



ORIENTAL CARBON & CHEMICALS LTD

**37th
Annual Report
2016-17**



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ORIENTAL CARBON & CHEMICALS LIMITED

DIRECTORS

Mr. J.P. Goenka

Chairman

Mr. Arvind Goenka

Managing Director

Mr. Akshat Goenka

Jt. Managing Director

Mr. S.J. Khaitan

Mr. O.P. Dubey

Mr. B.B. Tandon

Mr. K. Raghuraman

Mr. H.S. Shashikumar

(Nominee of Life Insurance Corporation of India)

Mrs. Runa Mukherjee

CHIEF FINANCIAL OFFICER

Mr. Anurag Jain

COMPANY SECRETARY

Mr. Pranab Kumar Maity

STATUTORY AUDITORS

Singhi & Co.

SOLICITORS

Khaitan & Co.

Khaitan & Partners

BANKERS

State Bank of India

Export Import Bank of India

Kotak Mahindra Bank Ltd.

Corporate Identity Number (CIN)-

L24297WB1978PLC031539

WEBSITE

<http://www.occlindia.com>

Investor Relations Email:

investorfeedback@occlindia.com

REGISTERED OFFICE

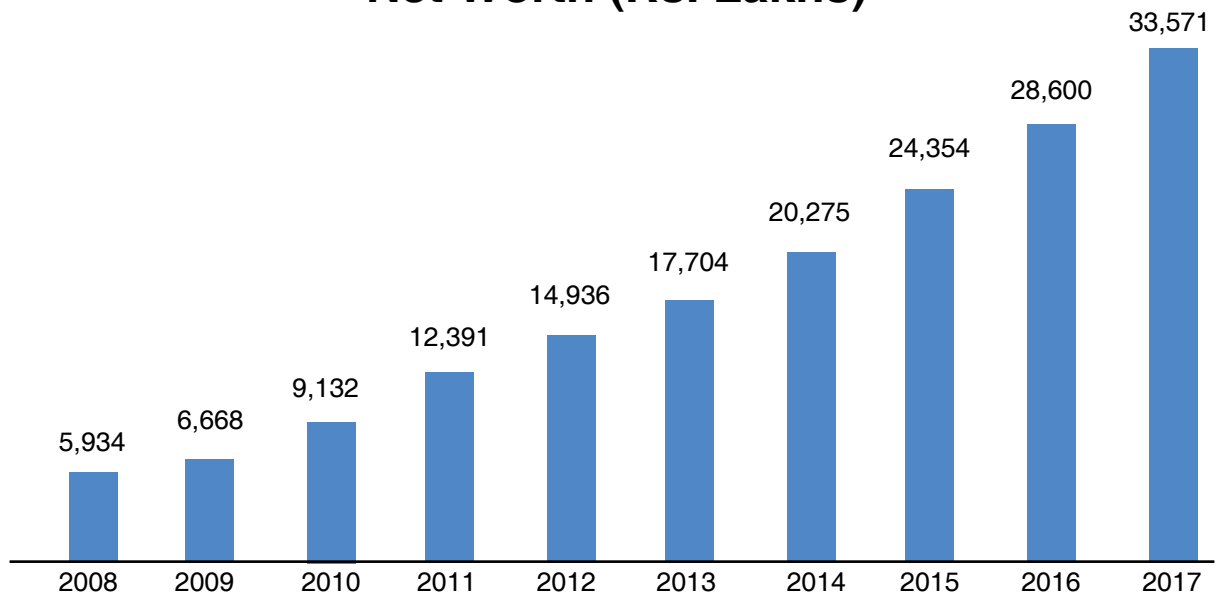
31, Netaji Subhas Road,

Kolkata - 700 001

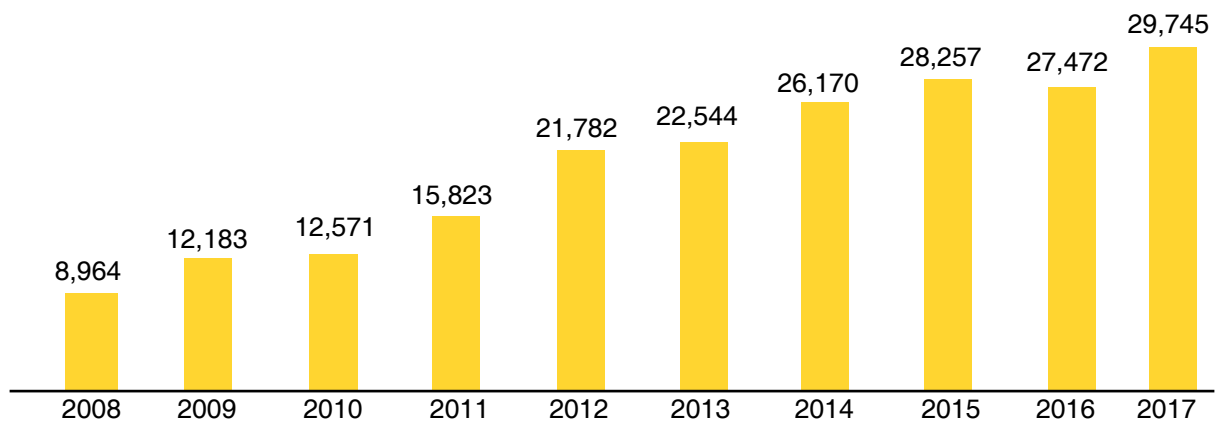
PLANTS

1. Plot 3 & 4, Dharuhera Industrial Estate,
P.O. Dharuhera,
Distt. Rewari - 123 106, Haryana
2. Survey No.141, Paiki of Mouje,
SEZ Mundra, Taluka Mundra,
Distt. Kutch-370 421, Gujarat.

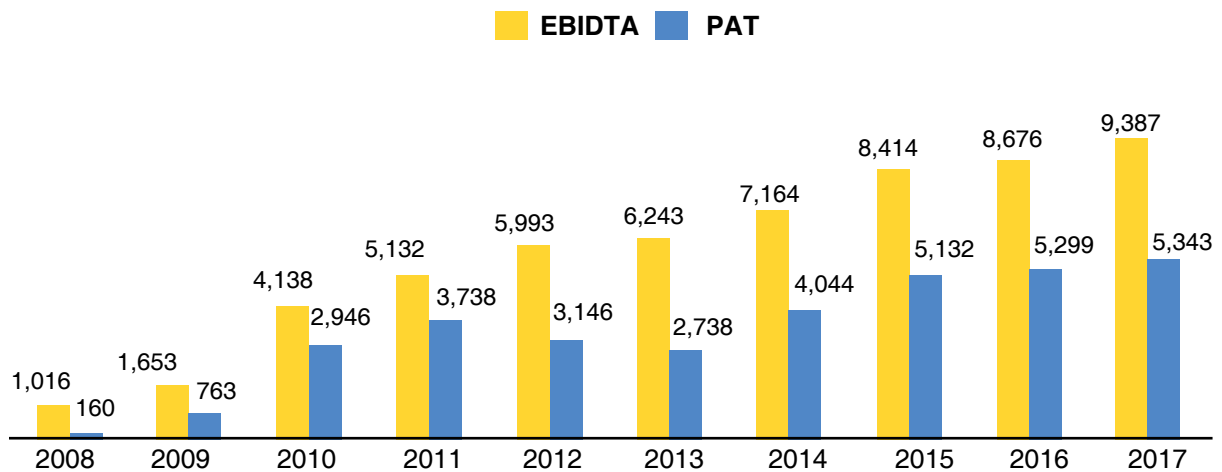
Net Worth (Rs. Lakhs)



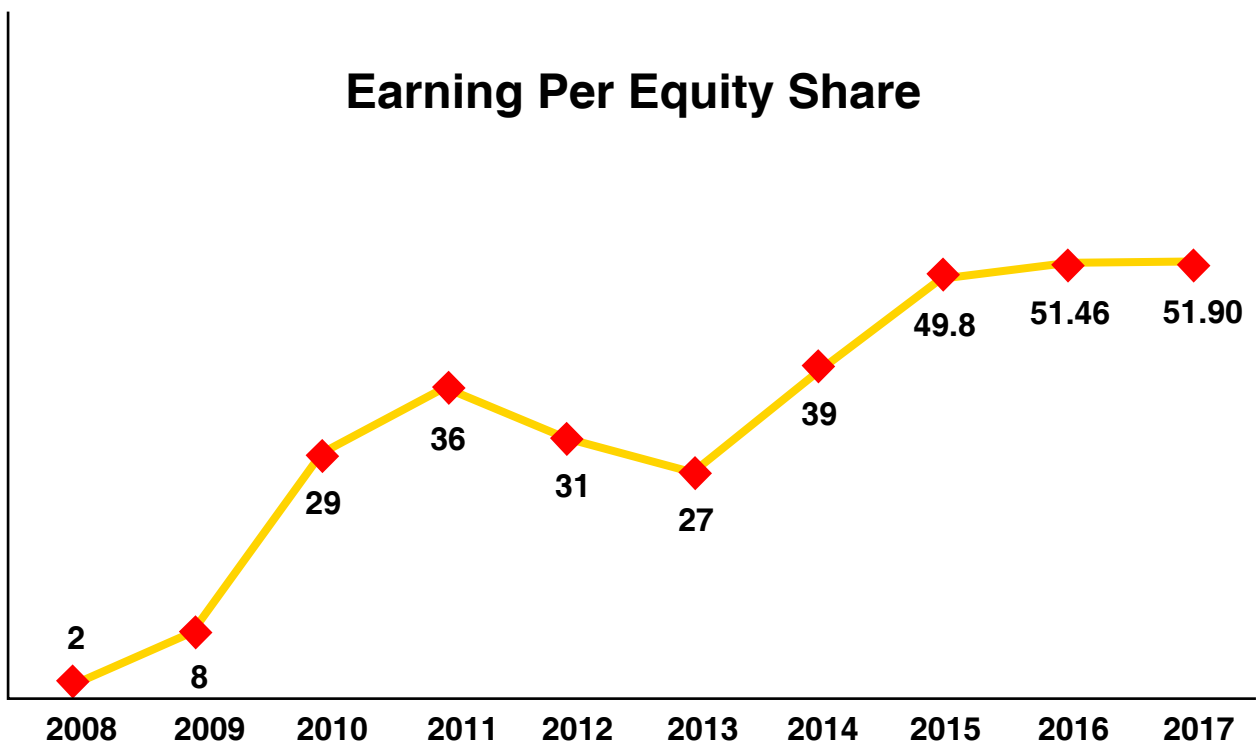
Revenue (Rs. Lakhs)



Profitability (Rs. Lakhs)



Earning Per Equity Share



ORIENTAL CARBON & CHEMICALS LIMITED

Financial Summary for Last 10 Years

(Rs. Lakhs)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Gross Sales	31,062	28,817	29,506	27,283	23,548	22,508	16,419	12,944	12,898	9,667
Net Sales	29,745	27,472	28,257	26,169	22,544	21,782	15,823	12,571	12,183	8,964
PBIDT	9,387	8,676	8,414	7,164	6,243	5,993	5,132	4,138	1,653	1,016
Interest	514	635	810	1,105	1,278	831	269	242	393	328
PBDT	8,873	8,041	7,604	6,059	4,965	5,162	4,863	3,896	1,260	688
Profit Before Tax	7,358	6,476	6,296	5,015	4,004	4,449	4,361	3,427	813	249
Profit After Tax	5,343	5,299	5,132	4,044	2,738	3,146	3,738	2,946	763	160
Dividend %*	100	85	85	70	50	50	40	40	15	5
Fob Value of Export	18,101	16,278	18,058	17,639	14,269	14,006	9,515	7,657	6,430	4,616
Gross Fixed Assets (Including Capital Work in Progress)	42,388	32,498	27,990	27,354	25,977	24,505	17,515	12,172	10,105	9,485
Net Fixed Assets	30,862	22,233	19,175	19,570	19,080	18,464	11,806	7,326	5,721	5,453
Net Current Assets	8,481	4,574	6,225	4,542	3,739	4,077	4,348	4,453	3,960	3,821
Share Capital	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,007
Reserves & Surplus**	32,540	27,569	23,323	19,244	16,043	13,905	11,360	8,101	5,637	4,927
Net Worth	33,571	28,600	24,354	20,275	17,074	14,936	12,391	9,132	6,668	5,934
Deferred Tax Provision	2,905	2,114	2,112	1,844	1,630	641	652	689	639	698
PBIDT Margin % (Over net Sales)	31.56	31.58	29.78	27.38	27.69	27.51	32.43	32.92	13.57	11.33
PBT Margin % (Over Net Sales)	24.74	23.57	22.28	19.16	17.76	20.43	27.56	27.26	6.67	2.78
Debt Equity Ratio	0.19	0.07	0.18	0.31	0.45	0.54	0.33	0.20	0.33	0.42
Earning Per Share for the year (Rs./Share)	51.90	51.46	49.84	39.28	26.60	30.55	36.30	28.61	7.67	1.76
Book Value of Shares (Rs./ Share)	316.67	268.38	227.15	187.99	156.98	136.30	111.66	80.09	66.26	61.96

* Includes Proposed Final Dividend 70% for the Financial Year 2016-17 subject to approval from Shareholders

** Excluding Revaluation Reserve

ORIENTAL CARBON & CHEMICALS LIMITED

NOTICE

NOTICE is hereby given that the Thirty-seventh Annual General Meeting of the Shareholders of the Company will be held at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001 on Friday, the 28th July, 2017 at 10.30 A.M. to transact the following business::

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2017, and Reports of the Directors and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and report of the Auditors thereon.
2. To confirm the interim dividend paid during the year and to declare a final dividend for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mr. J P Goenka (holding DIN 00136782), who retires by rotation and being eligible, offers himself for re-appointment.
4. To pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. S. S. Kothari Mehta & Co., Chartered Accountants, (Registration No.000756N) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every Annual General Meeting) at such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. 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 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. J K Kabra & Co., the Cost Auditors, appointed by the Board of Directors of the Company, for auditing the Cost Accounts of the Company in respect of the products, as applicable, for the year ending March 31, 2018 as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be and is hereby ratified.”
6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the Act and relevant rules prescribed thereunder (including any amendment, statutory modification(s) or reenactment thereof for the time being in force) or any other applicable laws, the consent of the members be and is hereby accorded to authorize Mr. Arvind Goenka, Managing Director, Mr. Akshat Goenka, Jt. Managing Director, Mr. Anurag Jain, Chief Financial Officer and Mr. Pranab Kumar Maity, Company Secretary of the Company to charge from the members such amount as may be deemed fit as an advance amount in lump sum or otherwise against any estimated or actual expenses incurred or to be incurred by the Company from time to time for delivery of the documents to the members in a mode specified by the members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Arvind Goenka, Managing Director, Mr. Anurag Jain, Chief Financial Officer and Mr. Pranab Kumar Maity, Company Secretary of the Company be and are hereby severally authorised to waive such fees from any member(s) (not being related party of the Company) of the Company and to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable from time to time, consent of the Members, be and is hereby accorded to the reclassification of the status of Mr. Shreyans Goenka and Ms. Shreya Goenka holding 24568 (0.24%) and Nil Equity Shares respectively, from the ‘Promoter and Promoter Group’ shareholding of the Company to the ‘Public’ shareholding of the Company.

RESOLVED further that the Board of Directors of the Company, be and is hereby authorized to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper and expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

By order of the Board

Pranab Kumar Maity
Company Secretary

Place: Noida

Date : May 23, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

Notes:

1. **A Member entitled to attend and vote at the Annual General Meeting (the Meeting/AGM) is entitled to appoint a Proxy to attend and vote instead of himself/herself and such Proxy need not be a Member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from July 22, 2017 to July 28, 2017 (both days inclusive).
3. Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrars & Share Transfer Agents before the closure of the Register of Members for transfer registration.
4. The Final Dividend if confirmed at the meeting shall be credited/dispatched on or before August 7, 2017 to those members whose names appear on the Company's register of members on July 21, 2017 or their mandatees. In respect of the shares in electric form, the dividend will be payable on the basis of ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. for this purpose.
5. Members holding shares in dematerialized form should intimate to the concerned Depository Participant(s), the necessary bank account details. Members holding shares in physical form may intimate the Registrar and Share Transfer Agents, the necessary bank details for ECS credit directly to their bank accounts wherever ECS facility is available or for printing of their bank account details on the dividend warrants to prevent possibilities of fraud in encashing the warrants. In case of any change in the bank particulars, the change should be intimated to the Depository Participant(s), (in case of dematerialized shares) and the Registrar and Share Transfer Agents (in case of physical shares), immediately so that the changed particulars may be used for dividend payment.
6. The Final Dividend for the financial year ended 31st March, 2010 and Interim Dividend for the financial year ended 31st March, 2011, which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of Central Government (IEPF) later this year, pursuant to the provisions of Section 124(5) of the Companies Act, 2013. Pursuant to provision of Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Investor Education Protection Fund.
Members, who have not encashed their dividend warrants for the above mentioned dividends are requested to lodge their claims with the Company.
7. The Securities & Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. Members are requested to register their email addresses with the Company or Registrar and Share Transfer Agents of the Company to investorfeedback@occlindia.com or kolkata@linkintime.co.in or with the Depositories for receiving all communication, including Annual Report, Notices and Documents through e-mail instead of physical copy.
9. The Notice of AGM, Annual Report, Attendance Slip and Proxy Form are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copies of the said documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
10. Mr. J P Goenka does not hold by himself or for any other person on beneficial basis, any shares of the Company.
11. Details given under the Corporate Governance Report in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declaration for their appointment/re-appointment.
12. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the AGM is annexed hereto.
13. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
14. The Route Map to the venue of the Meeting is also annexed for the convenience of the Members.
15. **Voting through electronics means:**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management

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and Administration) Rules, 2013, the Company is pleased to provide members facility to exercise their right to vote at 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

Instructions for e-voting are as under:

- (i) The voting period begins on July 25, 2017 (9.00 am) and ends on July 27, 2017 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on July 21, 2017 (the Cut-Off Date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders".
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the default sequence number in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Oriental Carbon & Chemicals Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification

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code and click on Forgot Password & enter the details as prompted by the system.

- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Institutional Shareholders and Custodians
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. You can update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

III. Poll Process at AGM

The voting on the agenda items shall be done by e-voting as well as by Poll. Those who do not exercise the option of e-voting shall be entitled to participate and vote at the Poll to be conducted at the venue of the AGM on the date of the meeting. Ballot Papers will be issued immediately after an announcement in this regard by the Chairman of the meeting and will continue up to 12 Noon or such extended time as may be fixed by the Company. The number of votes will be equivalent to the number of shares held by them as on the Cut-Off Date i.e. July 21, 2017.

- IV. Mr. Sahadeb Rath, a Practising Company Secretary (Membership No. ACS 13298) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting process at AGM in a fair and transparent manner.
- V. The Results shall be declared on and after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.occlindia.com and on the website of CDSL within 24 hours of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

The Board, on recommendation of the Audit Committee, has approved the appointment of the Cost Auditor to conduct the audit of cost records relating to the chemicals manufacture at Dharuhera for the financial year ending March 31, 2018 at a remuneration of Rs.1,35,000/- plus applicable service tax and reimbursement of actual out of pocket expenses. In accordance with the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. The Board recommends the resolution set out at Item No. 5 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No. 6

Pursuant to the provisions of Section 20 of the Companies Act, 2013 read with the rules made thereunder a member may request for delivery of any documents through any particular mode as stated by the member of the Company for which he or she shall pay such fees as may be determined by the company with the consent of its members at Annual General Meeting.

In view of the same, it is considered proper to severally authorize Mr. Arvind Goenka, Managing Director, Mr. Akshat Goenka, Jt. Managing Director, Mr. Anurag Jain, Chief Financial Officer and Mr. Pranab Kumar Maity, Company Secretary of the Company to determine such fee as may be deemed fit as an advance amount in lump sum or otherwise against any estimated or actual expenses incurred or to be incurred by the Company from time to time for delivery of the documents to the members in a mode specified by the members and also to waive off such fees from any member(s) (not being related party of the Company) as they may deem fit.

None of the Directors and Key Managerial Personnel (KMP) or relatives of directors and KMPs are any way concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of the accompanying Notice.

The Board recommends the ordinary resolution set out in Item No.6 of the Notice, for approval by the members.

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Item No. 7

In the disclosures being filed with the Stock Exchanges and other such communication and disclosures as required from time to time, the Promoter and Promoter Group Shareholding in the Company includes the shareholding of Mr. Shreyans Goenka, being 24568 equity shares respectively aggregating to 0.24% of the paid up capital of the Company. Though Mr. Shreyans Goenka and Ms. Shreya Goenka are falling under definition of 'Promoter' and 'Promoter Group' in terms of Regulations 2(1) (za) and 2(1) (zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, respectively, but they have informed their intention to re-classify themselves as Public Shareholders vide their letter dated February 09, 2016 and the Board of Directors of the Company, has duly approved the same.

In accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said reclassification requires the approval of the Stock Exchanges, where the shares of the Company are listed. In terms of the procedure adopted by the Stock Exchanges for granting such approval, the Stock Exchanges, inter alia, require that the Company obtain the consent of the Shareholders of the Company, for the said reclassification. In keeping with the requirement of the Stock Exchanges, the Board recommends the resolution set out at Item No. 7 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. J.P. Goenka, Mr. Arvind Goenka and Mr. Akshat Goenka, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

By order of the Board

Place: Noida
Date: May 23, 2017

Pranab Kumar Maity
Company Secretary

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors hereby present their Thirty Seventh Report along with the Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2017.

Particulars	For the Year ended 31.3.2017	(Rs. Lakhs) For the Year ended 31.3.2016
Net Sales/Income from Operations	2,97,45.16	2,74,71.72
Other Income	6,59.96	5,68.64
Total Revenue	3,04,05.12	2,80,40.36
Profit/(Loss) Before Taxation	73,58.33	64,76.32
Provision for Taxation *	(20,15.10)	(11,77.59)
Profit/(Loss) after Taxation	53,43.23	52,98.73
Amount Available for Appropriation	2,67,72.99	2,24,83.09
Appropriation:		
Interim Dividend on Equity Shares	308.88	3,08.88
Tax on Interim Dividend	62.88	62.88
Proposed Final Dividend on Equity Shares	-	5,66.29
Tax on Proposed Final Dividend	-	1,15.28
Balance Carried to Balance Sheet	2,64,01.23	2,14,29.76

* Including Rs.(7,91.72) Lakhs Deferred Tax (Previous year Rs.2.08 Lakhs). Increase in deferred tax is attributable to the new capacity added at Mundra.

2. DIVIDEND

Your Directors are pleased to recommend Final Dividend of 70% on 10296062 Equity Shares (Rs.7 per share of Rs.10 each) which is subject to the approval of Shareholders in the ensuing Annual General Meeting. The Dividend will absorb Rs.8,67.45 Lakhs (inclusive of Dividend Tax of Rs.1,46.72 Lakhs). With this, the total dividend for the year including interim dividend of 30% comes to 100%.

3. OPERATIONS

Insoluble Sulphur

During the year the Company registered a growth of about 9% in Insoluble Sulphur Sales. The growth was achieved consequent to commissioning of the new line at Mundra SEZ in December 2016. The additional sales were mainly on account of increase in domestic demand and export mainly due to new geographies added. The sales volume growth was in double digit in both the markets. Average Sales Realisation was lower during the year due to reduction in Raw Material Prices. However, there was an improvement in margin over last year on account of better capacity utilization. The first phase (5500MTPA) of Expansion of Insoluble Sulphur at Mundra, Gujarat was completed during the year and commercial production was started on 20th December, 2016.

Sulphuric Acid & Oleum

Sulphuric Acid margin were better than the previous year resulting in better profitability. However sales were lower due to lower production on account of maintenance issues in the plant. Steam, produced as a byproduct, was supplied to Insoluble Sulphur Plants resulting in fuel savings.

FUTURE PROSPECTS

Insoluble Sulphur

Growth in global tyre Industry, after a period of lull, has started picking up. Many Tyre companies are working on expanding their capacities. This will add to growth in demand of Insoluble sulphur. Growth numbers are also expected to be healthy as Tyre companies where we have full approvals and good standing are also expanding.

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Other growth driver is the new compounds being designed for Ultra High Performance Tyres where requirement of Insoluble sulphur is on the higher side. This will add further to the growth of Insoluble sulphur, consumption globally. Our product is accepted and is suitable for such new age applications.

We have successfully opened up newer markets like China and USA. The response for the Company's products has been good and there is sufficient head room for growth in those markets. These markets are expected to be our major growth drivers.

The Company has also been able to get approvals from couple of new Tyre customers. This along with new geographies apart from adding to the sales numbers will also help to mitigate risks.

The work on second phase of capacity expansion of Insoluble Sulphur at its Mundra Plant is under progress and expected to be commissioned on schedule in second quarter of 2018-19.

Sulphuric Acid & Oleum

Sulphuric Acid Plant performance is expected to be profitable in next year also due to stable market as monsoon have been forecasted to be normal resulting in better fertilizer demand for which Sulphuric Acid is a raw material.

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an established internal control system including Internal Financial Controls designed to ensure proper recording of financial and operational information, compliance of various internal controls and other regulatory and statutory compliances. Self-certification exercise is also conducted by which senior management certifies effectiveness of the internal control system of the Company. Internal Audit is conducted throughout the organization by qualified outside Internal Auditors. Findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls including internal financial control of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

5. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the year. The Company has only one subsidiary, namely Duncan Engineering Ltd (formerly known as Schrader Duncan Limited). The name of the Subsidiary has been changed during the year as per agreed terms at the time of acquisition. One production line of this subsidiary producing tyre tube valves was closed during the year.

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2017 and the date of this report.

6. RESEARCH & DEVELOPMENT

Research & Development is fundamental to the Company's efforts to maintain the technical and quality edge for the product. A full in-house Research & Development team works on continuous basis to improve the quality of product and its properties. New Grades are also being developed to meet customers varied requirements. Research in the areas of reducing utility cost and process parameters improvement is also being done. Help of accredited independent laboratories is also taken as and when required for studying and evolving critical parameters.

The Company's Research and Development Facility is approved by Department of Scientific and Industrial Research, Ministry of Science and Technology Government of India.

The R&D lab is regularly augmented by acquiring state of the art analytical and process equipments to help in faster and detailed analysis. Further, pilot plants, as required, are being set up to validate the research findings. The details of some specific R&D activities carried out and benefits derived out of them have been annexed to this report.

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

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Report.

8. POLLUTION CONTROL

Your Company's Plants have all the requisite Pollution Control Equipments and meets all the desired and statutory norms in this regard. The Insoluble Sulphur Units of the Company enjoys ISO-TS 16949:2009, EMS14001-2004 and OHSAS18001:2007 Certification.

ORIENTAL CARBON & CHEMICALS LIMITED

9. STATUTORY AUDITORS AND AUDIT REPORT

Messrs Singhi & Co., Chartered Accountants, were appointed as Auditors of the Company for tenure of three years i.e. from the conclusion of 34th Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company.

Pursuant to Sec 139 of Companies Act, 2013 Messrs Singhi & Co are not eligible for reappointment as Statutory Auditors of the Company.

M/s SS Kothari Mehta & Co has given its consent to be appointed as Statutory Auditor of the Company with effect from Financial Year 2017-18. The Board of Directors has evaluated the same and found them suitable and recommend that they may be appointed as Statutory Auditors of the Company for five years as per terms of the Companies Act, 2013.

However, this appointment is subject to ratification by members at every Annual General Meeting held after appointment during their tenure of office. The Auditors have confirmed their eligibility and qualification under Section 141 of Companies Act, 2013.

As regards the comments in the Auditors' Report, if any, the relevant notes in the Accounts are self-explanatory and may be treated as information/ explanation submitted by the Board as contemplated under provisions of the Companies Act, 2013.

10. SECRETARIAL AUDIT

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, a Secretarial Audit was conducted during the year by Secretarial Auditors M/s. S. Rath & Company. The Secretarial Auditor's Report is attached as annexure and form part of this report. There are no qualifications or observations or remarks made by the Secretarial Auditors in their Audit Report.

11. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company relating to insoluble Sulphur plants located at Dharuhera, Haryana is required to be audited. Your Board had, on recommendation of the Audit Committee, appointed Messrs J K Kabra & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 2016-17. The Cost Audit Report for the year ended 31st March, 2016 has been submitted to the Ministry of Corporate Affairs within stipulated time period.

Messrs J K Kabra & Co., Cost Accountants has been appointed as Cost Auditor of the Company by the Board on recommendation of the Audit Committee to carry out the requisite cost audit for the financial year 2017-18 on a remuneration of Rs1.35 lakhs. As required under the Companies Act, 2013, the remuneration payable to Cost Auditors is required to be placed before the members in a General Meeting for their ratification. Accordingly, a Resolution seeking member's ratification for remuneration payable to Messrs J K Kabra & Co., Cost Auditors is included at item no. 5 of the Notice convening the Annual General Meeting.

12. PUBLIC DEPOSITS

Fixed Deposits from public outstanding with your Company at the end of the financial year stood at Rs. 4,94,35,000/-. Of this, a deposit of Rs.10,000/- which had fallen due for payment on 7th May, 2003 was claimed by the depositor on 5th May, 2010 but the same could not be paid as the depositor has failed to produce the Original Deposit Receipt. This apart, deposits amounting to Rs.12,95,000/- though fallen due for payment, could not be settled as there is dispute between the concerned joint depositors and the matter is sub-judice. Deposits aggregating to Rs.3,68,000/- due for repayment on or before 31st March, 2017 were not claimed by the depositors by the said date. Out of these, deposits aggregating to Rs. 90,000/- have since been claimed and settled.

13. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of your Director's knowledge and belief and according to the information and explanations obtained, your Directors make the following statements in terms of section 134 (3)(c) of the Companies Act, 2013:

- i) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period.
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance

ORIENTAL CARBON & CHEMICALS LIMITED

with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that proper financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

14. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company consists of Mr. O P Dubey as Chairman, Mr. B B Tandon, Mr. S J Khaitan and Mr. Akshat Goenka as Members. The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer and Auditors are permanent invitees to the committee meetings. The detail of terms of reference of Audit Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them are given separately in the attached Corporate Governance Report. Your Company has a well structured Internal Audit System commensurate with its size and operations. During the year there were no instances where the board had not accepted the recommendations of the Audit Committee.

15. STAKE HOLDER'S RELATIONSHIP COMMITTEE

The Company has a Stake Holder's Relationship Committee for reviewing Shareholders/Investors complaints. The present members of this Committee are Mr. J P Goenka (Chairman), Mr. Arvind Goenka (Member) and Mr. S J Khaitan (Member). The detail of number and dates of meetings held, attendance of the Directors and remunerations paid to them are given separately in the attached Corporate Governance Report.

16. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has Mr. S J Khaitan as Chairman, Mr. K Raghuraman and Mr. Arvind Goenka as members. The detail of terms of reference, number and dates of meetings held, attendance of the Directors and remunerations paid to them are given separately in the attached Corporate Governance Report.

The Company recognizes that an effective practice of CSR is required giving due consideration to the welfare of the community, environment and social structure that it operates in and that of the country including focus welfare areas identified by the State and Central Governments. The CSR Committee of the Company has laid down the policy to meet the Corporate Social Responsibility objectives of the Company.

The CSR Policy includes activities prescribed as CSR activity as per the Rules of Companies Act, 2013. The main Focus areas taken in the policy are Education, Health care and family welfare, Environmental Safety, contribution to any relief fund setup by the Government of India and any State Government.

Rs.119 Lakhs were spent on CSR activities and projects undertaken during the year the details of which are given in the annexure to this Reports.

The detailed CSR policy of the Company is available on the website of the Company which is www.occlindia.com.

17. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has Mr. O P Dubey as Chairman, Mr. B B Tandon and Mr. K Raghuraman as members. The detail of terms of reference of this Committee, number and dates of meetings held attendance of the directors and remunerations paid to them and the brief outline of the Remuneration policy of the Company are given separately in the attached Corporate Governance Report.

The approved Remuneration Policy of the Company is also available on the website of the Company which is www.occlindia.com.

18. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report. The Independent Directors are regularly updated on industry & market trends, plant process, and operational performance of the Company etc through presentations in this regard and periodic plant visits. They are also periodically kept aware of the latest developments in Corporate Governance, their duties as directors and relevant laws.

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19. DIRECTORS

Mr. J P Goenka retires by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for re-appointment.

Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. S J Khaitan, Mr. K. Raghuraman, Mrs. Runa Mukherjee are Independent Directors of the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

20. PARTICULARS OF EMPLOYEES AND KEY MANAGERIAL PERSONNEL (KMP)

The following four persons are the Key Managerial Personnel of the Company as per the provisions of Sec 203 of the Companies Act, 2013.

- a) Mr. Arvind Goenka, Managing Director
- b) Mr. Akshat Goenka, Jt. Managing Director
- c) Mr. Anurag Jain, Chief Financial Officer
- d) Mr. Pranab Maity, Company Secretary

Pursuant to Sec 134(3) (q) read with Rule 5 of Companies (appointment and Remuneration of Managerial Personnel) Rules 2014, The Remuneration and other details of Key Managerial Personnel and other Employees for the year ended March 2017 are annexed to this report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial Statements.

22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large. All related party transactions are placed before the Audit Committee and given in the notes annexed to and forming part of this Financial Statement. The approved policy on Related Party Transactions is also available on the website of the Company www.occlindia.com.

23. SUBSIDIARY

The Company has only one subsidiary, namely Duncan Engineering Ltd (formerly known as Schrader Duncan Limited). The name of the Subsidiary has been changed during the year as per agreed terms at the time of acquisition. A Statement in Form AOC -1 containing the salient features of the Subsidiary Companies is attached to the Financial Statements in a separate section and forms part of this Report. The separate audited accounts of the Subsidiary Companies are available on the website of the Company.

The Company's subsidiary registered a turnover of Rs 37,73.31 lakh during the current Financial Year against Rs 64,00.39 Lakhs during FY 2015-16. The Subsidiary also reported a loss of Rs 5,88.98 lakhs (Previous Year Rs.6,07.42 lakhs). During the year the loss making Tyre Tube Valve business was discontinued. The above loss includes the cost of closer and impairment of assets on account thereof. The Management is now concentrating on the engineering division.

During the year Mr. Akshat Goenka, Jt. Managing Director of the Company was appointed as Managing Director of the Subsidiary.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Consolidated Financial Statements prepared by the Company in this Report include the financial results of the subsidiary company duly audited by the Statutory Auditors. The said statements have been prepared in accordance with the relevant accounting standards as prescribed under the Companies Act, 2013.

The Company does not have any material subsidiary in the immediately preceding accounting year. However, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI has made it mandatory for all listed companies to formulate a policy for determining 'material' subsidiaries. Accordingly, a policy on 'material' subsidiaries was formulated by the Audit Committee of the Board of Directors and same is also posted on the website of the Company and may be accessed at the link <http://www.occlindia.com/policies.htm>

24. VIGIL MACHANISM POLICY

The Company has a Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

ORIENTAL CARBON & CHEMICALS LIMITED

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed to this report.

26. FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

No case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the period under review, there were no significant and material orders passed by any regulator / court / tribunal impacting the going concern status and the Company's operations in future.

29. RISK MANAGEMENT

As a policy The Company has identified key risk concern/areas. The assessment of each risk area is done on quarterly basis. Following are the main concern/ risk related to the Company:

Market Related Risk: mainly demand, realisation and redundancy of the product.

Production related Risk: mainly availability of inputs, accident or break down in the plant and rejection of material by the customers.

Human Resources Risk includes the risk of labour unrest, high employee turnover ratio and lower productivity due to dissatisfaction of employees.

Revenue Risk: adverse exchange rate movement. Govt. Policies and duty rates

Data and records: data loss, fire and Virus attack etc.

A Risk Management committee has been formed for the purpose of evaluation of Risks. The Board and the Audit Committee also takes note of Risk management of the Company in every quarter.

The Risk Assessment is also discussed in the Management Discussion and Analysis attached to this report.

30. NUMBER OF MEETINGS OF THE BOARD

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

31. CORPORATE GOVERNANCE

a) As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion & Analysis, a Report on Corporate Governance together with the Auditors' certificate regarding the Compliance of conditions of Corporate Governance forms part of the Annual Report.

b) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for all its Board members and senior management personnel which have also been posted on the website of the Company. A certificate by the Managing Director regarding compliance of the code of conduct of the Company is also included in the Annual report.

32. ACKNOWLEDGMENTS

The Board places on record its appreciation of the support and assistance of various Banks, Government Agencies, Suppliers, valued Customers and the shareholders in particular and looks forward to their continued support. Relations between your Company and its employees remain cordial and the Directors wish to express their appreciation for the co-operation and dedication of all employees of the Company.

On behalf of the Board of Directors

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 228441

ORIENTAL CARBON & CHEMICALS LIMITED

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

I. CONSERVATION OF ENERGY

- (a) Energy Conservation Measures taken:
- Sulphuric Acid Plant de-bottlenecked to meet 100% steam requirement of Insoluble Sulphur plants at Dharuhera through utilisation of excess steam generated in Sulphuric Acid Plant by installing High Pressure Waste Heat Boiler.
 - Recycling of condensate for steam generation implemented.
 - Motors of lower rating & high efficiency as per requirements are being used.
 - Improvement in Heat transfer through optimisation of equipments.
 - Provision of VFD in various pumps etc.
 - Coal Fire Boiler was Commissioned on 1st April'2016, since then the Steam to Fuel ratio has been optimised to reach consistent value.
 - Installed New Model Steam traps to Control Steam Losses.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
- Utilisation of waste Hot air from one process in other processes.
 - Optimisation of Chilling unit through various means.
 - resizing (optimisation) of vacuum pumps.
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
- The above measures have helped in the conservation of energy reducing environmental footprint and optimising the cost of production.
 - Surplus Steam available for meeting 100% requirement of Insoluble Sulphur Plants at Dharuhera.
- (d) Total energy consumption and energy consumption per unit of production:

FORM-A

Form for disclosure of particulars with respect to conservation of energy.

A. POWER AND FUEL CONSUMPTION

1. Electricity

		Current year	Previous year
(a) Purchased Units	(KWH)	30,391,095	28,846,814
Total Amount	(Rs. in Lakhs)	2,028.32	2002.40
Rate/ Unit	(Rs.)	6.67	6.94
(b) Own generation			
(i) Through Diesel Generator			
Units	(KWH)	1,551,442	1,704,994
Units/Ltr. of Diesel	(KWH)	3.47	3.54
Cost/Unit	(Rs.)	10.99	10.99

2. Coal (For Steam Generation for Captive consumption)

Quantity	(Tonnes)	7,256	-
Total cost	(Rs. in Lakhs)	355.89	-
Average Rate	(Rs.)	4,904.72	-

3. Furnace Oil /HSD

Quantity	(Ltrs)	2,833,311	2,082,025
Total cost	(Rs. in Lakhs)	938.46	675.82
Average Rate	(Rs.)	33.12	32.46

4. Other / Internal Generation (Steam)

Quantity	(MT)	84,073	78,407
Total Cost	(Rs. in Lakhs)	699.34	659.64
Rate/ Unit	(Rs.)	831.83	841.31

B. CONSUMPTION PER UNIT OF PRODUCTION (MT)

Products		Standards if any		
(a) Sulphuric Acid				
Electricity	(in Units)	N.A.	37	36
(b) Oleum				
Electricity	(in Units)	N.A.	71	76

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(c) Insoluble Sulphur

(i) Electricity	(in Units)	N.A.	1284	1331
(ii) HSD	(in Ltrs)	N.A.	88	74
(iii) Others-Steam	(in MT)	N.A.	4	4

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

1. Research & Development

- (i) Specific area in which R&D carried out by the Company : 1. Improvement in stability of Insoluble Sulphur
2. Improvement in dispersion of Insoluble Sulphur
3. Introduction of new grades in collaboration with Customers
4. Process Improvement to minimise rejection and optimisation of energy cost and consumption norms.
5. Development of New Grades specific to customer requirements
- (ii) Benefits derived as a result of the above R&D : Loyalty of existing customers coupled with enlistment of new quality-conscious customers, value addition in products, edge over competitors, and better control over qualitative deviations, control over cost
- (iii) Future plan of action : 1. Commercialisation of pre-dispersed Insoluble Sulphur.
2. Process Side research for optimisation of various production parameters and costs.
3. The Company has a in-house R&D unit which has been recognised by Ministry of Science & Technology, Department of Scientific & Industrial Research. The R&D Unit is being augmented through acquisition of state of art analytical and process equipments.
4. Development of New High Dispersion Grades.
- (iv) Expenditure on R&D (Rs. in Lakhs)
- | | |
|--|---------|
| (a) Capital | : 2.56 |
| (b) Recurring | : 86.91 |
| (c) Total | : 89.47 |
| (d) Total R&D expenditure as a percentage of net turnover. | : 0.30% |

2. Technology absorption, adaptation and innovation:

- : Production optimisation and innovation in the field of developing new and improved offerings, savings in consumption ratios and utilities

III. FOREIGN EXCHANGE EARNING AND OUTGO

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans. : The Company registered a growth of 11.77% by value in exports. Exports constituted 69.69% of total Insoluble Sulphur sales during the year by value.
- (b) Total foreign exchange used and earned (Rs. in lakhs)
- | | |
|------------|--------------|
| (i) Earned | : 1,81,01.45 |
| (ii) Used | : 1,149.53 |

On behalf of the Board of Directors

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 228441

ORIENTAL CARBON & CHEMICALS LIMITED

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

I.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ;	Mr. J.P Goenka- 7:10 Mr. Arvind Goenka 333:10 Mr. B.B Tandon- 22:10 Mr. K Raghuraman- 18:10 Mr. O.P Dubey- 22:10 Mr. S.J Khaitan- 31:10 Mr. H S Shashikumar-9:10 Mr Akshat Goenka- 299:10 Mrs Runa Mukherjee- 13:10
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year ;	Directors: Mr. J.P Goenka – 12.5% Mr.Arvind Goenka- 10% Mr.B.B Tandon- NIL Mr. K Raghuraman- NIL Mr. O.P Dubey- NIL Mr. S.J Khaitan- (2.4%) Mr. H Shashikumar NIL Mr. Akshat Goenka 25% * Mrs.Run Mukherjee-NIL Key Managerial Personnel Mr.Arvind Goenka-10% Mr. Akshat Goenka- 25% Mr. Anurag Jain- 13% Mr. Pranab Maity- 17% *Mr Akshat Goenka was appointed as Jt. Managing Director on 1st June 2016, Percentage increase on annualised basis is 12%.
III.	The percentage increase in the median remuneration of employees in the financial year;	21%
IV.	The number of permanent employees on the rolls of Company;	416 employees as on 31/03/2017
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non managerial employees was 17% Increase in managerial remuneration was 18% The increase in managerial remuneration reflects the contribution of MD and JMD in steering the Company to a growth path and is commensurate with the industry standards. Average salary reflects average increase of all employees who have contributed to a varying degree to the growth of the Company.
VI.	The key parameters for any variable component of remuneration availed by the directors;	Managing Director and Jt. Managing Director are entitled to performance linked bonus. All other directors are also entitled to Commission based on the performance of the Company in addition to the sitting fees.
VII.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended March 31, 2017 is as per the remuneration policy of the Company.

