOUNTANTS

For and on behalf of the Board
FOR CARBON SPECIALITIES LIMITED

SAURABH SHUKLA
PARTNER
MEMBERSHIP NO. 405240
PLACE : KANPUR
DATE : 30.05.2016

PANKAJ KAYA
Director
DIN-01279883

PRABHA KAYA
Director
DIN-00326278

CARBON SPECIALITIES LTD.**Notes to Financial Statements****Note:1 SIGNIFICANT ACCOUNTING POLICIES****1.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS****A. SYSTEM OF ACCOUNTING :**

The Accounts are prepared under the historic cost convention on Going concern concept as per the mandatory accounting standards. The Company generally follows mercantile system of accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

B. USE OF ESTIMATES :

The preparation of financial statement in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period . Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

C. CONSISTENCY :

Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 RECOGNITION OF INCOME & EXPENSES:

Revenue is recognized when the significant risks and rewards of ownership of goods have been passed to the buyer. Sales are recognized on the basis of redemptions lodged with the mutual fund asset management companies.

- (i) Operating incomes are exclusive of any rates, taxes and duties payable to government.
- (ii) Dividend income is recognised on receipt basis.
- (iii) Interest income is accounted for on accrual basis.

1.3. FIXED ASSETS

All fixed assets are stated at cost, comprising of purchase price, duty, levies and any direct attributable cost of bringing the assets to their working condition for the intended use but net of cenvat credit availed and net of accumulated depreciation, amortization and impairment losses.

1.4. DEPRECIATION

Depreciation is provided on written down value method on the basis of useful life of the assets in the manner prescribed in Schedule II to the Companies Act, 2013 .

1.5. IMPAIRMENT OF ASSETS:

Impairment is ascertained at each balance Sheet date in respect of cash generating units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing in use the estimated cash flows are discounted to their present values based on an appropriate discount factor.

1.6. INVENTORIES :

Inventories of the company consisting of Mutual Funds are valued by the management at cost of their acquisition.

CARBON SPECIALITIES LTD.

1.7.	<p><u>INVESTMENTS :</u></p> <p>Non Current and Unquoted current investments are stated at cost & quoted current Investments at lower of cost or market value. Provision for diminution in the value of Non Current Investments is made only if such a decline is other than temporary in the opinion of the management.'</p>
1.8.	<p><u>PROVISION FOR TAXATION :</u></p> <p><u>Current Tax:</u></p> <p>Provision is made for income-tax, under the tax payable method, based on the liability as computed after taking credit for allowances and exemptions. Adjustments in books are made only after the completion of the assessment In case of matters under appeal, due to disallowances or otherwise, full provision is made when the said liabilities are accepted by the Company.</p> <p><u>Deffered Tax:</u></p> <p>Consequent to accounting Standard 22- "Accounting for taxes on income the difference that results between the profit offered for income tax and the profit as per the financial statements are identified and thereafter a deffered tax asset or a deffered tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, accumulated timing differences at the end of the accounting period based on prevailing enactad regulations. Deffered tax assets are recognised only if there is reasonable certainty that they will be raised and are reviewed for appropriations of their respective carrying values at each balance sheet date</p>
1.9.	<p><u>PROVISIONS AND CONTINGENCIES :</u></p> <p>The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.</p>
1.10.	<p><u>EARNINGS PER SHARE :</u></p> <p>The Basic and Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year from time to time.</p>
1.11.	<p><u>BORROWING COST :</u></p> <p>Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.</p>
1.12.	<p><u>CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT):</u></p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.</p>

CARBON SPECIALITIES LTD.

1.13.	<u>CASH FLOW STATEMENT:</u> Cash flow are reported using indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.
1.14.	The policies specifically mentioned above are in agreement with the accounting standards issued by the Institute of Chartered Accountants of India

CARBON SPECIALITIES LTD.

PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

Cash Flow Statement For the Year Ended on 31st March, 2016

PARTICULARS	Amount (Rs.) Previous Year	Amount (Rs.) Current Year
<u>A Cash Flow from Operating Activities</u>		
Net Profit Before Tax	(2,213,644.88)	12,337,056.68
Adjustments For:		
Depreciation	621,607.00	-
(Profit)/Loss on sale of investment	(1,304,550.10)	-
Operating Profit before Working Capital Changes	(2,896,587.98)	12,337,056.68
Adjustments For:		
(Increase)/Decrease in Inventories	15,594,887.05	-
(Increase)/Decrease in Long Term Loans & Advances	7,070,859.94	(2,474,474.82)
Increase/ (Decrease) in Other Long term Liabilities	15,237,768.00	-
(Increase)/Decrease in Other Current Assets	272,117.00	-
Increase/ (Decrease) in Other Current Liabilities	1,265,366.70	(9,039,746.00)
Cash Generated from Operations	36,544,410.71	822,835.86
Adjustments For:		
Tax Paid (net of MAT Credit)	(2,468,368.00)	(1,827,466.00)
Net Cash From Operating Activities (A)	34,076,042.71	(1,004,630.14)
<u>B Cash Flow From Investing Activities</u>		
Sale/(Purchase) of Fixed Asset	(9,079,998.00)	-
Sale/(Purchase) of Investments	2,500,000.00	(17,500,000.00)
Profit/(Loss) on Sale of Investments	1,304,550.10	-
Net Cash From Investing Activities (B)	(5,275,447.90)	(17,500,000.00)
<u>C Cash Flow From Financing Activities</u>		
Proceeds from long term borrowings	3,258,040.10	-
Net Cash used in Financing Activities (C)	3,258,040.10	-
Net Increase in Cash & Cash Equivalents (A+B+C)	32,058,634.91	(18,504,630.14)
Cash & Cash Equivalents at the beginning of the year	10,745,983.47	29,250,613.61
Cash & Cash Equivalents at the end of the year	42,804,618.38	10,745,983.47
Notes:(1) Figures in Brackets represents outflows.		
<div> <div>For TANDON & MAHENDRA CHARTERED ACCOUNTANTS Firm Regn NO. 003747C</div> <div>FOR CARBON SPECIALITIES LIMITED</div> </div>		
<div> <div>SAURABH SHUKLA PARTNER MEMBERSHIP NO. 405240 PLACE : KANPUR DATE : 30.05.2016</div> <div> PANKAJ KAYA (Director) DIN-01279883 PRABHA KAYA (Director) DIN-00326278 </div> </div>		

Auditor's Certificate

To,
The Board of Directors,
Carbon Specialities Limited

We have examined the above Cash Flow Statement of M/s. **Carbon Specialities Limited** for the financial year ended on 31st March, 2016. The statement has been prepared by the company in accordance with the requirement of clause 32 of listing agreement entered into with stock exchanges and is based on and in agreement with the corresponding Profit & Loss A/c. and Balance Sheet of the company covered by our Audit Report of 30th May 2016, to the members of the company.

For Tandon & Mahendra
Chartered Accountants

Date : 30.05. 2016.
Place : Kanpur

Saurabh Shukla
(Partner)
Memb.No.405240

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP IN ALL RESPECTS AND HAND IT OVER AT THE
ENTERANCE OF THE MEETING HALL

REGD. FOLIO NO./CLIENT ID	:	-----
DP ID NO.	:	-----
CLIENT ID	:	-----
NO. OF SHARES	:	-----
NAME	:	-----
ADDRESS	:	-----

I hereby certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the Annual General Meeting of the Company to be held on Friday, 30th September, 2016 at 11.00 AM. at the Registered Office of the Company at DOSI BHAWAN PALTAN BAZAR GUWAHATI 781001.

NAME OF THE SHAREHOLDER/PROXY	SIGNATURE OF SHAREHOLDER/PROXY

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65929AS1985PLC002427
Name of the company : CARBON SPECIALITIES LIMITED
Registered office : DOSI BHAWAN PALTAN BAZAR GUWAHATI Golaghat AS 781001 IN

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me and on my behalf at the Annual general meeting of the company, to be held on the 30th day of September 2016 at 11:00 A.M at DOSI BHAWAN PALTAN BAZAR GUWAHATI 781001 IN and at any adjournment thereof in respect of such resolutions as mention in notice of meeting:

Affix
Revenue Stamp

Signed this _____ day of _____ 2016

Signature of shareholder

Signature of Proxy holder(s)

Note:

THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

-----REGISTERED OFFICE-----

Dosi Bhawan, Pal tan Bazar,
Guwahati, Assam - 781001