On behalf of the Board of Directors

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director

O.P. Dubey
Director

ORIENTAL CARBON & CHEMICALS LIMITED

PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

Sl. No.	Name	Designation & Nature of Duties	Remuneration (Rs.)	Qualification & Total Service Experience (Years)	Age (Years)	Date of Commencement of Employment	Last employment held before joining the Company	
							Company	Designation
(A) EMPLOYED THROUGHOUT THE YEAR								
1	Goenka Arvind	Managing Director	17,322,069	B.Com (31)	54	01.10.2009	Duncan International India Ltd.	Vice President
2	Goenka Akshat	Joint Managing Director	15,581,833	Graduate in Economics (6)	29	01.01.2010	NA	NA
3	Jain Anurag	Chief Financial Officer	11,970,450	B.Sc (26)	50	01.10.1990	NA	NA
4	Chandak O.P*	Corporate Advisor	4,221,500	B.Com(H) & LLB (56)	72	01.07.2014	NA	Consultant
5	Sabarwal Vijay	President (operations)	7,712,312	BE (Mech) (26)	51	20.10.2014	Subros Ltd	Sr. Vice President
6	Almeida D Antony	Sr.Vice President (F&A)	6,108,390	M.Com (44)	65	01.05.1991	Swan Mills Ltd	Manager
7	Batta K Muneesh	Vice President (Marketing)	5,691,260	MIB, BA (23)	47	14.05.1997	Usha International (India)Ltd.	Dy.Manager
8	Gupta Alok	General Manager (Works)	3,055,605	MSc (25)	54	15.12.1992	IFFCO	Process Controller
9	Goel Chetan	General Manager (Purchase)	3,576,241	B.E (Mech), MBA (PMIT) (27)	50	23.08.2010	Indo Gulf Fertilizer	General Manager
10	Pathak D Govind	General Manager (Technical)	3,569,628	B.Tech (Chem) (23)	45	12.08.2013	Continental Carbon India Ltd.	General Manager

* Retired on 31/12/2016

NOTES:

- 1 Remuneration has been calculated on the basis of Section 198 of the Companies Act, 2013 and includes expenditure incurred by the Company on salary and for provision of benefits to the employees, excluding actuarial valuation of Retirement Benefits.
- 2 The nature of employment is contractual in case of Directors and Permanent for all other employees.
- 3 Mr. Arvind Goenka is related to Mr. J.P. Goenka (Chairman) and Mr Akshat Goenka (Jt Managing Director).
- 4 Mr. Akshat Goenka is related to Mr. Arvind Goenka, (Managing Director) and Mr. J.P. Goenka (Chairman).

On behalf of the Board of Directors

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 228441

ORIENTAL CARBON & CHEMICALS LIMITED

ANNEXURE TO DIRECTORS' REPORT REPORT ON CSR ACTIVITIES/INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

As per the requirement of the Companies Act 2013, Corporate Social Policy was drafted by the Company.

The Corporate Social Responsibility Committee has the following members:-

Mr. Suman J Khaitan	Chairman
Mr. Arvind Goenka	Member
Mr. K Raghuraman	Member

As per the approved CSR policy, following focus areas were identified:

Education, Health care and Family welfare, Environmental Safety, Contribution to Govt Funds any activity that may be prescribed as CSR activity as per the Rules of Companies Act 2013

Based on the Average Net profit for last three financial years the budgeted CSR expenditure for the FY 2016-17 was Rs 118.6 lakhs

The manner in which the amount has been spent during Financial Year, is detailed below:

Sr. No.	CSR project/ Activity Identified	Sector in which the Project is covered	Projects/Programmes 1. Local area/other - 2. specify the state/ district (Name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ pro- gramme wise	Amount spent on the project/programme Sub-heads: 1. Direct expenditure on project/programme. 2. Overheads (in 'Rs.) Direct:	Cumula- tive spend upto to the reporting period (in 'Rs.)	Amount spent: Direct/through implementing agency*
1	Construction of Toilets, renovation of School/College Building.	Promoting Education/ Sanitation/Health Care	In the State of Haryana		119,405	119,405	OCCL CSR Trust
2	Expenses on Govt School Adopted in Rewari	Promoting Education/ Sanitation/Health Care	Rewari, Haryana		315,497	434,902	OCCL CSR Trust
3	Donation for Education to under privi- ledged Children	Promoting Education	New Delhi		100,000	534,902	OCCL CSR Trust
4	Financial Assistance for Poor and Needy for Education, Health Care and construc- tion of houses	Promoting Education/ Sanitation/Health Care	In the state of Haryana, Rajasthan, West Bengal and Delhi		1,705,184	2,240,086	OCCL CSR Trust
5	Construction of School Building	Promoting Education	Mundra, Gujarat		800,000	3,040,086	OCCL CSR Trust
6	Construction of Hospital Building	Health Care	Mundra, Gujarat		90,000	3,130,086	OCCL CSR Trust
7	Mid Day Meal	Promoting Education	Program Run by Akshay Patra Foundation		250,000	3,380,086	Direct
8	Construction and renovation of School College Building/Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Ram Chander Goenka Charitable Trust in the state of Rajasthan		3,500,000	6,880,086	Direct
9	Construction and renovation of School/College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Oriental Foundation.		1,000,000	7,880,086	Direct
10	Providing Financial Assistance for Purchase of Computer at School	Promoting Education	School at Rewari Haryana		501,500	8,381,586	OCCL CSR Trust
11	Administrative cost				342,000	8,723,586	OCCL CSR Trust
12	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program run by OCCL CSR Trust in the state of Gujarat, Haryana, Delhi etc		3,176,414	11,900,000	OCCL CSR Trust

On behalf of the Board of Directors

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 228441

ORIENTAL CARBON & CHEMICALS LIMITED

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017**

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24297WB1978PLC031539
2.	Registration Date	19 th June, 1978
3.	Name of the Company	ORIENTAL CARBON & CHEMICALS LIMITED
4.	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	31, Netaji Subhas Road, Kolkata – 700 001 Phone: +91 33 22306831-34; Fax: +91 33 22434772 Email: investorfeedback@occlindia.com; Website: www.occlindia.com
6.	Whether listed company	Yes. Listed on National Stock Exchange of India Ltd, BSE Ltd. and The Calcutta Stock Exchange Ltd.
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Link Intime India Pvt. Ltd. 59C, Chowringhee Road, 3 rd Floor, Kolkata – 700 020 Phone: +91 33 22890540; Fax: +91 33 22890539 Email: Kolkata@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Insoluble Sulphur	2802	93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1	Duncan Engineering Ltd.	L28991PN1961PLC139151	Subsidiary	50.01%	2(87)(ii)

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-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	532068	-	532068	5.17	432068	-	432068	4.20	(0.97)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4723175	-	4723175	45.87	4723175	-	4723175	45.87	-
e) Banks / FI	-	-	-	-	-	-	-	-	-

ORIENTAL CARBON & CHEMICALS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	5255243	-	5255243	51.04	5155243	-	5155243	50.07	(0.97)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	693773	1450	695223	6.75	1217252	-	1217252	11.82	5.07
b) Banks / FI	-	1680	1680	0.02	1510	2430	3940	0.04	0.02
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	665908	50	665958	6.47	665908	-	665908	6.47	-
g) FIIs/FPIs	-	-	-	-	105711	-	105711	1.03	1.03
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1359681	3180	1362861	13.24	1990381	2430	1994261	19.38	6.12
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	574029	2027	576056	5.60	475023	2777	477800	4.64	(0.96)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1750660	479448	2236108	21.72	1672879	467207	2140086	20.79	(0.93)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	568105	-	568108	5.52	306948	-	306948	2.98	(2.54)
c) Others (specify)									
Non Resident Indians	96889	33259	130148	1.26	110707	31559	142266	1.38	0.12
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	17756	-	17756	0.17	12648	-	12648	0.12	(0.05)

ORIENTAL CARBON & CHEMICALS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trusts	100	-	100	-	100	-	100	-	-
HUFs	145601	-	145601	1.41	67240	-	67240	0.65	(0.76)
Market Maker	4084	-	4084	0.04	920	-	920	0.01	(0.03)
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	3157224	520734	3677958	35.72	2646465	501543	3148008	30.57	(5.15)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	4516905	523914	5040819	48.96	4636846	503973	5140819	49.93	0.97
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9772148	523914	10296062	100.00	9792089	503973	10296062	100.00	-

B) Shareholding of Promoters-

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Aparna Goenka	275816	2.68	-	200000	1.94	-	(0.74)
2	Mr. Arvind Goenka	156252	1.52	-	107500	1.04	-	(0.48)
3	Mr. Akshat Goenka	100000	0.97	-	100000	0.97	-	-
4	Mr.Shreyans Goenka*	-	-	-	24568	0.24	-	0.24
5	Cosmopolitan Investments Ltd.	1904528	18.50	-	1904528	18.50	-	-
6	New India Investment Corporation Ltd.	1202136	11.67	-	1202136	11.67	-	-
7	Haldia Investment Company Ltd.	591895	5.75	-	591895	5.75	-	-
8	Duncan International (India) Ltd.	994616	9.66	-	994616	9.66	-	-
9	Disciplined Investments Ltd.	30000	0.29	-	30000	0.29	-	-
	TOTAL	5255243	51.04	-	5155243	50.07	-	(0.97)

*The Company has made an application to Stock Exchanges for declassification of Mr. Shreyans Goenka as Promoter of the Company on 15.02.2016, which is under consideration of Stock Exchanges.

ORIENTAL CARBON & CHEMICALS LIMITED
C) Change in Promoter's Shareholding (please specify, if there is no change)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the Year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	Cosmopolitan Investments Ltd	1904528	18.4976	-	-	1904528	18.4976
	At the end of the year			-	-	1904528	18.4976
2	New India Investment Corporation Ltd	1202136	11.6757	-	-	1202136	11.6757
	At the end of the year			-	-	1202136	11.6757
3	Duncan International (India) Ltd	994616	9.6602	-	-	994616	9.6602
	At the end of the year			-	-	994616	9.6602
4	Haldia Investment Co Ltd	591895	5.7488	-	-	591895	5.7488
	At the end of the year			-	-	591895	5.7488
5	Aparna Goenka	275816	2.6788			275816	2.6788
	Transfer			08 Apr 2016	(75816)	200000	1.9425
	At the end of the year					200000	1.9425
6	Arvind Goenka	156252	1.5176			156252	1.5176
	Transfer			08 Apr 2016	(56252)	100000	0.9712
	Transfer			30 Dec 2016	7500	107500	1.0441
	At the end of the year					107500	1.0441
7	Akshat Goenka	100000	0.9712	-	-	100000	0.9712
	At the end of the year			-	-	100000	0.9712
8	Disciplined Investments Limited	30000	0.2914	-	-	30000	0.2914
	At the end of the year			-	-	30000	0.2914
9	Shreyans Goenka	-	-			0	0.0000
	Transfer			08 Apr 2016	132068	132068	1.2827
	Transfer			30 Dec 2016	(7500)	124568	1.2099
	Transfer			24 Feb 2017	(100000)	24568	0.2386
	At the end of the year					24568	0.2386

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of shares held	% of total shares of the Company	Date of Transaction	No. of Shares	No of shares held	% of total shares of the Company
1	HDFC TRUSTEE COMPANY LTD	275000	2.6709			275000	2.6709
	Transfer			24 Jun 2016	25000	300000	2.9137
	Transfer			15 Jul 2016	11800	311800	3.0283
	Transfer			22 Jul 2016	17634	329434	3.1996
	Transfer			29 Jul 2016	48400	377834	3.6697
	Transfer			26 Aug 2016	185000	562834	5.4665
	Transfer			18 Nov 2016	5010	567844	5.5152
	Transfer			16 Dec 2016	491	568335	5.5199
	Transfer			13 Jan 2017	26111	594446	5.7735
	Transfer			20 Jan 2017	2889	597335	5.8016
	Transfer			03 Mar 2017	100000	697335	6.7728
	AT THE END OF THE YEAR					697335	6.7728

ORIENTAL CARBON & CHEMICALS LIMITED

2	L & T MUTUAL FUND TRUST-EE LTD	414173	4.0226			414173	4.0226
	Transfer			08 Apr 2016	4000	418173	4.0615
	Transfer			15 Apr 2016	2918	421091	4.0898
	Transfer			22 Apr 2016	5000	426091	4.1384
	Transfer			29 Apr 2016	2000	428091	4.1578
	Transfer			06 May 2016	2000	430091	4.1772
	Transfer			13 May 2016	3000	433091	4.2064
	Transfer			20 May 2016	4000	437091	4.2452
	Transfer			27 May 2016	1000	438091	4.2549
	Transfer			03 Jun 2016	10998	449089	4.3618
	Transfer			17 Jun 2016	3000	452089	4.3909
	Transfer			24 Jun 2016	(58000)	394089	3.8276
	Transfer			08 Jul 2016	(28148)	365941	3.5542
	Transfer			15 Jul 2016	(70000)	295941	2.8743
	Transfer			05 Aug 2016	52056	347997	3.3799
	Transfer			12 Aug 2016	5000	352997	3.4285
	Transfer			19 Aug 2016	3220	356217	3.4597
	Transfer			16 Sep 2016	1664	357881	3.4759
	Transfer			30 Sep 2016	6000	363881	3.5342
	Transfer			07 Oct 2016	10000	373881	3.6313
	Transfer			21 Oct 2016	11573	385454	3.7437
	Transfer			11 Nov 2016	4421	389875	3.7866
	Transfer			18 Nov 2016	10000	399875	3.8838
	Transfer			25 Nov 2016	7000	406875	3.9518
	Transfer			02 Dec 2016	6000	412875	4.0100
	Transfer			09 Dec 2016	4000	416875	4.0489
	Transfer			16 Dec 2016	2000	418875	4.0683
	Transfer			23 Dec 2016	2874	421749	4.0962
	Transfer			27 Jan 2017	3141	424890	4.1267
	Transfer			03 Feb 2017	1000	425890	4.1364
	Transfer			10 Feb 2017	1239	427129	4.1485
	Transfer			03 Mar 2017	2065	429194	4.1685
	Transfer			10 Mar 2017	3000	432194	4.1977
	Transfer			31 Mar 2017	983	433177	4.2072
	AT THE END OF THE YEAR					433177	4.2072
3	LIFE INSURANCE CORPORATION OF INDIA	368668	3.5807			368668	3.5807
	AT THE END OF THE YEAR					368668	3.5807
4	GENERAL INSURANCE CORPORATION OF INDIA	297240	2.8869			297240	2.8869
	AT THE END OF THE YEAR					297240	2.8869

ORIENTAL CARBON & CHEMICALS LIMITED

5	WINNOW INVESTMENTS AND SECURITIES PRIVATE LIMITED	272664	2.6482			272664	2.6482
	Transfer			17 Jun 2016	563	273227	2.6537
	Transfer			30 Jun 2016	(792)	272435	2.6460
	Transfer			01 Jul 2016	(588)	271847	2.6403
	Transfer			15 Jul 2016	(15443)	256404	2.4903
	AT THE END OF THE YEAR					256404	2.4903
6	SUBRAMANIAN P	0	0.0000			0	0.0000
	Transfer			14 Oct 2016	126230	126230	1.2260
	Transfer			28 Oct 2016	(880)	125350	1.2175
	Transfer			11 Nov 2016	(450)	124900	1.2131
	Transfer			02 Dec 2016	(681)	124219	1.2065
	Transfer			09 Dec 2016	(219)	124000	1.2043
	Transfer			30 Dec 2016	(450)	123550	1.2000
	Transfer			03 Feb 2017	(550)	123000	1.1946
	Transfer			03 Mar 2017	(480)	122520	1.1900
	Transfer			10 Mar 2017	(270)	122250	1.1873
	Transfer			17 Mar 2017	(50)	122200	1.1869
	Transfer			24 Mar 2017	(660)	121540	1.1805
	Transfer			31 Mar 2017	(24)	121516	1.1802
	AT THE END OF THE YEAR					121516	1.1802
7	THE PABRAI INVESTMENT FUND IV, LP	0	0.0000			0	0.0000
	Transfer			24 Jun 2016	24816	24816	0.2410
	Transfer			30 Jun 2016	12139	36955	0.3589
	Transfer			08 Jul 2016	34408	71363	0.6931
	Transfer			15 Jul 2016	27236	98599	0.9576
	Transfer			22 Jul 2016	48	98647	0.9581
	AT THE END OF THE YEAR					98647	0.9581
8	DSP BLACKROCK 3 YEARS CLOSE ENDED EQUITY FUND	0	0.0000			0	0.0000
	Transfer			05 Aug 2016	27177	27177	0.2640
	Transfer			12 Aug 2016	1545	28722	0.2790
	Transfer			19 Aug 2016	8403	37125	0.3606
	Transfer			16 Sep 2016	9847	46972	0.4562
	Transfer			23 Sep 2016	6819	53791	0.5224
	Transfer			30 Sep 2016	18903	72694	0.7060
	Transfer			07 Oct 2016	20	72714	0.7062
	Transfer			21 Oct 2016	7	72721	0.7063
	Transfer			18 Nov 2016	21	72742	0.7065
	Transfer			25 Nov 2016	9398	82140	0.7978
	AT THE END OF THE YEAR					82140	0.7978
9	DEVABHAKTUNI KRISHNA KUMARI	55044	0.5346			55044	0.5346
	AT THE END OF THE YEAR					55044	0.5346

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10	NEETA MANOJ RUPAREL	48172	0.4679			48172	0.4679
	Transfer			01 Apr 2016	(70)	48102	0.4672
	Transfer			08 Apr 2016	(792)	47310	0.4595
	Transfer			15 Apr 2016	66	47376	0.4601
	Transfer			22 Apr 2016	571	47947	0.4657
	Transfer			29 Apr 2016	(250)	47697	0.4633
	Transfer			06 May 2016	315	48012	0.4663
	Transfer			13 May 2016	(786)	47226	0.4587
	Transfer			20 May 2016	732	47958	0.4658
	Transfer			10 Jun 2016	118	48076	0.4669
	Transfer			24 Jun 2016	(99)	47977	0.4660
	Transfer			15 Jul 2016	159	48136	0.4675
	Transfer			22 Jul 2016	640	48776	0.4737
	Transfer			29 Jul 2016	(398)	48378	0.4699
	Transfer			05 Aug 2016	(133)	48245	0.4686
	Transfer			16 Sep 2016	190	48435	0.4704
	Transfer			14 Oct 2016	(299)	48136	0.4675
	Transfer			21 Oct 2016	575	48711	0.4731
	Transfer			18 Nov 2016	289	49000	0.4759
	Transfer			25 Nov 2016	(75)	48925	0.4752
	Transfer			02 Dec 2016	(24)	48901	0.4749
	Transfer			16 Dec 2016	99	49000	0.4759
	Transfer			30 Dec 2016	292	49292	0.4787
	Transfer			06 Jan 2017	(200)	49092	0.4768
	Transfer			13 Jan 2017	(1)	49091	0.4768
	Transfer			20 Jan 2017	(201)	48890	0.4748
	Transfer			03 Feb 2017	(100)	48790	0.4739
	Transfer			10 Feb 2017	(290)	48500	0.4711
	Transfer			31 Mar 2017	(1100)	47400	0.4604
	AT THE END OF THE YEAR					47400	0.4604
11	ANIL KUMAR GOEL	158000	1.5346			158000	1.5346
	Transfer			06 May 2016	5000	163000	1.5831
	Transfer			27 May 2016	2000	165000	1.6026
	Transfer			19 Aug 2016	(102400)	62600	0.6080
	Transfer			26 Aug 2016	(4300)	58300	0.5662
	Transfer			02 Sep 2016	(2300)	56000	0.5439
	Transfer			28 Oct 2016	(1334)	54666	0.5309
	Transfer			18 Nov 2016	(1666)	53000	0.5148
	Transfer			03 Feb 2017	(650)	52350	0.5084
	Transfer			10 Feb 2017	(2350)	50000	0.4856
	Transfer			03 Mar 2017	(3000)	47000	0.4565
	Transfer			10 Mar 2017	(12)	46988	0.4564
	AT THE END OF THE YEAR					46988	0.4564

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12	SEEMA GOEL	81000	0.7867			81000	0.7867
	Transfer			13 May 2016	1566	82566	0.8019
	Transfer			27 May 2016	434	83000	0.8061
	Transfer			12 Aug 2016	(1000)	82000	0.7964
	Transfer			19 Aug 2016	(80000)	2000	0.0194
	AT THE END OF THE YEAR					2000	0.0194
13	SANGEETHA S	117340	1.1397			117340	1.1397
	Transfer			14 Oct 2016	(117340)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
14	SURESH BHATIA	68300	0.6634			68300	0.6634
	Transfer			24 Jun 2016	(35000)	33300	0.3234
	Transfer			01 Jul 2016	(4596)	28704	0.2788
	Transfer			08 Jul 2016	(19108)	9596	0.0932
	Transfer			22 Jul 2016	(9596)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

E) Shareholding of Directors and Key Managerial Personnel:

S No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Arvind Goenka, Managing Director				
	At the beginning of the year	156252	1.52		
	Changes during the year			(48752)	(0.48)
	At the end of the year			107500	1.04
2.	Mr. Akshat Goenka, Jt. Managing Director				
	At the beginning of the year	100000	0.97		
	Changes during the year	No Change			
	At the end of the year			100000	0.97
3.	Mr. Anurag Jain, CFO				
	At the beginning of the year	2475	0.23		
	Changes during the year	No Change			
	At the end of the year			2475	0.023
4.	Mr. Pranab Kumar Maity, Company Secretary				
	At the beginning of the year	Nil	Nil		
	Changes during the year	No Change			
	At the end of the year			Nil	Nil

ORIENTAL CARBON & CHEMICALS LIMITED

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

	Secured Loans excluding deposits	Unsecured Loans	Unsecured Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	678,357,657	-	49,481,000	727,838,657
ii) Interest due but not paid	-	-	2,982,361	2,982,361
iii) Interest accrued but not due	2,770,098	-	-	2,770,098
Total (i+ii+iii)	681,127,755	-	52,463,361	733,591,116
Change in Indebtedness during the financial year				
* Addition (PRINCIPAL)	561,016,025	-	-	561,016,025
* Reduction (PRINCIPAL)	299,118,488	-	46,000	299,164,488
Net Change	261,897,537	-	46,000	261,851,537
Indebtedness at the end of the financial year				
i) Principal Amount	940,255,194	-	49,435,000	989,690,194
ii) Interest due but not paid	-	-	5,501,447	5,501,447
iii) Interest accrued but not due	6,060,319	-	-	6,060,319
Total (i+ii+iii)	946,315,514	-	54,936,447	1,001,251,961

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S No.	Particulars of Remuneration	Name of Managing Director	Name of the WTD (Jt Managing Director)	Total Amount (Rs.)
		Mr. Arvind Goenka	Mr. Akshat Goenka	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.1,72,82,469/-	Rs.1,55,42,233/-	Rs.3,28,24,702/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.39,600/-	Rs.39,600/-	Rs.79,200/-
	(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)	Rs.1,73,22,069/-	Rs.1,55,81,833/-	Rs.3,29,03,902/-
	Ceiling as per the Act			Rs.7,35,83,292/-

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B. REMUNERATION TO OTHER DIRECTORS

S No.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Mr. J P Goenka	Mr. B B Tandon	Mr. K Raghuraman	Mr. S J Khaitan	Mr. O P Dubey	Mrs. Runa Mukherjee	Mr. H.S. Shashikumar (LIC Nominee)	
1.	Independent Directors								
	Fee for attending board & committee meetings		2,90,000	2,30,000	4,00,000	2,90,000	1,70,000	-	13,80,000
	Commission		8,70,000	6,90,000	12,00,000	8,70,000	5,10,000	-	41,40,000
	Others, please specify								
	Total (1)		11,60,000	9,20,000	16,00,000	11,60,000	6,80,000	-	55,20,000
2.	Other Non-Executive Directors								
	Fee for attending board & committee meetings	90,000	-	-	-	-	-	1,20,000	2,10,000
	Commission	2,70,000	-	-	-	-	-	3,60,000	6,30,000
	Others, please specify								
	Total (2)	3,60,000	-	-	-	-	-	4,80,000	8,40,000
	Total (B)=(1+2)	3,60,000	11,60,000	9,20,000	16,00,000	11,60,000	6,80,000	4,80,000	63,60,000
	Total Managerial Remuneration (A)+ (B)								3,92,63,902
	Overall Ceiling as per the Act								8,09,41,621

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	16,07,380	1,19,23,000	1,35,30,380
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	-	47,450	47,450
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA			
2	Stock Option	NA			
3	Sweat Equity	NA			
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total		16,07,380	1,19,70,450	1,35,77,830

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

On behalf of the Board of Directors

Place : Noida
Date : May 23, 2017

Arvind Goenka
Managing Director
DIN-00135653

O P Dubey
Director
DIN-228441

ORIENTAL CARBON & CHEMICALS LIMITED

ANNEXURE TO DIRECTORS REPORT MANAGEMENT DISCUSSION AND ANALYSIS

The Core business of the Company is manufacturing and sales of Insoluble Sulphur, a vulcanizing agent used in the rubber industry. The Company also manufactures Sulphuric Acid and Oleum. Your Company is a global supplier of Insoluble Sulphur and about two third of the turnover of your Company is from exports.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Insoluble Sulphur

Global demand of Insoluble Sulphur is estimated to be 2,77,000 Mtpa as per Notch Report. Out of the above, about 77,000 Mtpa demand is in China and 37,000 Mtpa demand is in America. Out of the 77,000 Mtpa demand in China, about 50% is for the globally accepted quality of the product which is manufactured by three Companies in the world including your Company. Therefore, the demand for quality Insoluble Sulphur may be estimated at about 2,38,000 Mtpa. The current demand of Insoluble Sulphur in India is estimated at 16000 Mtpa. This is expected to continue to grow in double digits on the back of the following factors:

1. Growth in radialisation of Commercial Vehicle tyres which is currently at about one third of the total demand of CV Tyres.
2. India emerging as a hub for exports of tyres.
3. New Capacities being set up in India for Tyre manufacturing by international players such as Bridgestone, Michelin and Yokohama as well as domestic players to cater to international market also.
4. More Insoluble Sulphur is consumed in High performance tyres and new tyre technologies

The Insoluble Sulphur industry consists of three players who manufacture internationally acceptable Insoluble Sulphur including Your Company. One of the companies is a global Multinational having multi location plants. This player dominates the international Insoluble Sulphur Market. The other player and your Company are then similarly placed. However, Your Company's Geographical footprint is wide and encompasses all continents. Other than above, there are a few Chinese manufacturers who are also in the business of Insoluble Sulphur, but they are yet to find global acceptance. The gap in quality over the other Chinese suppliers is being maintained by constant endeavor to increase the quality parameters of our product and by introducing customer specific products. During the year, Sales realisation from Insoluble Sulphur was adjusted for sustained lower prices of Raw Materials and fuels in the international as well as domestic markets. However, the pmt contribution remained unaffected and on expected lines.

The 3rd line of Insoluble Sulphur (Phase I of expansion) at Mundra was successfully commissioned in December 2016 and work on the 4th line (Phase II of expansion) was started during the year.

The Company has made inroads in the American Markets and, therefore, is hopeful of operating the new addition in capacities at optimum level in the coming year. This should result in further optimization of input costs. The Company is also working continuously to reduce its carbon footprint by reducing utility consumption through process optimization etc

Sulphuric Acid and Oleum

Sulphuric Acid sales were satisfactory during the year with expected levels of sales realisation and quantity being achieved. Oleum sales remained stable constrained by limited consumers. However, there was a good demand of Battery Grade Sulphuric Acid which added to the overall performance of the division.

The Industry situation remains the same with one dominant manufacturer, for whom, Sulphuric Acid is a by-product, controlling the market. The demand for Sulphuric Acid remained normal this year. The Demand is expected to be good in the coming year due to expected normal monsoon and thereby good production of fertilisers where Sulphuric Acid finds use.

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

Opportunities and Outlook:

The Outlook for future growth in global demand is about 3- 4% per annum. The growth in Domestic market is expected to be significantly higher for reasons elaborated earlier.

The production of tyres globally is shifting to more environmentally friendly tyres and lighter tyres. This will require consumption of more Insoluble Sulphur per tyre. Therefore, dosage of Insoluble Sulphur as a percentage of rubber is increasing.

Your Company's efforts to enter North American and Chinese markets have also born fruit due to which The Company is confident of selling production from expansion.

The demand in Domestic market is still not at the level of similar developed economies and therefore significant opportunity for growth lies in India on back of growth in production as well as improving tyre quality.

Goods and Services Tax (GST)

The GST is expected to come into vogue from July 2017. Your Company has a road map to prepare for the significant change in indirect taxation system in India. Your Company does not anticipate any adverse impact due to GST. GST presents an opportunity for the business to become more efficient and hence add value to the operations of your Company.

Threats, Risks, Concerns:

The threats and risks to the business of the Company may be in the following areas:

Demand and Sales Realisation:

The Demand of Insoluble Sulphur Market is linked with total tyre production globally. The growth is coming in from production of more Radial Tyres, high performance and safety tyres and capacity addition by Tyre companies. Therefore, the threat of reduction in demand shall be significant only if global tyre demand falls significantly. Further, redundancy of the product is not expected as long as tyre is made from rubber.

New technologies being introduced in Tyre manufacturing are resulting in growth in consumption.

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The Company is always in the process of broad basing its supplies in terms of customers as well as geographies. Sales realization may also be affected through exchange rate fluctuation or overall reduction in raw material and commodity prices. The Company safeguards itself through hedging its Foreign exchange exposure as per its policy in this regard from fluctuations and in the latter case, even though realisations may come down, there should be no impact on contributions and margins.

Quality

The product of your Company meets the international quality parameters. With increasing usage of Insoluble Sulphur per tyre, dispersion as a property has become crucial. Your Company is well positioned to meet the future challenges in this regard.

Production and Input Material Related Risks:

Raw material supplies are ensured through maintaining multiple vendors and adequate stocks. Sufficient back up of utilities are maintained to ensure continuous supply. Due emphasis is laid on safety and preventive maintenance to avoid unnecessary interruptions.

Other than the above, the Company also engages with its customers closely to understand its requirements, any change therein, or issues, if any, with the product.

Your Company has a motivated and dedicated team of employees and also has in place safety and environmental systems and rigorous preventive and predictive maintenance system. This helps in mitigating production related risks.

Competition:

Competition is a risk as well as opportunity. The Risk of competition from new manufacturers, mainly from China, is met through continuous product and process improvement to maintain quality and cost advantage over them and through collaborative efforts with tyre companies to see that their requirements are met. Further, high technology barrier coupled with exhaustive approval processes of tyre manufacturers acts as a deterrent for entry of new manufacturers.

The Company endeavors to be at the forefront of quality and innovation through its laboratory base, process and collaborative research efforts which also focuses on streamlining and optimizing production process and input costs.

PERFORMANCE OF THE COMPANY

During the year, your Company achieved a Profit Before Tax of Rs.73,58.32 lakhs and Earnings Before Interest Depreciation and Tax of Rs.93,87.28 lakhs. Net Profit increased from Rs 52,98.73 Lakhs to Rs.53,43.23 Lakhs.

HUMAN RESOURCES

The Company has, under its employment, 416 officers and workmen as on 31st March, 2017.

Increase in value of Human Capital through development of individual and collective skills and knowledge is essential to any Company for its continuous growth. This is more so in an industry like Insoluble Sulphur where continuous research and development is required in order to stay abreast of market expectations. Your Company implements in house programs for skill development and updation of competency of its employees on a continuous basis. Programmes for sharing and internalisation of knowledge within the Company are also carried out. Employees are also sent to suitable outside programs to keep them abreast of the latest developments in the industry and economy.

During the year, the 3 year wages agreement with the workforce at Dharuhera was concluded successfully and amicably.

Your Company lays great emphasis on building a motivated work force, which can participate constructively in the growth of the Company. Innovative ideas are regularly received from the officers and staff of the Company, many of which were implemented for improvement in areas of quality, safety, cost savings and increased productivity.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Information

- i. Fixed Assets: The Gross Capital Assets stood at Rs 4,23,88 lakhs as at 31st March 2017 against Rs.3,24,98 lakhs as at 31st March 2016. (including Project under implementation)
- ii. Inventory: The inventory at the end of the current year stood at Rs.32,19 lakhs against Rs. 38,67 lakhs at the end of previous year.
- iii. Sundry Debtors: Sundry debtors at the end of the year stood at Rs.72,56 lakhs against Rs.48,05 lakhs at the end of previous year (net of bill discounting).

Results of Operations

	(Rupees, Lakhs)	
	<u>2016-2017</u>	<u>2015-2016</u>
Income from Operations (Net of Excise)	2,97,45.15	2,74,71.72
Other Income	6,59.96	5,68.64
Total Income	3,04,05.11	2,80,40.36
Profit before Interest, Depreciation and Tax	93,87.29	86,76.12
Profit before Tax	73,58.33	64,76.32
Profit after Tax for the current year	53,43.23	52,98.73

Your Company continues to take steps to optimise costs of production which contributed to the profitability of the Company. The cost saving exercise is an ongoing one with emphasis on savings in energy consumption and cost, and reduction of wastes.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

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ANNEXURE TO DIRECTORS REPORT REPORT ON CORPORATE GOVERNANCE

Your Company's Annual Report on Corporate Governance for the year ended March 31, 2017, is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

BOARD OF DIRECTORS

Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Chairman of the Board of Directors is a Non-Executive Director and as at March 31, 2017, the Company has 9 Directors out of which 4 are Non-Independent including 1 Nominee Director representing LIC of India as equity investor and 5, comprising of more than one half of the Board strength, are Independent Directors. All the Directors are eminent professionals with experience in Business, Industry, Finance and Law. The necessary disclosures regarding other Directorships and committee memberships have been made by all the Directors.

The composition of the Board satisfies the requirement of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Number of Meetings held and Attendance of Directors during the Financial Year 2016-17

During the financial year ended March 31, 2017, four (4) Board Meetings were held on May 30, 2016, July 22, 2016, November 04, 2016 and February 14, 2017. The gap between two meetings is within 120 days.

The composition of Board of the Company and directors' attendance at the board meetings during the year under review and at last Annual General Meeting and also number of other Boards or Board Committee in which the directors are members/ chairperson as on March 31, 2017 are as follows:

Name of Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at Last AGM held on July 22, 2016	No. of Directorships held (excluding**)	Committee Memberships# (excluding**)	
		Held	Attended			Chairman	Member
Mr. J P Goenka (DIN:00136782)	Non-Executive Chairman-Promoter Director	4	2	No	3	2	-
Mr. Arvind Goenka (DIN:00136653)	Managing Director & CEO – Promoter Director	4	4	Yes	3	-	1
Mr. Akshat Goenka (DIN:07131982)	Jt. Managing Director – Promoter Director	4	4	Yes	2	-	1
Mr. O P Dubey (DIN:00228441)	Non-Executive-Independent Director	4	4	Yes	2	2	1
Mr. B B Tandon (DIN:00740511)	Non-Executive-Independent Director	4	4	Yes	9	2	6
Mr. S J Khaitan (DIN:00023370)	Non-Executive-Independent Director	4	4	Yes	5	3	4
Mr. K Raghuraman (DIN:00320507)	Non-Executive-Independent Director	4	4	Yes	8	3	4
Mr. H S Shashikumar (DIN:06674954)	Non-Executive-Nominee Director	4	4	Yes	1	-	-
Mrs. Runa Mukherjee (DIN: 02792569)	Non-Executive-Independent Director	4	4	Yes	2	-	1

**Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Only two committee viz. The Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

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None of the Directors held Directorship in more than 10 (ten) Public Limited Companies and/or were members of more than 10 (ten) committees or acted as Chairperson of more than 5 (five) committees across all Public Limited Companies in which they were Directors.

Information to the Board

Necessary information as required under applicable provisions of, the Companies Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and Secretarial Standards (“SS-1”) and other applicable laws, rules and regulations were placed and discussed at the Board Meetings.

Independent Directors

The tenure of the Independent Directors is in accordance with Companies Act, 2013.

None of the Independent Directors has any material pecuniary relationship with the Company, its subsidiary, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, commission, reimbursement of expenses incurred for attending the Board/Committee meetings. All the Independent Directors have satisfied the criteria/conditions of independence as laid down in Regulation 16(1)(b) of SEBI Listing Regulations.

The Independent Directors are apprised at the Board Meetings and Committee Meetings on the Company operations, market shares, governance, internal control process and other relevant matters inclusive of presentations and programmes with regard to strategy, operations and functions of the Company including important developments in various business divisions and new initiatives undertaken by the Company. The familiarisation programme for Independent Directors is available on the Company’s website (<http://www.occlindia.com>).

As per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of SEBI Listing Regulations, 1 (one) separate meeting of Independent Directors was held on February 14, 2017 without attendance of Non-Independent Directors and the members of the management. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timelines of flow of information between the Company management and the Board.

Disclosure of Relationships between Directors inter-se

Name of the Directors	Category of Directorships	Relationship between directors
Mr. J P Goenka	Non-Executive Chairman -Promoter Director	Mr. Arvind Goenka (Son) and Mr. Akshat Goenka (Grandson)
Mr. Arvind Goenka	Managing Director & CEO -Promoter Director	Mr. J P Goenka (Father) and Mr. Akshat Goenka (Son)
Mr. Akshat Goenka	Jt. Managing Director -Promoter Director	Mr. J P Goenka (Grandfather) and Mr. Arvind Goenka (Father)
Mr. O P Dubey	Non-Executive Independent Director	None
Mr. B B Tandon	Non-Executive Independent Director	None
Mr. S J Khaitan	Non-Executive Independent Director	None
Mr. K Raghuraman	Non-Executive Independent Director	None
Mr. H S Shashikumar	Non-Executive-Nominee Director	None
Mrs. Runa Mukherjee	Non-Executive Independent Director	None

Shareholding of Non-Executive Director(s)

As on March 31, 2017, none of the Non-executive directors was holding any shares or convertible instruments in the Company

Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company’s website. A declaration from the Managing Director that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2017 forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

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CEO/CFO Certificate

The aforesaid certificate duly signed by the Managing Director and CFO in respect of the financial year ended March 31, 2017 has been placed before the Board.

AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee. All members of the Committees are financially literate and at least one member possesses accounting and financial management expertise. The Managing Director, CFO, the Statutory Auditors, Cost Auditors and Internal Auditors are permanent invitees to the Committee meetings. The Terms of Reference of the Committee include the powers stipulated in Regulation 18(2)(c), the role of the Audit Committee and review of information pursuant to Regulation 18(3) of the SEBI Listing Regulations. The terms of reference also confirm to the requirements of Section 177 of the Companies Act, 2013.

Composition

As on March 31, 2017, the Audit Committee of the Company comprises of four Directors i.e. three Non-Executive Independent Directors and one Executive – Promoter Director.

Name of the Committee Members	Designation
Mr. O P Dubey – Independent Director	Chairman
Mr. B B Tandon – Independent Director	Member
Mr. S J Khaitan – Independent Director	Member
Mr. Akshat Goenka – Jt. Managing Director	Member

The Chairman of the Audit Committees was present at the 36th Annual General Meeting of the Company. Mr. Pranab Kumar Maity, Company Secretary acts as the Secretary of the Audit Committee.

Meeting & Attendance

There were four meetings of the Committee during the year ended March 31, 2017 on May 30, 2016, July 22, 2016, November 04, 2016 and February 14, 2017 respectively. The intervening gap between the Meetings was within the period prescribed of 120 days.

The attendance of the members of the Audit Committees was as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. O P Dubey	4	4
Mr. B B Tandon	4	4
Mr. S J Khaitan	4	4
Mr. Akshat Goenka*	4	3

*Mr Akshat Goenka was appointed as member w.e.f 30th May, 2016

NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The term of reference of the Nomination and Remuneration Committee, are as follows:

- To form criteria for qualifications/independence etc., of Directors.
- To identify persons for Directorships and senior management positions and recommended their appointment/removals.
- To evaluate the performance of each director.
- To recommend Policy for remuneration to Directors/KMPs and other senior employees.
- To approve remuneration and Performance bonus of Directors and KMPs.
- To ensure compliance of Code of Conduct for Independent Directors, other Directors, KMPs and senior employees.
- To form criteria for evaluation of Directors
- To devise policy of Board Diversity
- any other matters which the Board of Directors may direct from time to time.

Composition

As on March 31, 2017, the Nomination and Remuneration Committee comprised of 3 (three) directors, Mr. O.P. Dubey, an Independent Director, as Chairman, Mr. B.B. Tandon and Mr. K. Raghuraman, all Independent Directors as Members.

Meetings and Attendance

During the financial year 2016-17, one meeting of Nomination and Remuneration Committee was held on May 30, 2016 and attendances of Members were as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. O P Dubey	1	1
Mr. B B Tandon	1	1
Mr. K Raghuraman	1	1

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BOARD EVALUATION

The process for Board Evaluation undertaken is inclusive of the following:

- The Board evaluates the performance of the Independent Directors excluding the Director being evaluated
- The Nomination & Remuneration Committee evaluates the performance of each Director
- The Independent Directors evaluate the performance of the Non-Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated.

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

REMUNERATION OF DIRECTORS AND DISCLOSURES

Remuneration Policy of the Company

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors of the Company. The Committee also decides on payment of commission to executive directors and non-executive directors respectively. The performance evaluation criteria for non-executive including independent directors are laid down by the Committee and taken on record by the Board of Directors.

The objective of the Company's remuneration policy is to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. Following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP) and other Employees.

Remuneration to Executive Directors may be linked with some or all of the following(s):-

- Increase in stakeholder's wealth
- Target achievement in term of sales, margin vis-à-vis industry bench mark
- Overall health of organization
- New initiatives taken and diversification by the organization
- Optimum utilization of resources of the organization
- Long term goal setting of the organization
- Industry Pattern
- Risk Mitigation
- Remuneration should be reasonable and sufficient to attract and retain directors of quality

Remuneration to Independent Directors:-

- Independent Directors are entitled for sitting fees and commission based on the performance of the Company.

Remuneration to KMP may be linked with some or all of the following:-

- Achievement of given targets
- Increase in stakeholder's wealth
- Improvement made in the processes of the organization
- People management
- Optimum utilization of resources of the organization
- Industry pattern
- New Initiatives taken

Remuneration to other employees may be linked with some or all of the following:-

- Qualification, Experience and merits
- Initiative in optimization/increase in performance efficiencies
- Achievements of given target
- Industry Pattern
- Inflation

ORIENTAL CARBON & CHEMICALS LIMITED

Remuneration of Executive Directors and KMPs shall be within such limits as prescribed by the Companies Act and other statutes as applicable from time to time. In addition to the fixed monthly remuneration Executive Directors and KMPs shall be entitled to commission/performance bonus as determined by the Board from time to time based on the performance parameters set in this regard. The Remuneration Policy of the Company is placed on the website of the company at www.occlindia.com. As a prudent practice at least 25% of the salary of KMP will be performance linked bonus to be paid at the end of the year based on the performance during the year.

Executive Directors:

The details of remuneration including commission to all Executive Directors for the financial year ended March 31, 2017 is as follows and same is within the ceiling prescribe under applicable provisions of the Act, 2013.

Name and Designation	Service Contact/Notice Period*	Salary (Rs.)	Performance Bonus (Rs.)	Contribution to Provident Fund & SAF (Rs.)	Perquisites and other allowances (Rs.)	Total (Rs.)
Mr. Arvind Goenka	Appointed as Managing Director & CEO for three years w.e.f. October 01, 2015	57,00,000	45,60,000	15,39,000	55,23,069	1,73,22,069
Mr. Akshat Goenka	Appointed as Jt. Managing Director for three years w.e.f. June 01, 2015, retire by rotation	51,00,000	40,80,000	13,77,000	50,24,833	1,55,81,833

* The appointment may be terminated by either party by giving three months' notice or salary in lieu thereof or by mutual consent.

Non-Executive Directors:

The details of sitting fees and annual commission to Non-Executive Directors for the Financial Year 2016-17 are as follows:

Name	Service Contact/ Notice Period	Sitting Fees paid (Rs.)	Commission Payable (Rs.)	Number of shares and convertible instruments held in the Company
Mr. J P Goenka	Retire by Rotation	90,000	2,70,000	Nil
Mr. H S Shashikumar	Retire by Rotation	1,20,000 (paid to LIC of India)	3,60,000 (to be paid to LIC of India)	Nil
Mr. O P Dubey	Appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on July 30, 2014	2,90,000	8,70,000	Nil
Mr. B B Tandon	-do-	2,90,000	8,70,000	Nil
Mr. S J Khaitan	-do-	4,00,000	12,00,000	Nil
Mr. K Raghuraman	-do-	2,30,000	6,90,000	Nil
Mrs. Runa Mukherjee	Appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on July 31, 2015	1,70,000	5,10,000	Nil

Except as mentioned above, there was no pecuniary relationship or transaction of the Directors vis-a-vis the Company. The Company has not granted any stock option to its Directors.

ORIENTAL CARBON & CHEMICALS LIMITED

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition:

As on March 31, 2017, the Committee comprises of Mr. J P Goenka, Non-Executive Director as Chairman, Mr. Arvind Goenka, Executive Director and Mr. S J Khaitan, Independent Director as members.

The terms of reference of the Committee are to look into the redressal of grievances of the investors namely shareholders and Fixed deposit holders. The Committee also deals with grievances relating to transfer of shares, non receipt of Balance Sheet or dividend, dematerialisation of shares, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer/transmission of shares to the Committee.

During the year ended March 31, 2017, 10 (ten) meetings of the Committee were held on April 11, 2016, May 04, 2016, May 30, 2016, June 15, 2016, July 22, 2016, September 08, 2016, November 04, 2016, January 10, 2017, February 14, 2017 and March 15, 2017.

The Details of the Members and their attendance are as below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. J P Goenka	10	3
Mr. Arvind Goenka	10	10
Mr. S J Khaitan	10	9

Mr. Pranab Kumar Maity, Company Secretary, is the Compliance officer of the Company.

Shareholders' Complaints and Redressal as on March 31, 2017:

Type of Grievances and Category	Dividend Warrant not received	Shares not Dematerialised	Non-Receipt of Share Certificates	Non-Receipt of Annual Report	Total
Complaint received during the year	1	-	4	2	7
Complaint Resolved during the year	1	-	4	2	7

No Share Transfer/Transmissions/issue of Duplicate share certificates was pending as on 31st of March, 2017.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135 of the Companies Act, 2013, the Company has a Corporate Social Responsibility (CSR) Committee of the Board of Directors. CSR Committee, inter alia, had formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VI of the Act, 2013. The CSR Committee recommends the amount of expenditure to be incurred on CSR activities and monitor the CSR activities undertaken by the Company from time to time.

Composition:

As on March 31, 2017, the Committee comprises of Mr. S J Khaitan, an Independent Director, as the Chairman, Mr. Arvind Goenka, Executive Director and Mr. K Raguraman, Independent Director.

The terms of reference of this Committee are to comply with the requirements of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and other relevant compliances.

During the year ended March 31, 2017, 2 (two) meetings were held on May 30, 2016 and February 14, 2017.

The details of the Members and their attendance are as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. S J Khaitan	2	2
Mr. Arvind Goenka	2	2
Mr. K Raguraman	2	2

RISK MANAGEMENT COMMITTEE

The Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimisation procedures. The Company through its Board of Directors has constituted a Risk Management Committee for the purpose of monitoring and reviewing of the risk management plans periodically.

ORIENTAL CARBON & CHEMICALS LIMITED

As per the provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has a Risk Management Committee of the Board of Directors, which comprises of two Non-Executive Independent Directors and one Executive Director and two senior employees of the Company under the Chairmanship of a Non-Executive Independent Director. During the year Committee met once on February 14, 2017.

The details of the Members and their attendance are as follows:

Name of Directors/Employees	Chairman / Member	No. of Meetings	
		Held	Attended
Mr. K. Raghuraman	Chairman	1	1
Mrs. Runa Mukherjee	Member	1	1
Mr. Akshat Goenka	Member	1	1
Mr. Vijay Sabarwal	Member	1	1
Mr. Muneesh Batta	Member	1	1

DIRECTORS

Mr. J P Goenka retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The brief resume of Mr. J P Goenka is given below:

Mr. J. P. Goenka aged about 81 years, an Honours Graduate from the University of Calcutta, is an Industrialist hailing from the Goenka family headed by (Late) Sir Badridas Goenka of the Industrial Group popularly known as House of Duncans. He has held various illustrious positions viz. Chairman of Indian Woollen Mills Federation (1969-70), Chairman of Calcutta Jute Fabrics Shippers' Association (1969-71), President of Bengal Mills Owners Association (1972-73), Chairman of Indian Jute Mills Association (1973-74), Chairman of Indian Cotton Mills Federation (1978- 80), Chairman of Jute Manufactures Development Council and Chairman of Textile Export Promotion Council. Mr. Goenka commands rich experience of over 57 years in managing and/or looking after the industries of diverse business interests such as jute and cotton textiles, wool-tops, industrial explosives, rubber chemicals and sophisticated engineering products.

SUBSIDIARY

The Company has only one listed subsidiary company namely Duncan Engineering Limited (formerly known as Schrader Duncan Ltd.) with its Board having the rights and obligations to manage the Company in the best interest of their stakeholders.

GENERAL BODY MEETINGS

Details of Annual General Meetings (AGM)

Financial Year	Date of AGMs	Location	Time	Special Resolutions passed
2015-16	22.07.2016	ICC Auditorium (10 th Floor), Indian Chamber of Commerce, ICC Towers, 4, India Exchange Place, Kolkata – 700001	10.30 a.m.	Yes (one)
2014-15	31.07.2015	ICC Auditorium (10 th Floor), Indian Chamber of Commerce, ICC Towers, 4, India Exchange Place, Kolkata – 700001	10.30 a.m.	Yes (one)
2013-14	30.07.2014	Williamson Magor Hall, (1st Floor), The Bengal Chamber of Commerce and Industry, 6, Netaji Subhas Road, Kolkata – 700001	10.30 a.m.	Yes (six)

No Special Resolutions were put through postal ballot, last year.

In the Notice of the forthcoming 37th Annual General Meeting there was no items of business (Special Resolutions) which require to be conducted through postal ballot.

MEANS OF COMMUNICATION

Financial Results

The quarterly, half yearly and annual results of the Company are sent to Stock Exchanges immediately after they are approved by the Board of Directors. These are also published in prominent details such as Business Standard (English) and Aajkal/ Arthik Lipi (Bengali) and also displayed on the Company's website www.occlindia.com, in compliance with Regulation 33 and Regulation 47 of the SEBI Listing Regulations.

ORIENTAL CARBON & CHEMICALS LIMITED

Other Information

General Information on the Company, official news releases and presentations to analysts and Institutional investors are also posted on the Company's website.

GENERAL SHAREHOLDERS' INFORMATION

i.	Date, time and venue of Annual General Meeting	28th July, 2017, 10.30 a.m., Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001
ii.	Financial Year	Financial year of the Company is from April 01 to March 31. Publication of results for the Financial Year 2017-18 (tentative and subject to change) a) First quarter results : On or before August 14, 2017 b) Second quarter and half year results: On or before November 14, 2017 c) Third quarter results: On or before February 14, 2018 Fourth quarter results and results for the year ending March 31, 2018: On or before May 30, 2018.
iii.	Dates of book closure	July 22, 2017 to July 28, 2017
iv.	Dividend payment date	On or before August 07, 2017
v.	Listing of Equity Shares at Stock Exchanges	The Calcutta Stock Exchange Limited (CSE) 7, Lyons Range, Kolkata - 700 001 BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bendra Kurla Complex Bandra (E), Mumbai – 400 051 The Company is in process of delisting its equity shares from The Calcutta Stock Exchange Limited.
vi.	Payment of Listing Fees	Annual Listing Fees for the Stock Exchanges for the Financial Year 2017-18 has been duly paid by the Company.
vii.	Stock Code/Symbol	CSE Scrip Code: 25065 BSE Scrip Code: 506579 NSE Symbol: OCCL

Stock Market Price Data

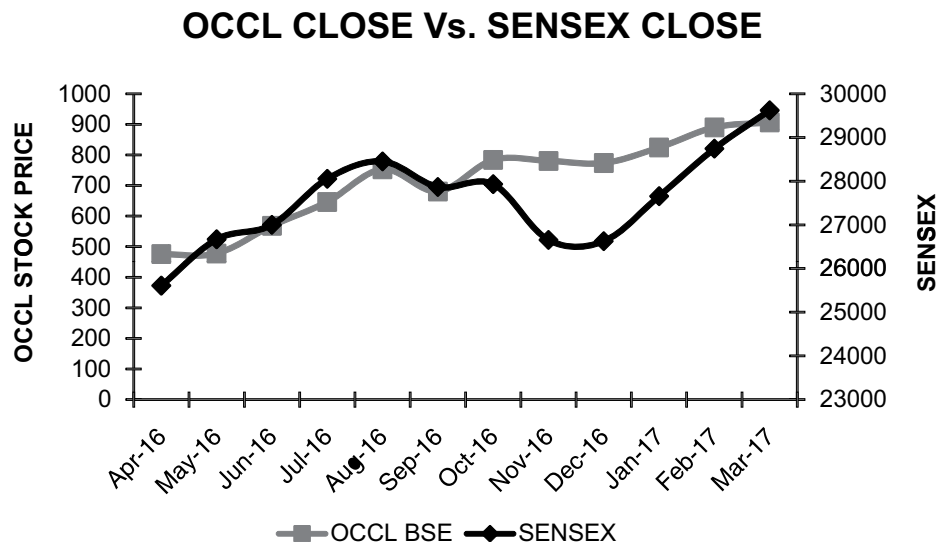
a. The monthly high and low quotations (in Rs.) during the last financial year on BSE Limited (BSE) and National Stock Exchange (NSE) are given below:

Month	At BSE		At NSE	
	High	Low	High	Low
April 2016	530.00	455.25	547.00	460.00
May 2016	503.00	436.50	509.80	425.05
June 2016	631.70	448.00	634.65	448.00
July 2016	655.00	545.50	707.50	544.00
August 2016	763.00	613.20	763.90	614.00
September 2016	759.80	662.50	758.00	582.90
October 2016	794.70	681.00	805.00	681.05
November 2016	860.00	682.05	872.95	670.50
December 2016	839.00	742.25	840.00	729.00
January 2017	852.60	760.00	859.95	760.00
February 2017	907.60	822.50	909.95	820.00
March 2017	950.00	850.00	949.95	848.70

ORIENTAL CARBON & CHEMICALS LIMITED

So far as monthly high and low quotations on The Calcutta Stock Exchange Limited are concerned, there was no trading during the year under review.

b. Performance in comparison to broad based indices - BSE SENSEX:



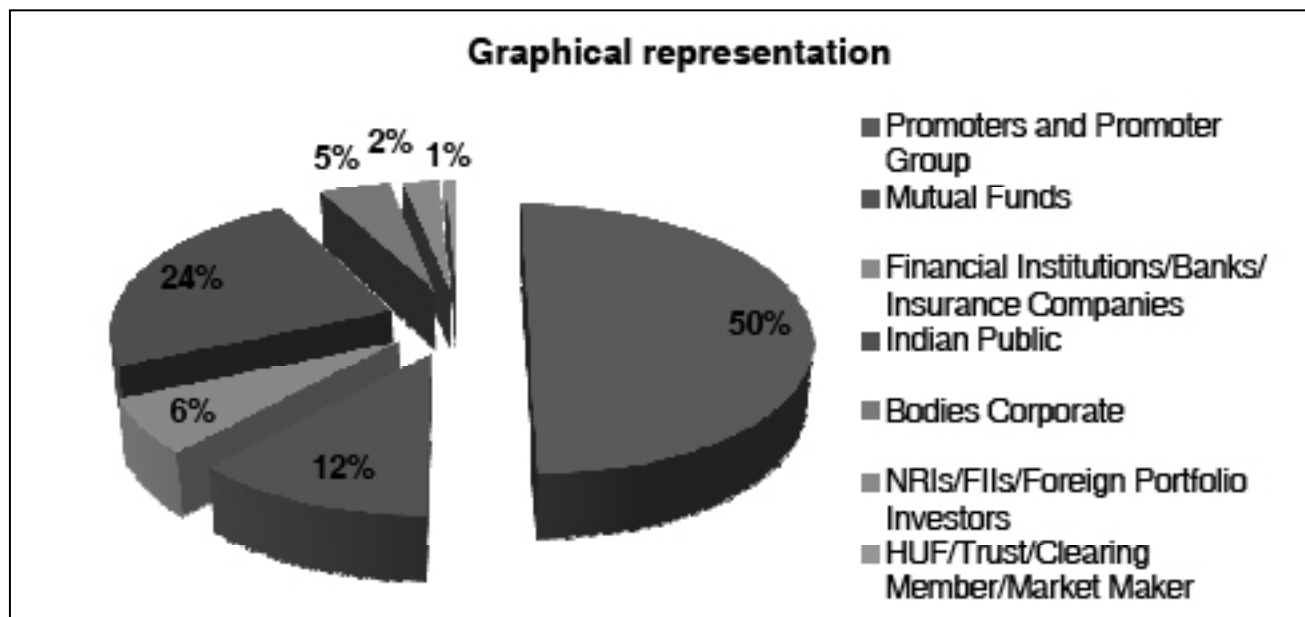
Distribution of Shareholding as on March 2017

a. Distribution of shareholding by category:

Category	No. of Shares held	% of Shareholding
Promoters and Promoter Group	5155243	50.07
Mutual Funds	1217252	11.82
Financial Institutions/Banks/ Insurance Companies	669848	6.51
Indian Public	2447034	23.77
Bodies Corporate	477800	4.64
NRIs /FIIs/Foreign Portfolio Investors	247977	2.41
HUF/Trust/Clearing Member/Market Maker	80908	0.79
Total	10296062	100.00

b. Distribution of shareholding by size:

Range in number of shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	14119	94.76	1152570	11.19
501 to 1000	385	2.59	291411	2.83
1001 to 2000	214	1.44	312722	3.04
2001 to 3000	61	0.41	151275	1.47
3001 to 4000	20	0.13	70917	0.69
4001 to 5000	20	0.13	93089	0.90
5001 to 10000	37	0.25	280113	2.72
10001 and above	43	0.29	7943965	77.16
Total	14899	100.00	10296062	100.00



Registrar and Transfer Agent

Pursuant to Regulation 53A of the Securities and Exchange of India (Depositories & Participants) Regulations, 1996, the Company has appointed following SEBI registered Agency as Common Registrar and Share Transfer Agent of the Company for both the Physical and Dematerialised segment:

Link Intime India Private Limited
59 C Chowringhee Road, 3rd Floor,
Kolkata - 700 020
Phone - 033-2289 0540
Telefax- 033-2289 0539
E-mail: kolkata @linkintime.co.in

Share Transfer System

All physical shares lodged with the Company or the Registrar and Share Transfer Agent of the Company, M/s Link Intime India Private Limited for transfer together with valid transfer deed were processed and returned to the shareholders within the stipulated period. In case of bad deliveries, relevant documents were returned immediately.

Dematerialisation of shares

The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in depository systems both National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). The ISIN No. of the Company for the Company, as allotted by NSDL and CDSL, is INE 321D01016. Nearly 95.11% of total Subscribed & Paid-up Equity Shares are held in dematerialised form with NSDL and CDSL as at 31st March, 2017.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:
Nil

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

During the Year the Company has Foreign Currency Exposure of Rs.1,81,01.45 lakhs against Export and Rs.25,24.99 lakhs against Import. The Company has a policy of hedging 70 to 80 % of its Net Foreign currency Exposure through forward covers.

Plants Location

1. Plot 3 & 4, Dharuhera Industrial Estate
P.O. Dharuhera, Distt. Rewari - 122 106, Haryana
2. Survey No. 141, Paiki of Mouje
SEZ Mundra
Village & Taluka - Mundra
Dist. Kutch-370421, Gujarat

ORIENTAL CARBON & CHEMICALS LIMITED

Address for Correspondence for Share transfer and related matters:

Any assistance regarding shares transfer and transmission, change of address, non-receipt of dividends, duplicate/missing Share Certificates, dematerialisation of shares and other related matters and for redressal of all share related complaints and grievance please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the address given below:

Registrar: (For share and dividend related queries) Link Intime India Private Limited 59 C Chowringhee Road, 3rd Floor, Kolkata - 700 020 Phone - 033-2289 0540 Telefax- 033-2289 0539 E - Mail: kolkata@linkintime.co.in	Company: (For any other matter and unresolved complaints) Oriental Carbon & Chemicals Limited Duncan House, 31, Netaji Subhas Road Kolkata – 700 001 Phone No: 033-22306831 Fax No: 033-22434772 E-Mail: investorfeedback@occlindia.com
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E-mail of Compliance Officer of the Company which is designated exclusively for the purpose of registering complaints by investors: investorfeedback@occlindia.com

Website : <http://www.occlindia.com>

OTHER DISCLOSURES

- a. The Company did not have any materially significant related party transaction, which have potential conflict with the interest of the Company at large. The Board has approved a policy on dealing with related party transaction and same has been uploaded and available on the Company's website (http://www.occlindia.com/_policies/Related_Party_Transactions_Policy_OCCL.pdf). Further, the statutory disclosure requirements relating to related party transactions have been complied in the Financial Statement.
- b. The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.
- c. The Company has complied with all requirements as per the provisions of the SEBI Listing Regulations as well as other regulations and guidelines of SEBI, issued from time to time. No Penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or Statutory Authorities on matters relating to Capital Markets during the last three years.
- d. The Company has in place Vigil Mechanism / Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.
- e. There are no material listed/unlisted subsidiary companies as defined in Regulation 16(1)(c) of the SEBI Listing Regulations. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations.
- f. The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors, with a view to regulate trading in securities by the Director, Key Managerial Persons and other designated persons.
- g. The Company has complied with all mandatory requirements as prescribed in the SEBI Listing Regulations and Act, 2013.
- h. The Company has also complied with the discretionary requirements with regard to reporting of Internal Auditor directly to Audit Committee, moving towards regime of unqualified financial statements and separating the post of Chairman and Managing Director / Chief Executive Officer.
- i. **The Company has complied with all applicable requirement specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**
- j. **In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders.**

On behalf of the Board of Directors

Place : Noida
Date : May 23, 2017

Arvind Goenka
Managing Director
DIN-00135653

O P Dubey
Director
DIN-00228441

ORIENTAL CARBON & CHEMICALS LIMITED

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Oriental Carbon & Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Oriental Carbon & Chemicals Limited ('the Company'), for the year ended March 31, 2017 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to Regulation 15(2) of the Listing Regulations .

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certificate of Corporate Governance ,issued by the Institute of Chartered Accountants of India and limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

B. K. Sipani
Partner
Membership No. 088926

Place: Noida
Date: 23rd May, 2017

CERTIFICATE OF MANAGING DIRECTOR ON CODE OF CONDUCT

To the Members of
Oriental Carbon & Chemicals Limited

It is hereby certified that:-

- (a) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for its members and senior management personnel;
- (b) The Code of Conduct of the Company has been posted on the website of the Company; and
- (c) The affirmation of compliance of code of conduct for the year 2016-2017 has been received from all the Board members and senior management personnel.

For Oriental Carbon & Chemicals Limited

Place : Noida
Date : 23rd May, 2017

Arvind Goenka
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

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

To,
The Members,
Oriental Carbon & Chemicals Limited
31, Netaji Subhas Road, Kolkata - 700 001

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Oriental Carbon & Chemicals Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on 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 and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
4. We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Oriental Carbon & Chemicals Limited for the financial year ended on 31st March, 2017 and as shown to us during our audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) 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; (Not Applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(Not Applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ;(Not Applicable to the Company during the Audit Period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ;(Not Applicable to the Company during the Audit Period);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
 - (vi) and other applicable laws :- Based on the representation given by the Management of the Company and compliance certificates issued by the respective Department Heads , it is observed that the following Laws are specifically applicable to the business of the Company. It is also confirmed by the management that the company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively
 - a) Factories Act, 1948
 - b) The Payment of Wages Act, 1936
 - c) The Minimum Wages Act, 1948
 - d) Employees State Insurance Act, 1948

ORIENTAL CARBON & CHEMICALS LIMITED

- e) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - f) The Payment of Bonus Act, 1965
 - g) The Payment of Gratuity Act, 1972
 - h) Maternity Benefit Act, 1961
 - i) Industries (Development & Regulation) Act, 1951
 - j) Public Liability Insurance Act, 1991
 - k) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
 - l) Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013
 - m) Industrial Disputes Act, 1947
 - n) Employees Pension Scheme 1995
 - o) Trademarks Act, 1999
 - p) The Environment (Protection) Act, 1986
 - q) The Air (Prevention and Control of pollution) Act, 1981
 - r) Water (Prevention and control of pollution) Act, 1974
 - s) Customs Act, 1962
 - t) Central Excise Act, 1944
 - u) Special Economic Zone Act, 2015
5. We have also examined compliance with the applicable clauses of the following:
1. Secretarial Standards issued by The Institute of Company Secretaries of India.
 2. The Listing Agreements entered into by the Company with BSE Limited (BSE), National Stock Exchange of India Limited (NSE) & The Calcutta Stock Exchange Limited (CSE).
6. To the best of our understanding we are of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:-
1. As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of
 - i. External Commercial Borrowings were not attracted to the Company under the financial year under report.
 - ii. Foreign Direct Investment (FDI) were not attracted to the Company under the financial year under report.
 - iii. Overseas Direct Investment by Residents in Joint venture/Wholly Owned Subsidiary abroad were not attracted to the company under the financial year under report.
 2. As per the information and explanation provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any commercial instruments under the financial year under report.
7. We further report that, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
8. 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.
9. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
10. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
11. We further report that during the audit period there were no instances of
 - a. Public /Right/Preferential Issue of shares/debentures/sweat equity, etc.
 - b. Redemption/buy-back of securities
 - c. Merger/amalgamation/reconstruction etc.
 - d. Foreign Technical Collaborations
12. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For S. Rath & Co.

Sahadeb Rath

Proprietor

Membership No.-ACS13298

CP No.-3452

Date : 23.05.2017

Place : Kolkata

ORIENTAL CARBON & CHEMICALS LIMITED

`Annexure A'

(To the Secretarial Audit Report of M/s. Oriental Carbon & Chemicals Limited for the financial year ended 31/03/2017)

To,
The Members,
Oriental Carbon & Chemicals Limited
31, Netaji Subhas Road, Kolkata - 700 001

Our Secretarial Audit Report for the financial year ended 31/03/2017 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We do not report on financial laws like Tax Laws, Customs Act, Banking, Financial Transactions, default in repayment of any loans/ debts or deposits / interest thereon, if any as the same is either carried out by the Statutory Auditors/Internal Auditors, designated professional.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. Rath & Co.

Sahadeb Rath

Proprietor

Membership No.-ACS13298

CP No. 3452

Date : 23.05.2017

Place : Kolkata

ORIENTAL CARBON & CHEMICALS LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of Oriental Carbon & Chemicals Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Oriental Carbon & Chemicals Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

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 standalone 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.

Auditors’ Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors’ Report) Order, 2016 (‘the Order’), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

ORIENTAL CARBON & CHEMICALS LIMITED

- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29.01 to the standalone financial statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in Note No. 30.13 to these financial statements as to holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the book of accounts maintained by the company

For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

B K Sipani
Partner

Membership No 088926

Place : Noida

Date : 23rd May, 2017

Annexure A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: Oriental Carbon & Chemicals Limited)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. Fixed Assets have been physically verified by the management at reasonable interval. No material discrepancies were noticed on such verification.
- c. According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except immovable properties for Rs. 3496.42 Lakhs for which registration in the name of the Company is pending.
- (ii) As informed to us the management has conducted physical verification of inventories (except stock lying with third parties) at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) a. The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion the terms and conditions of the grant of such loan are not prejudicial to the interest of the Company. The Company has not granted any loan to Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- b. The Company has stipulated schedule of repayment of principal and payment of interest and repayment of the principal amount and receipt of interest are not due at balance sheet date.
- (iv) The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of loan granted, guarantees provided and Investments made. However, the company has not granted any loan and guarantees provided under section 185 of the Companies Act, 2013.
- (v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder as applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other court or any other tribunal
- (vi) The Central Government has specified maintenance of cost records under section 148(1) of the Companies Act, 2013 for chemical product and in our opinion such accounts and records have been made and maintained. We have, however, not made a detailed examination of the same with a view to determine whether they are accurate or complete.

ORIENTAL CARBON & CHEMICALS LIMITED

- (vii) a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues deducted/ accrued in the books, with the appropriate authorities. There was no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, other than the followings:

Name of Statute	Nature of Dues	Period to which Amount relates	Amount * (Rs in Lacs)	Forum where Dispute is pending
The Income Tax Act, 1961	Demand for Income tax and Interest thereon	Assessment Year 2009-10 – 2014-15	81.84	CIT (Appeals), Kolkata

*Net of amount paid

- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institution and banks. The Company did not have any outstanding loan from Government and dues to debenture holders.
- (ix) The Company has applied term loans for the purpose for which it was raised. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed in accordance with generally accepted auditing practice in India for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and the details for the same have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has not made any preferential allotments or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3 (xvi) of the Order are not applicable.

For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

B K Sipani
Partner

Membership No 088926

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

“ANNEXURE B”

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 Oriental Carbon & Chemicals Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone 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 the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent 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 exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ 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 authorization of management and directors of the company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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, 2017, based on the internal control over the 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.

Place : Noida

Date : 23rd May, 2017

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E
B. K. Sipani
Partner
Membership No. 088926

ORIENTAL CARBON & CHEMICALS LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017

			(Rs. in lakhs)
	Note No.	As at 31.03.2017	As at 31.03.2016
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds:			
(a) Share Capital	1	10,31.13	10,31.13
(b) Reserves and Surplus	2	3,26,04.09	2,76,32.62
		<u>3,36,35.22</u>	<u>2,86,63.75</u>
(2) Non-Current Liabilities:			
(a) Long-term Borrowings	3	63,66.93	21,39.08
(b) Deferred Tax Liabilities (Net)	4	29,05.40	21,13.68
(c) Other Long-term Liabilities	5	55.02	29.82
(d) Long-term Provisions	6	2,16.90	1,57.47
		<u>95,44.25</u>	<u>44,40.05</u>
(3) Current Liabilities :			
(a) Short-term Borrowings	7	18,47.76	27,74.02
(b) Trade Payables	8		
i) Dues to Micro Enterprises & Small Enterprises		-	-
ii) Dues to Other than Micro Enterprises & Small Enterprises		18,13.62	10,20.84
(c) Other Current Liabilities	9	43,12.91	41,29.93
(d) Short-term Provisions	6	22.51	7,03.81
		<u>79,96.80</u>	<u>86,28.60</u>
TOTAL		<u>5,11,76.27</u>	<u>4,17,32.40</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets:			
(i) Tangible Assets	10	3,05,60.63	1,81,86.96
(ii) Intangible Assets	10	49.62	94.67
(iii) Capital Work-in-Progress		2,43.96	39,51.20
(iv) Intangible Assets under Development		8.08	-
(b) Non-Current Investments	11	14,70.53	14,70.53
(c) Long-term Loans and Advances	12	23,66.06	48,26.06
		<u>3,46,98.88</u>	<u>2,85,29.42</u>
(2) Current Assets			
(a) Current Investments	13	30,08.45	15,48.48
(b) Inventories	14	32,18.80	38,66.79
(c) Trade Receivables	15	72,55.60	48,04.56
(d) Cash and Bank balances	16	13,34.55	9,99.56
(e) Short-term Loans and Advances	12	10,57.31	14,60.11
(f) Other Current Assets	17	6,02.68	5,23.48
		<u>1,64,77.39</u>	<u>1,32,02.98</u>
TOTAL		<u>5,11,76.27</u>	<u>4,17,32.40</u>
Summary of Significant Accounting Policies	28		
Contingent Liabilities and Commitments	29		
Other notes on Financial Statements	30		

The accompanying notes are an integral part of the financial statements.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

B.K. SIPANI
Partner

Membership No. 088926

For and on behalf of the Board of Directors

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs. in lakhs)

	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
I. REVENUE :			
Gross Revenue from Operations	18	3,10,61.94	2,88,16.85
Less: Excise Duty		13,16.78	13,45.13
Net Revenue from Operations		2,97,45.16	2,74,71.72
II Other Income	19	6,59.96	5,68.64
III Total Revenue (I + II)		3,04,05.12	2,80,40.36
IV EXPENSES :			
Cost of Materials Consumed	20	61,45.45	73,09.83
Purchase of Traded Goods	21	9.21	-
“Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods”	22	9,19.52	(3,88.93)
Employee Benefit Expenses	23	38,22.18	32,78.39
Other Expenses	24	101,21.47	91,64.95
V Total		2,10,17.83	1,93,64.24
VI Profit before finance cost, depreciation and amortisation and tax	(III - V)	93,87.29	86,76.12
VII Finance Costs	25	5,13.53	6,34.68
VIII Depreciation and Amortisation	26	15,15.43	15,65.12
IX Profit before tax (VI - VII - VIII)		73,58.33	64,76.32
Tax Expense			
Current Tax	27	12,23.38	11,75.51
Deferred Tax (Net)		7,91.72	2.08
Profit for the year		53,43.23	52,98.73
Basic & Diluted Earnings Per Equity Share (of Rs.10/- each) (Rs.)	30.04	51.90	51.46
Summary of Significant Accounting Policies	28		
Other notes on Financial Statements	30		

The accompanying notes are an integral part of the financial statements.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

B.K. SIPANI
Partner

Membership No. 088926

For and on behalf of the Board of Directors

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Current Year	Previous Year	(Rs. in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	73,58.33	64,76.32	
Adjustments for:			
Depreciation & Amortisation	15,15.43	15,65.12	
Loss on Sale / Discard of Fixed Assets (Net)	1,18.12	59.70	
Finance Costs	5,13.53	6,34.68	
Interest Income	(1,50.06)	(1,43.35)	
Debts earlier written off, now recovered	7.24	-	
Loss on Redemption / Sale of Current Investment	0.14	(28.59)	
Loans written off	39.00	-	
Dividend on Current Investments	(67.02)	(1,27.74)	
Operating Profit before Working Capital Changes	93,34.71	84,36.14	
Adjustments for :			
Trade and Other Receivables	(23,67.30)	1,97.88	
Inventories	5,79.48	(140.50)	
Trade and Other Payables	10,59.37	(1,98.57)	
Cash generated from Operations	86,06.26	82,94.95	
Direct Tax Paid (Net)	(15,31.83)	(14,55.10)	
Net cash from Operating Activities	70,74.43	68,39.85	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets/Expenditure on New Project	(69,68.01)	(51,24.86)	
Sale of Fixed Assets	23.27	6.33	
Loans and Advances to Subsidiary / Other Companies (Net)	4,26.13	(4,72.92)	
Investments Purchased	(16,09.97)	(5,67.45)	
Investment sold	1,49.86	17,08.30	
Movement in Fixed deposits with Banks	(625.93)	(64.09)	
Dividend on Current Investments	67.02	1,27.74	
Interest Received	1,50.63	1,80.69	
Net Cash used in investing activities	(83,87.00)	(42,06.26)	
C. CASH FLOW FROM FINANCING ACTIVITIES			
Dividend Paid	(8,75.17)	(8,75.17)	
Tax on Dividend	(1,78.16)	(1,78.16)	
Long Term Borrowings (Net)	35,44.83	(20,02.45)	
Short Term Borrowings (Net)	(9,26.26)	2,01.36	
Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	(4,55.43)	(6,47.43)	
Net Cash From Financing Activities	11,09.81	(35,01.85)	
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(2,02.76)	(8,68.26)	
Opening Balance of Cash and Cash Equivalents	3,83.44	12,51.70	
Closing Balance of Cash and Cash Equivalents	1,80.68	3,83.44	
Cash & Cash Equivalents Comprise			
Cash on Hand	3.38	2.41	
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months	1,77.30	3,81.03	
	1,80.68	3,83.44	

Note: (i) Figures in bracket represent outflows.

(ii) Cash & cash equivalents excludes Rs. 1,08.30 (Previous Year Rs. 97.83) lying in designated account with scheduled banks on account of unclaimed dividend, Rs. 10,45.57 (Previous Year Rs. 4,19.64) in fixed deposits with banks maturing beyond three months are shown under investing activities and fixed deposit of Rs. Nil (Previous year Rs. 98.65) pledged with Government Authority, shown under Trade and Other Receivables.

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

B.K. SIPANI

Place : Noida
Date : 23rd May, 2017

Partner
Membership No. 088926

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES FORMING PART OF STANDALONE BALANCE SHEET

(Rs. in lakhs)

As at
31st March, 2017 As at
31st March, 2016

1 SHARE CAPITAL

Authorised

1,49,90,000 (Previous year 1,49,90,000) Equity Shares of Rs. 10 each	14,99.00	14,99.00
1,000 (Previous year 1,000) 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	1.00	1.00
	<u>15,00.00</u>	<u>15,00.00</u>

Issued

1,03,29,814 (Previous Year 1,03,29,814) Equity shares of Rs. 10/- each	10,32.98	10,32.98
	<u>10,32.98</u>	<u>10,32.98</u>

Subscribed and fully paid-up

1,02,96,062 (Previous year 1,02,96,062) Equity Shares of Rs. 10/- each fully paid-up	10,29.61	10,29.61
Add: Forfeited Shares (Amount originally Paid-up)	1.52	1.52
	<u>10,31.13</u>	<u>10,31.13</u>

A. Terms / rights attached to Equity shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

B. Reconciliation of the number of Equity Shares outstanding:

Equity shares outstanding at the beginning of the year (Nos)	10296062	10296062
Equity shares outstanding at the end the of the year (Nos)	10296062	10296062

C. Shareholders holding more than 5 percent Equity shares of the Company:

S. No.	Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
		Number of Shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Cosmopolitan Investments Ltd	1904528	18.50%	1904528	18.50%
2	New India Investment corporation Ltd	1202136	11.68%	1202136	11.68%
3	Duncan International (India) Ltd	994616	9.66%	994616	9.66%
4	HDFC Trustee Company Ltd	697335	6.77%	275000	2.67%
5	Haldia Investment Company Ltd	591895	5.75%	591895	5.75%

As at
31st March, 2017 As at
31st March, 2016

2 RESERVES AND SURPLUS

(i) Capital Reserve

Balance as per last financial statement	<u>17,32.18</u>	<u>17,32.18</u>
	17,32.18	17,32.18

(ii) Capital Redemption Reserve

Balance as per last financial statement	<u>0.25</u>	<u>0.25</u>
	0.25	0.25

(iii) Securities Premium Reserve

Balance as per last financial statement	<u>17,92.64</u>	<u>17,92.64</u>
	17,92.64	17,92.64

(iv) Revaluation Reserve

Balance as per last financial statement	<u>63.91</u>	<u>63.91</u>
	63.91	63.91

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in lakhs)

	As at 31st March, 2017	As at 31st March, 2016
(v) General Reserve		
Balance as per last financial statement	26,13.88	26,13.88
	<u>26,13.88</u>	<u>26,13.88</u>
(vi) Surplus in Statement of Profit & Loss		
Balance as per last financial statement	2,14,29.76	1,71,84.36
Add: Profit for the year	53,43.23	52,98.73
	<u>2,67,72.99</u>	<u>2,24,83.09</u>
Less: Appropriations		
Interim Dividend @	3,08.88	3,08.88
Tax on Interim Dividend	62.88	62.88
Proposed Final Dividend @	-	5,66.29
Tax on Proposed Final Dividend	-	1,15.28
	<u>2,64,01.23</u>	<u>2,14,29.76</u>
Total Reserves and Surplus (i to vi)	<u>3,26,04.09</u>	<u>2,76,32.62</u>

@ During the year, the Company has paid Interim dividend of Rs. 3/-; (Previous year Rs. 3/-) per equity share. Now, final dividend Rs. 7/-; (Previous Year Rs. 5.50/-) per equity share for financial year 2016-17 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 LONG-TERM BORROWINGS

	Non-current portion		Current maturities	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
(i) Secured :				
Term loans from Banks (a)	61,46.30	17,17.77	13,75.43	22,16.71
Vehicle Loans from Banks (b)	11.98	30.03	21.09	45.05
	<u>61,58.28</u>	<u>17,47.80</u>	<u>13,96.52</u>	<u>22,61.76</u>
(ii) Unsecured :				
Deposits (c)	2,08.65	3,91.28	268.97	87.00
	<u>2,08.65</u>	<u>3,91.28</u>	<u>268.97</u>	<u>87.00</u>
Total (i) + (ii)	<u>63,66.93</u>	<u>21,39.08</u>	<u>16,65.49</u>	<u>23,48.76</u>
(iii) Amount disclosed under the head "Other current liabilities"	-	-	16,65.49	23,48.76
(Note No.9)				
Total (i)+ (ii)-(iii)	<u>63,66.93</u>	<u>21,39.08</u>	-	-

(a) (i) Securities :

Secured by first exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and first pari-pasu charge with Exim Bank and Kotak Mahindra Bank Ltd on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit and second pari-pasu charge with Exim Bank on entire current assets of the company.

ORIENTAL CARBON & CHEMICALS LIMITED

(ii) Terms of Repayments of Non-Current portion of Term Loans from Banks

(Rs. in lakhs)

AS AT 31ST MARCH' 2017				AS AT 31ST MARCH' 2016			
As at 31st March, 2017	Rate of Interest	Repayments		As at 31st March, 2016	Rate of Interest	Repayments	
		No. of Outstanding Instalments	Periodicity			No. of Outstanding Instalments	Periodicity
53.86	4.42% linked with Libor Rate	1	Quarterly Equal	2,75.49	4.40% linked with Libor Rate	5	Quarterly Equal
9,67.44	3.92% linked with Libor Rate	20	Quarterly Equal	-	-	-	-
4,82.28	10.60% Fixed Rate	6	Monthly Equal	14,42.28	11.00% Fixed Rate	18	Monthly Equal
36,43.56	10.60% Fixed Rate (Includes Buyers credit of Rs. 637.56 part of Term Loan)	20	Quarterly Graded	-	-	-	-
9,99.16	9.90% Fixed Rate	20	Quarterly Equal	-	-	-	-
61,46.30				17,17.77			

- (b) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 11.98; (Previous Year Rs. 30.03) is repayable ranging from 1 to 14 equated monthly instalments (Previous year 2 to 23 equated monthly instalments) in 2017-18 onwards as per the repayment schedule and carries rate of interest of 10.39% to 9.50% (Previous year 10.39% to 9.50%) p.a.
- (c) Deposits from public carries rate of interest @ 9% to 11%; (Previous year 9.50% to 10%) p.a. and non-current portion of Rs. 2,08.65; (Previous year Rs. 3,91.28) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

	As at 31st March, 2017	As at 31st March, 2016
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of:		
Depreciation and Amortisation Expenses	29,84.75	21,70.89
Deferred Tax Asset on account of:		
Amount allowable on payment basis	<u>79.35</u>	<u>57.21</u>
Deferred Tax Liabilities (Net)	<u>29,05.40</u>	<u>21,13.68</u>
5 OTHER LONG-TERM LIABILITIES		
Interest accrued but not due on deposits	<u>55.02</u>	<u>29.82</u>
	<u>55.02</u>	<u>29.82</u>

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6 PROVISIONS

(Rs. in lakhs)

	Long- term		Short - term	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
Provision for employee benefits (Refer Note No. 30.05)	2,16.90	1,57.47	22.51	22.24
Proposed Final Dividend	-	-	-	5,66.29
Tax on Proposed Final Dividend	-	-	-	1,15.28
	2,16.90	1,57.47	22.51	7,03.81

As at
31st March, 2017
Rs.

As at
31st March, 2016
Rs.

7 SHORT-TERM BORROWINGS

Secured:

Loan repayable on demand

Cash Credit & Packing Credit facility from Banks

	18,47.76	27,74.02
	18,47.76	27,74.02

Security:

Cash Credit & Packing Credit facilities are secured by first exclusive charge on entire current assets of the company and second charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ Unit and second pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and other fixed assets of the Company (except assets having specific charge).

8 TRADE PAYABLES

Micro, Small and Medium Enterprises *

Others

	-	-
	18,13.62	10,20.84
	18,13.62	10,20.84

*There were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the company and the payments in respect of such suppliers are made within the appointed day.

9 OTHER CURRENT LIABILITIES

Current maturities of Long-Term Borrowings

Current maturities of Vehicle Loans

Current maturities of Deposits

Interest accrued and due on Borrowings

Interest accrued and but not due on Borrowings

Advance received from and Credit balance of Customers

Unpaid Dividend

Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #

Creditors for Capital Goods

Statutory dues payable

Employees liabilities

Security Deposits

Directors' Commission

Other payable

	13,75.43	22,16.71
	21.09	45.05
	2,68.97	87.00
	51.03	27.70
	9.57	-
	1,07.57	1,42.80
	1,08.30	97.83
	21.66	21.41
	10,85.55	4,69.81
	2,45.01	3,11.00
	8,52.29	5,87.85
	9.05	8.90
	42.93	42.41
	1,14.46	71.46
	43,12.91	41,29.93

#Includes Rs. 12.95 (previous year Rs 12.95) under legal dispute between the Joint Holders of the deposit.

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10 FIXED ASSETS

(Rs. in lakhs)

DESCRIPTION	GROSS BLOCK COST / BOOK VALUE				DEPRECIATION & AMORTISATION				NET BLOCK	
	As at March 31, 2016	Additions	Deductions / Adjustments	As at March 31, 2017	As at March 31, 2016	For the Year	Deductions / Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
(i) Tangible Assets										
Freehold Land	1,41.34*	-	-	1,41.34	-	-	-	-	1,41.34	1,41.34
Leasehold Land	8,28.41	-	-	8,28.41	1,27.58	28.81	-	1,56.39	6,72.02	7,00.83
Buildings	75,38.33	68,29.82	61.99	1,43,06.16	15,52.57	3,03.59	46.61	18,09.55	1,24,96.61	59,85.76
Plant and Equipment	1,70,58.09	62,04.43	2,41.94	2,30,20.58	69,04.42	8,08.76	1,41.88	75,71.30	1,54,49.28	1,01,53.67
Electrical Installation	16,98.02	5,92.13	1.43	22,88.72	9,57.69	1,40.06	1.35	10,96.40	11,92.32	7,40.33
Furniture and Fixtures	2,43.71	1,51.26	8.23	3,86.74	1,25.58	22.40	4.88	1,43.10	2,43.64	1,18.13
Vehicles	4,53.89	11.96	54.16	4,11.69	2,39.84	85.94	46.02	2,79.76	1,31.93	2,14.05
Air Conditioners & Coolers	74.29	1,03.37	8.31	1,69.35	27.46	33.98	5.13	56.31	1,13.04	46.83
Office Equipment	2,64.08	77.55	9.70	3,31.93	1,78.06	42.30	8.88	2,11.48	1,20.45	86.02
Total	2,83,00.16	1,39,70.52	3,85.76	4,18,84.92	1,01,13.20	14,65.84	2,54.75	1,13,24.29	3,05,60.63	1,81,86.96
Previous Year	2,73,68.17	11,22.67	1,90.68	2,83,00.16	87,05.97	15,22.52	1,15.29	1,01,13.20	1,81,86.96	
(ii) Intangible Assets										
Software	2,46.47	4.54	-	2,51.01	1,51.80	49.59	-	2,01.39	49.62	94.67
Total	2,46.47	4.54	-	2,51.01	1,51.80	49.59	-	2,01.39	49.62	94.67
Previous Year	2,04.84	41.63	-	2,46.47	1,09.20	42.60	-	1,51.80	94.67	

*Includes amount added on revaluation Rs. 63.91.

Notes:

- Gross Block includes Rs. 1,29.69 ; (Previous year Rs. 1,76.21) purchased under Car Finance Scheme.
- The expansion project at Mundra has commenced commercial production on 20th December, 2016. Pre-Operative and start up expenses aggregating Rs. 8,10.03 Lakhs (including cumulative borrowing cost Rs. 59.32 Lakhs Previous year Rs. Nil) has been allocated to fixed assets proportionate to their direct cost.
- Building includes properties costing Rs. 34,96.42; pending for registration (Previous year Rs. 49.20)
- The company has exercised option under notification no. GIR 914 (E) dated 29th December 2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 34.37; (Previous year Rs. 1,38.39) on long term foreign currency borrowing has been adjusted with the depreciable fixed assets acquired. As at 31st March 2017 Rs. 4,54.65; (Previous year Rs.4,43.74) remain to be amortised over the balance life of the assets.
- During the year, the company has changed the useful life of Air Conditioners and Coolers from 10 years to 5 years resulting in an increase in depreciation by Rs. 22.76; (previous year Nil).

As at
31st March, 2017 As at
31st March, 2016

11 NON-CURRENT INVESTMENTS

Long Term Investment (Non - Trade)

i) Investment in Equity Shares - Quoted (at Cost)

1848500 (Previous year 1848500) Equity Shares of Rs. 10/- each fully paid up in Duncan Engineering Ltd Formerly known as Schrader Duncan Ltd (Subsidiary)	14,53.65	14,53.65
Nil (Previous year 3353) Equity Shares of Rs. 75/- each fully paid up in New India Investment Corporation Ltd.*	-	1.46
Aggregate amount of Quoted Investments	14,53.65	14,55.11
Aggregate market value of Quoted Investments	1,477.88	12,96.35

* During the year the company has been delisted and shown in the same under unquoted.

ii) Investment in Equity Shares - Unquoted (at Cost)

8351 (Previous year 8351) Equity Shares of Rs. 100/- each fully paid up in Duncan International (India) Ltd.	15.42	15.42
3353 (Previous year Nil) Equity Shares of Rs. 75/- each fully paid up in New India Investment Corporation Ltd.	1.46	-
Aggregate amount of Unquoted Investments	16.88	15.42
Total Non Current Investment	14,70.53	14,70.53

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in lakhs)

	Long - term		Short - term	
	As at	As at	As at	As at
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
12 LOANS AND ADVANCES				
Unsecured, Considered Good				
Loan and Advances to Subsidiary Company	-	-	6,18.05	5,44.18
Loans to Other Companies	-	39.00	-	5,00.00
Capital Advances *	4,39.80	30,63.44	-	-
Security Deposits	2,12.01	3,47.58	-	-
Loans and Advances to Employees	33.81	32.72	53.36	38.48
Balances with Excise and Custom Department	-	-	51.46	79.17
Income tax Refund Receivable	-	-	31.90	60.57
Other Advances	-	-	2,04.88	1,24.00
Prepaid Expenses	-	-	97.66	1,13.71
MAT credit entitlement	16,80.44	13,43.32	-	-
	23,66.06	48,26.06	10,57.31	14,60.11

* Capital Advances include Rs. 75.00 (Previous year Rs. 75.00) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Company as per agreed terms.

	Face Value per Unit (Rs.)	As at	As at	As at	As at
		31st March, 2017 (Nos.)	31st March, 2016 (Nos.)	31st March, 2017 (Rs. in lakhs)	31st March, 2016 (Rs. in lakhs)
13 CURRENT INVESTMENTS					
UNQUOTED					
(at cost or fair value whichever is lower)					
Investments in Mutual funds					
a) SBI Magnum Insta cash fund-Regular Plan-Daily Dividend	1000	55,411.024	15,741.184	9,28.15	2,63.67
b) SBI Arbitrage Opportunities Fund-Direct -Dividend Plan	10	1,204,874.146	1,151,170.47	1,65.47	1,57.95
c) SBI Treasury advantage Fund -Direct Plan-Daily Dividend	1000	55,884.026	53,008.600	5,62.10	5,33.03
d) SBI Fixed Interval Debt fund series-90 days 01- Direct Plan	10	-	1,498,591.324	-	1,50.00
e) SBI Ultra Short Term Debt fund- Regular Plan -Daily Dividend	1000	15,098.879	14,354.785	1,51.33	1,43.83
f) SBI Premier Liquid Fund- Regular Plan-Growth	1000	11,787.874	13,127.974	3,00.00	3,00.00
g) SBI Corporate Bond Fund- Direct Plan-Growth	10	753,843.660	-	2,00.00	-
h) SBI Short Term Debt Fund- Direct Plan-Growth	10	1,046,955.976	-	2,00.00	-
i) SBI Premier Liquid Fund- Direct Plan-Growth	1000	13,127.974	-	3,00.00	-
j) Kotak Floater Short Term- Daily Dividend (Regular Plan)	1000	19,908.317	-	2,01.40	-
				30,08.45	15,48.48
Aggregate amount of Unquoted Investments (at cost)				30,08.45	15,48.48
Aggregate NAV of Unquoted Investments				30,54.44	15,65.38
Aggregate of excess of carrying cost over fair value				-	-

ORIENTAL CARBON & CHEMICALS LIMITED

	As at 31st March, 2017	(Rs. in lakhs) As at 31st March, 2016
14 INVENTORIES		
(Valued at lower of cost or net realisable value)		
Raw Materials	11,13.86	9,46.51
Work-in-Progress	98.82	73.43
Finished Goods	13,82.63	22,30.57
Stores and Spares	5,66.07	5,86.19
Fuel	57.42	30.09
	<u>32,18.80</u>	<u>38,66.79</u>
Includes in transit :		
Raw Materials	93.49	76.93
Stores & Spares	35.04	5.67
15 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months (from the due date)	41.52	16.71
Outstanding for a period less than six months	72,14.08	47,87.85
	<u>72,55.60</u>	<u>48,04.56</u>
16 CASH AND BANK BALANCES		
(a) Cash and Cash equivalents:		
Cash on Hand	3.38	2.41
Balance with Banks:		
In Current Accounts	1,77.30	3,81.03
	<u>1,80.68</u>	<u>3,83.44</u>
(b) Other Bank Balances		
Earmarked balances with banks:		
Unpaid Dividend Account	1,08.30	97.83
Deposit Repayment Reserve Account	55.50	35.00
Other Fixed Deposit with original Maturity more than 12 months*	9,90.07	4,83.29
	<u>11,53.87</u>	<u>6,16.12</u>
	<u>13,34.55</u>	<u>9,99.56</u>
* Includes Rs. Nil; pledged with Government Authority (Previous Year Rs. 98.65) and Rs.3,83.86; against margin money (Previous Year Rs. 3,62.08) which can be withdrawn at any point of time without prior notice or exit costs on the principal amount.		
17 OTHER CURRENT ASSETS		
Export incentive Receivable	3,71.55	3,04.25
Claims Receivable	8.39	-
Accrued Interest Income	36.47	37.04
Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	4.16	14.54
Other Receivables (Comprises of Service Tax, CST, Excise Duty receivable etc.)	1,82.11	1,67.65
	<u>6,02.68</u>	<u>5,23.48</u>

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES FORMING PART OF STANDALONE STATEMENT OF PROFIT & LOSS

(Rs. in lakhs)

	For the Year ended 31st March, 2017		For the Year ended 31st March, 2016	
18 REVENUE FROM OPERATIONS				
(i) Sale of Products:				
Insoluble Sulphur	2,85,53.46		2,61,99.58	
Sulphuric Acid & Oleum	<u>21,73.07</u>	3,07,26.53	<u>22,74.28</u>	2,84,73.86
Other Operating Revenues				
Export and Other Incentives		<u>3,35.41</u>		<u>3,42.99</u>
Gross Revenue from Operations		3,10,61.94		2,88,16.85
Less: Excise Duty		<u>13,16.78</u>		<u>13,45.13</u>
Net Revenue from Operations		<u>2,97,45.16</u>		<u>2,74,71.72</u>
19 OTHER INCOME				
Dividend on Current Investments		67.02		1,27.74
Profit on redemption of Current Investments		-		28.59
Interest Income				
- On Deposits	47.83		67.57	
- On Loans	97.22		72.93	
- Others	<u>5.01</u>	1,50.06	<u>2.85</u>	1,43.35
Loans and Debts earlier written-off, now recovered		<u>7.24</u>		-
Net Gain on foreign currency translations and transactions (Not considered as Finance cost)		3,56.62		1,77.95
Rent Received		11.51		10.13
Provisions no Longer Required Written Back		20.82		60.56
Scrap Sales		43.33		15.88
Miscellaneous Income		<u>3.36</u>		<u>4.44</u>
		<u>6,59.96</u>		<u>5,68.64</u>
20 COST OF MATERIALS CONSUMED				
Sulphur		25,27.15		34,36.84
Carbon di Sulphide		3,31.13		2,88.08
Coating Oil		28,08.88		30,66.21
Others		<u>5,18.10</u>		<u>5,18.70</u>
		61,85.26		73,09.83
Less: Consumption for Trial Run Production		<u>39.81</u>		-
		<u>61,45.45</u>		<u>73,09.83</u>
21 PURCHASE OF TRADED GOODS				
Sulphuric Acid		<u>9.21</u>		-
		<u>9.21</u>		-

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in lakhs)

	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
I Inventories as at the beginning of the Year		
Finished Goods	22,30.57	18,27.88
Work-in-Progress	73.43	87.19
	<u>23,04.00</u>	<u>19,15.07</u>
Add: Transferred from Trial Run Production		
Finished Goods	65.51	-
Work-in-Progress	31.46	-
	<u>96.97</u>	<u>-</u>
	<u>24,00.97</u>	<u>19,15.07</u>
II Inventories as at end of the Year		
Finished Goods	13,82.63	22,30.57
Work-in-Progress	98.82	73.43
	<u>14,81.45</u>	<u>23,04.00</u>
Change in Inventories (I - II)	<u>9,19.52</u>	<u>(3,88.93)</u>
Work-in-Progress includes		
Insoluble Sulphur	86.87	58.38
Sulphuric Acid	11.95	15.05
	<u>98.82</u>	<u>73.43</u>
23 EMPLOYEES BENEFIT EXPENSES		
Salaries, Wages and Bonus	33,67.40	29,43.16
Contribution to Provident and Other Funds	2,77.84	1,84.55
Employee Welfare Expenses	3,01.97	2,62.30
	<u>39,47.21</u>	<u>33,90.01</u>
Less: Transfer to Capital Work-in-Progress/ Capitalised	<u>1,25.03</u>	<u>1,11.62</u>
	<u>38,22.18</u>	<u>32,78.39</u>
24 OTHER EXPENSES		
Stores Consumed	64.09	49.95
Packing cost	8,41.56	7,50.50
Power and Fuel	36,14.18	34,17.01
Water Charges	83.87	58.75
Rent *	2,17.37	2,34.10
Rates and Taxes	14.64	53.65
Insurance	1,23.98	1,25.29
Repairs to Buildings	98.08	62.07
Repairs to Machinery	7,84.40	8,41.30
Repairs to Others	1,36.90	1,07.18
Job Charges	35.36	2.66
Freight & Forwarding	19,14.20	16,73.98
Commission and Discount	3,99.09	3,68.93
Travelling	3,00.81	2,45.10
Legal & Professional	3,09.49	2,31.37
Service Charges	2,00.99	1,72.78
Loss on sale/discard of Fixed Assets (Net)	1,18.12	59.70
Loss on Redemption / sale of current investment	0.14	-
Bad Advances / Debts	73.64	23.70
Donations (Includes Rs. 1,19.00 for CSR Activities , Previous Year Rs. 1,02.89)	1,94.00	1,02.89
Excise Duty on Increase/ (Decrease) of finished goods Stock	(77.62)	33.06
Directors' Commission & Fees	63.60	63.60
Miscellaneous **	8,02.02	6,09.38
	<u>1,03,12.91</u>	<u>92,86.95</u>
Less: Transfer to Capital Work-in-Progress/ Capitalised	<u>1,91.44</u>	<u>1,22.00</u>
	<u>1,01,21.47</u>	<u>91,64.95</u>

* Net of Recovery Rs. 5.40; (Previous Year Rs. 15.68)

** Miscellaneous Include Auditors Remuneration as follows:

ORIENTAL CARBON & CHEMICALS LIMITED

	For the Year ended 31st March, 2017	(Rs. in lakhs) For the Year ended 31st March, 2016
i) Statutory Auditor:		
As Auditor	12.50	11.50
For Limited Review	4.00	3.00
For Tax Audit	3.20	2.00
For Certifications, Consolidation and other matters	3.77	3.20
Travelling and other out of pocket expenses	0.42	0.53
	<u>23.89</u>	<u>20.23</u>
ii) Cost Auditor:		
As Auditor	1.25	1.25
	<u>1.25</u>	<u>1.25</u>
	<u>25.14</u>	<u>21.48</u>
25 FINANCE COSTS		
Interest	5,62.30	5,30.70
Net Loss on long term foreign currency loan translations/ transactions repayable within a year	37.42	58.11
Other Borrowing Cost	51.77	51.87
	<u>6,51.49</u>	<u>6,40.68</u>
Less: Transfer to Capital Work-in-Progress/ Capitalised	1,37.96	6.00
	<u>5,13.53</u>	<u>6,34.68</u>
26 DEPRECIATION AND AMORTISATION (NOTE NO. 10)		
Depreciation on tangible assets	14,65.84	15,22.52
Amortisation of Intangible Assets	49.59	42.60
	<u>15,15.43</u>	<u>15,65.12</u>
27 CURRENT TAX		
Current Tax for the year	15,60.50	13,60.00
Less: MAT Credit Entitlement (Net)	3,37.12	3,98.50
Add: Write down of Mat Credit Entitlement	-	2,14.00
Add: Taxation adjustments in respect of earlier years (Net)	-	0.01
	<u>12,23.38</u>	<u>11,75.51</u>

28 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Nature of Operations

The Company is a manufacturer of Insoluble Sulphur, Sulphuric Acid and Oleum. The Company has manufacturing facilities at Dharuhera (Haryana) and at Mundra SEZ (Gujarat). Insoluble Sulphur produced by the company is sold globally.

(B) Basis of Accounting

The financial statements have been prepared to comply with the Accounting Standards referred to in section 133 and other relevant provisions of The Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

(C) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialize.

(D) Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time

ORIENTAL CARBON & CHEMICALS LIMITED

between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

(E) Revenue Recognition

- (i) Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the delivery.
- ii) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(F) Fixed Assets

Fixed assets are stated at cost or at revalued amount less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The carrying amounts are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. (Also refer Note No. 10(iv))

(G) Depreciation

Tangible Assets

Depreciation on Fixed Assets has been provided on straight line method with reference to the economic useful life of its fixed assets as prescribed in Schedule II to the Companies Act, 2013 except in case of Motor Vehicles, whose useful life is considered 5 Years instead of 8 Years and Air Conditioners & Coolers, whose useful life is considered 5 Years instead of 10 Years. Depreciation on machinery spares is provided retrospectively from the date the related assets are put to use. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Additions to Fixed Assets on leased land and premises are amortised over the lease period.

Intangible Assets.

Depreciation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over the period of five years or license period whichever is lower.

(H) Expenditure on new projects , substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

(I) Investments

Long term (Non-Current) Investments are stated at cost . The Company provides for diminution, other than temporary, in the value of Long term Investments. Current Investments are valued at lower of cost or fair value.

(J) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items related to foreign currency transactions are restated at year end exchange rates. All exchange differences arising from such conversion including gain or loss on cancellation of foreign currency forward covers are included in the Statement of Profit & Loss except exchange difference arising on long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets are capitalised. (refer note No. 10(iv)). Premium / Discount on forward covers, covered under AS-11(i.e. The Effects of Changes in Foreign Exchange Rates) are recognised over the tenure of the contract.

ORIENTAL CARBON & CHEMICALS LIMITED

(K) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost is determined on weighted average cost. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

(L) Retirement and other employee benefits

1. Retirement benefits in the form of Provident Fund and Superannuation Scheme, which are defined contribution plans, are charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.
2. Gratuity and Leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary using the projected unit credit method.
3. Gratuity and Superannuation liability is being contributed to the respective funds formed by the Company.

(M) Taxation

Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws. Deferred tax for timing differences between the book and taxable Income for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future and the same is reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(N) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying fixed assets, are capitalised as part of the cost of such assets upto the date of commencement of commercial production/put to use of plant. Other Borrowing costs are charged to revenue.

(O) Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

(P) Derivatives

Outstanding derivatives contracts, other than those covered under AS-11, at the year end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit & Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

(Q) Cash & Cash Equivalents

Cash & Cash Equivalents comprises Cash on hand, Balances with Banks and Deposits with Banks maturing within three months from the Balance Sheet date.

(R) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(S) Contingent Liabilities

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements.

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(Rs. in Lakhs)

As At
31st March, 2017 As At
31st March, 2016

29 Contingent Liabilities & Commitments:

29.01 Contingent Liabilities

(i) Bank Guarantees given to various Govt. Authorities/Others (Margin money/Short Term Deposits Rs. 20.04; Previous year Rs. 1.54)	1,34.33	10.26
(ii) Bills discounted with Banks	4,02.71	13,01.93
(iii) Corporate guarantee given to a bank for loan taken by Subsidiary Company (to the extent loan outstanding) (Maximum value of Guarantee Rs. 18,21.00; Previous year Rs. 20,89.00)	8,50.76	11,92.06
(iv) Matters under Litigations/ Appeals\		
(a) Income tax Matters (Deposited Rs. 34.10; Previous year Rs. 23.75)	1,15.94	1,00.26
(b) Central Excise Matters (Deposited Rs. Nil; Previous year Rs. 85.58)	-	1,05.58
(c) Other Matters (Deposited Rs. 12.00 ; Previous year Rs.12.00)	22.69	22.69

The Company is hopeful of favourable decisions and expect no outflow of resources, hence no provision is made in the books of account.

29.02 Commitments

Estimated amount of Capital Commitments outstanding and not provided for (Gross) (Advance Paid Rs. 3,64.80; Previous Year Rs.29,88.44)	15,11.29	56,07.19
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30 Other Notes on Financial Statements

30.01 (a) Disclosure as specified in Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015

(Rs. in Lakhs)

Particulars	Balance		Maximum	
	As At 31st March, 2017	As At 31st March, 2016	Outstanding During the year 2016-2017	Outstanding During the year 2015-2016
(a) Subsidiary Company				
Duncan Engineering Limited (Formerly known as Schrader Duncan Limited)	6,00.00	5,25.00	6,95.00	5,25.00

(b) Disclosure relating to Loans or security given by the company as per the requirements of section 186(4) to the Companies Act 2013 as on 31st March'2017

Particulars	Loan Amount	Rate of Interest (Per Annum)	Purpose	Maturity Period
Duncan Engineering Limited (Subsidiary Company) * (Formerly Known as Schrader Duncan Limited)	6,00.00 (5,25.00)	11.00 % (12.00 %)	Business Purpose	Within 1 Year
Reliance Financial Limited	- (5,00.00)	- (9.50 %)	Business Purpose	Within 1 Year
J.B. Commercial Co. Pvt. Ltd.	- (39.00)	- (10.00 %)	Business Purpose	After 1 Year

*For Corporate Guarantee given Refer 29.01(iii).
Figures in Brackets relates to Previous year.

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30.02 i) Outstanding Forward Covers in respect of foreign currencies for Hedging.

(Foreign currency and Indian Currency in Lakhs)

Currency	Cross Currency	As at 31st March, 2017	As at 31st March, 2016
Future Export Sales			
USD	INR	33.50	49.72
EURO	USD	40.00	28.10
EURO	INR	-	17.45
Term Loans			
USD	INR	19.52 @	-

@ Includes JPY/USD 5,00.00 equivalent to USD/INR 4.61

ii) Foreign currency exposure not hedged by a derivative instrument or otherwise:

Currency	Cross Currency	As at 31st March, 2017		As at 31st March, 2016	
		Foreign Currency	Rs.	Foreign Currency	Rs.
Payables					
USD	INR	5.91	3,82.88	8.39	5,56.63
EURO	INR	1.59	1,10.03	15.30	11,49.14
JPY	INR	6,09.19	3,53.09	-	-
Receivables					
USD	INR	17.05	11,05.78	6.91	4,58.13
EURO	INR	6.09	4,21.55	10.96	8,23.21
GBP	INR	-	-	0.32	30.42
JPY	INR	2,79.00	1,61.71	2,74.49	1,62.12

30.03 Segment reporting has been disclosed in Consolidated Financial Statement.

30.04 Earnings per Share (EPS)

		For the year ended	
		31st March, 2017	31st March, 2016
Profit attributable to the Equity Shareholders	(Rs. in Lakhs)	53,43.23	52,98.73
Number of Equity Shares	(Nos)	10296062	10296062
Nominal value of Equity Shares	(Rs.)	10.00	10.00
Basic and Diluted Earnings per Share	(Rs.)	51.90	51.46

30.05 Disclosure as per Accounting Standard - 15 (Employees' Benefits)

	(Rs. in Lakhs)	
	2016-17	2015-16
Define Contribution Plan -		
The Company has recognized the following amounts in the Statement of Profit & Loss for the year		
Contribution to Employees Provident Fund	1,27.37	92.71
Contribution to Superannuation Fund	32.22	32.62

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30.05 Disclosure as per Accounting Standard - 15 (Contd..)

(Rs. in Lakhs)

2016-17 **2015-16**

Define Benefit Plan -

The following table set out the status of the gratuity plan as required under AS 15 (Revised 2005):

(a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):		
Opening DBO	3,54.93	3,07.95
Past & Current Service Cost	31.11	27.39
Interest cost	28.37	23.14
Actuarial (gain)/loss	82.94	31.97
Benefits paid	(48.23)	(35.52)
Closing DBO	4,49.12	3,54.93
(b) A reconciliation of opening and closing balances of the fair value of plan assets:		
Opening fair value of plan assets	2,99.43	2,70.97
Expected Return on Plan Assets	23.94	21.72
Actuarial gain/(loss)	0.23	1.91
Contribution by the employer	64.66	40.35
Benefits paid	(48.23)	(35.52)
Closing fair value of plan assets	3,40.03	2,99.43
(c) A reconciliation of the present value of the defined benefit obligation and the fair value of the plan assets to the assets recognized in the balance sheet:		
Present value of defined benefit obligation at the end of the period	4,49.12	3,54.93
Fair value of the plan assets at the end of the year	3,40.03	2,99.43
Liability recognized in the balance sheet	1,09.09	55.50
(d) The total expense recognised in the Statement of Profit and Loss:		
Current service cost	31.11	27.39
Interest cost	28.37	23.14
Expected return on plan assets	(23.94)	(21.72)
Actuarial (gains)/loss	82.71	30.06
Net Gratuity cost	1,18.25	58.87
e) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the total plan assets:		
	%	%
State/Govt. of India securities	38	45
Public Sector Bonds	27	48
Special Deposit Scheme	1	1
Bank Balances to be Invested	34	6
(f) Following are the Principal Actuarial Assumptions used as at the balance sheet date:		
Discount rate	7.40	8.00
Expected rates of return on any plan assets	7.50	8.00
Average Salary escalation rate	7.00	7.00
Average remaining working life of the employees(years)	17.71	17.13
(g) Disclosure as required under Para 120(n);		
Amounts recognised in current year and previous four years		

	2016-17	2015-16	2014-15	2013-14	2012-13
Present value of defined benefit obligation	4,49.12	3,54.93	3,07.95	2,81.49	2,33.37
Fair Value of Plan Assets	3,40.03	2,99.43	2,70.97	2,42.78	2,05.40
Surplus/ (Deficit) in the Plan	(1,09.09)	(55.50)	(36.98)	(38.71)	(27.97)
Experience adjustments on Plan Liabilities Loss	82.71	30.06	12.50	13.46	9.49
Experience adjustments on Plan Assets Gain/ (Loss)	0.23	1.91	(0.02)	(2.81)	(1.54)

The estimates of the future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

30.06 Related Party Disclosures as per Accounting Standard - 18 (Related Party Disclosures), to the extent Identified by the Company

1. Name & Relationship of the Related Parties:

- (a) Duncan Engineering Limited : Subsidiary Company
(Formerly known as Schrader Duncan Limited)
- (b) Duncan International (India) Limited : Enterprise over which relative of key management personnel is having significant influence.
- (c) Cosmopolitan Investments Ltd. : Enterprise over which key management personnel is having significant influence.
(w.e.f. 17.12.2015)
- (d) Haldia Investments Ltd. : Subsidiary of Cosmopolitan Investments Ltd.
(w.e.f. 17.12.2015)
- (e) Disciplined Investments Ltd. : Subsidiary of Cosmopolitan Investments Ltd.
(w.e.f. 17.12.2015)
- (f) Mr. J.P. Goenka : Chairman and Relative of Key Management Personnel
- (g) Mr. Arvind Goenka - Managing Director : Key Management Personnel
- (h) Mr. Akshat Goenka - Joint Managing Director : Key Management Personnel
- (i) Mr. Shreyans Goenka - Sr. Manager upto 31.03.2016 : Relative of Key Management Personnel
- (j) Mrs. Aparna Goenka : Relative of Key Management Personnel
- (k) Mrs. Uma Goenka : Relative of Key Management Personnel
- (l) Ms. Shreya Goenka } (From 01.04.2015 : Relative of Key Management Personnel
to 12.08.2015)
- (m) Ms. Sujata Goenka } : Relative of Key Management Personnel

2. Transactions with Related Parties during the year:

Particulars	Subsidiary Company	Enterprise over which relative of key management personnel is having significant influence.		Enterprise over which key management personnel is having significant influence.		Subsidiary Company of Cosmopolitan Investments Ltd.		Subsidiary Company of Cosmopolitan Investments Ltd.		Chairman and Relative of Key Management Personnel	Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		
		(Refer 1 (a))	(Refer 1 (b))	(Refer 1 (c))	(Refer 1 (d))	(Refer 1 (e))	(Refer 1 (f))	(Refer 1 (g))	(Refer 1 (h))				(Refer 1 (i))	(Refer 1 (j))	(Refer 1 (k))	(Refer 1 (l))	(Refer 1 (m))						
		2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
(a) Loans & Advances given (Net)	75.00	3,25.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Interest received on Loans & Advances	65.45	37.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Service charges reimbursed	-	-	68.70	64.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Expenses Reimbursed / (Recovered) (Net)	(10.25)	(19.67)	(4.56)	(5.49)	61.00	17.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Purchases of Stores & Spares	7.95	10.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Remuneration @	-	-	-	-	-	-	-	-	-	-	1,73.22	1,57.43	1,55.82	1,24.57	-	24.37	-	-	-	-	-	-	-
(g) Dividend Paid	-	-	84.54	84.54	1,61.88	-	50.31	-	2.55	-	8.50	13.28	8.50	8.50	11.23	5.70	17.00	29.93	-	10.11	-	6.80	1.15
(h) Director's Fees & Commission	-	-	-	-	-	-	-	-	-	3.60	3.20	-	-	-	-	-	-	-	-	-	-	-	-
(i) Outstanding as on 31.03.2017																							
Receivable	6,18.05	5,44.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable	-	-	-	-	-	-	-	-	-	2.43	1.64	57.15	47.75	47.44	40.08	-	1.61	-	-	-	-	-	-
Corporate guarantee given (to the extent loan outstanding)	8,50.76	11,92.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

@ Excludes Actuarial Valuation of Retirement Benefits.

30.07 Value of Imported and Indigenous Raw Materials consumed and percentage thereof:*

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Rs.	%	Rs.	%
Indigenous	45,85.95	74.62	56,00.57	76.62
Imported	15,59.50	25.38	17,09.26	23.38
	61,45.45	100.00	73,09.83	100.00

* Excluding Charged to Capitalised / Transfer to Capital Work-in-Progress.

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in Lakhs)

30.08 Value of Imported and Indigenous Stores & Spare Parts consumed and percentage thereof: *

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Rs.	%	Rs.	%
Indigenous	57.34	100.00	46.05	100.00
Imported	-	-	-	-
	57.34	100.00	46.05	100.00

* Excluding charged to machinery repairs and capitalised / Transfer to Capital Work-in-Progress.

30.09 C.I.F. Value of Imports:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw Materials	13,80.57	17,00.50
Components and Spare Parts	10,17.13	65.62
Packing Material	1,27.29	90.93

30.10 Earning in Foreign Exchange

F.O.B. value of Exports	1,81,01.45	1,62,78.40
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30.11 Expenditure in Foreign Currency*

Commission and Discount	2,79.81	2,68.39
Travelling	94.77	50.08
Legal & Professional Charges	92.23	9.47
Others	6,82.72	5,96.01

* Excluding Charged to Capitalised / Transfer to Capital Work-in-Progress.

30.12 Remittance in Foreign Currency on account of Dividend to Non-Resident Shareholders: *

Final Dividend for 2015-16		
Amount of Dividend Remitted (Rs. in Lakhs)	0.96	-
Number of Shareholders	70	-
Number of Shares held by them	17376	-
Interim Dividend for 2016-17		
Amount of Dividend Remitted (Rs. in Lakhs)	0.51	-
Number of Shareholders	69	-
Number of Shares held by them	17076	-

* Dividend payments to Non-Resident Shareholders made by Warrant Denominated / Deposited in Indian Rupees have not been considered.

30.13 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th Nov.'2016 to 30th Dec.'2016 as provided in the table below:

Particulars	SBNs	(Amount in Rs.)	
		Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	412500	53024	465524
(+) Permitted receipts dt. 09.11.2016 to 30.12.2016	NIL	1791229	1791229
(-) Permitted payments dt. 09.11.2016 to 30.12.2016	4500	1325304	1329804
(-) Amount deposited in Banks dt. 09.11.2016 to 30.12.2016	408000	NIL	408000
Closing Cash in hand as on 30.12.2016	NIL	518949	518949

30.14 Due to Commencement of Expansion project at Mundra, Current year's figures are not comparable with Previous year.

30.15 Previous year figures have been regrouped to conform to current year figures

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

B.K. SIPANI

Partner

Membership No. 088926

P.K. MAITY

Company Secretary

ANURAG JAIN

Chief Financial Officer

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Oriental Carbon & Chemicals Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Oriental Carbon & Chemicals Limited (“the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as “the Consolidated Financial Statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated statement of profit and loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 purposes of our audit of the aforesaid consolidated financial statements.

ORIENTAL CARBON & CHEMICALS LIMITED

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company and Subsidiary Company as on 31st March, 2017 taken on record by the respective Board of Directors, none of the directors of the Group is disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls, refer to our separate report in “Annexure-A” and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements have discloser on the impact of pending litigations on consolidated financial position of Group – Refer Note 29.01 (iii) to the consolidated financial statements.
 - ii. The Group have made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv. Group has provided requisite disclosures in Note No. 30.07 to these financial statements as to holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the book of accounts maintained by the Group

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

B. K. Sipani
Partner

Membership No. 088926

Place : Noida

Date : 23rd May, 2017

Annexure - A to the Auditors’ Report

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended March 31, 2017, We have audited the internal financial controls over financial reporting of Oriental Carbon & Chemicals Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company, which are incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, incorporated in India, are 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.

ORIENTAL CARBON & CHEMICALS LIMITED

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company have, 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 31 March 2017, 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 ICAI.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

B. K. Sipani
Partner
Membership No. 088926

Place : Noida
Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	10,31.13	10,31.13
(b) Reserves and Surplus	2	3,19,66.83	2,72,89.85
		3,29,97.96	2,83,20.98
(2) Minority Interest			
		815.95	1,110.27
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	63,73.96	21,39.08
(b) Deferred Tax Liabilities (Net)	4	29,05.40	21,13.68
(c) Other Long-Term Liabilities	5	67.94	43.11
(d) Long-Term Provisions	6	2,46.91	198.62
		95,94.21	44,94.49
(4) Current Liabilities			
(a) Short-Term Borrowings	7	26,98.52	41,07.83
(b) Trade Payables	8		
(i) Dues to Micro Enterprises & Small Enterprises		67.86	1,92.00
(ii) Dues to Other than Micro Enterprises & Small Enterprises		23,08.48	17,87.61
(c) Other Current Liabilities	9	46,16.91	43,90.88
(d) Short-Term Provisions	6	65.08	7,33.92
		97,56.85	1,12,12.24
TOTAL		5,31,64.97	4,51,37.98
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	3,26,22.82	2,05,53.37
(ii) Intangible Assets	10	71.29	1,20.34
(iii) Capital Work-in-Progress		2,60.51	39,57.03
(iv) Intangible Assets under Development		8.08	-
(b) Non-Current Investments	11	16.88	17.68
(c) Long-Term Loans and Advances	12	23,88.97	48,51.86
		3,53,68.55	2,95,00.28
(2) Current Assets			
(a) Current Investments	13	30,08.48	15,48.49
(b) Inventories	14	40,74.86	50,81.41
(c) Trade Receivables	15	80,12.51	60,90.66
(d) Cash and Bank Balances	16	13,64.15	10,97.29
(e) Short-Term Loans and Advances	12	6,66.55	12,67.63
(f) Other Current Assets	17	6,69.87	5,52.22
		1,77,96.42	1,56,37.70
TOTAL		5,31,64.97	4,51,37.98

Summary of Significant Accounting Policies 28

Contingent Liabilities and Commitments 29

Other Notes on Accounts 30

The accompanying notes are an integral part of the financial statements.

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

B.K. SIPANI

Partner

Membership No. 088926

P.K. MAITY

Company Secretary

ANURAG JAIN

Chief Financial Officer

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Rs.in lakhs)

	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I REVENUES			
Gross Revenue from Operations	18	3,49,14.36	3,29,08.53
Less Excise duty		17,55.85	17,99.87
Net Revenue from Operations		3,31,58.51	3,11,08.66
II OTHER INCOME	19	6,91.91	5,67.83
III Total Revenues (I + II)		3,38,50.42	3,16,76.49
IV EXPENSES			
Cost of Materials Consumed	20	83,46.44	94,77.26
Purchase of Traded Goods	21	49.72	43.18
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	22	865.06	(121.04)
Employee Benefit Expenses	23	46,43.01	42,52.79
Other Expenses	24	105,88.53	95,73.29
V Total		2,44,92.76	2,32,25.48
VI Profit before finance cost, depreciation & amortisation and tax (III - V)		93,57.66	84,51.01
VII Finance Costs	25	6,65.56	7,93.15
VIII Depreciation, Amortization and Impairment	26	16,94.89	16,97.00
IX Profit before tax and Minority Interest (VI - VII - VIII)		69,97.21	59,60.86
X Tax Expense:			
Current Tax	27	12,23.20	12,61.01
Deferred Tax (Net)		791.72	2.08
XI Profit for the period from Continuing Operations (IX - X)		49,82.29	46,97.77
XII Profit / (Loss) from Discontinued Operations		(2,27.87)	(91.95)
XII Profit for the period before Minority Interest (XI+XII)		47,54.42	46,05.82
XIII Less : Profit / (Loss) attributable to Minority Interest		(2,94.32)	(3,46.36)
XIV Profit for the Year attributable to Holding Company (XII-XIII)		50,48.74	49,52.18
Basic & Diluted Earnings Per Equity Share (of Rs. 10/- each) (Rs.)	30.03		
- For Continuing Operations		50.14	48.54
- For Continuing & Discontinuing Operations		49.04	48.10
Summary of Significant Accounting Policies	28		
Other Notes on Accounts	30		

The accompanying notes are an integral part of the financial statements.

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

B.K. SIPANI

Partner

Membership No. 088926

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

Place : Noida

Date : 23rd May, 2017

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	(Rs. in lakhs)	
	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra ordinary items	67,69.34	58,68.91
Adjustments for:		
Depreciation and Amortisation including Impairment Loss	16,99.74	20,34.40
Loss on Sale / Discard of Fixed Assets (Net)	1,57.75	59.67
Finance Costs	6,72.41	8,41.22
Interest Income	(1,18.91)	(1,11.95)
Loans earlier written off, now recovered	7.24	-
Advance Received written back	(6.91)	-
Loans written off	39.00	-
Profit / Loss on Sale of Investment	(12.00)	(28.59)
Dividend on Current Investments	(67.02)	(1,27.74)
Dividend on Non-Current Investments (non -trade)	(0.04)	(0.64)
Provision for Doubtful Debts Written back	(11.00)	-
Provision for Diminution in value of Investment	0.02	-
Operating Profit before Working Capital Changes	<u>91,29.62</u>	<u>85,35.28</u>
Adjustments for :		
Trade and Other Receivables	(18,07.89)	5,01.54
Inventories	9,38.04	2,21.58
Trade and Other Payables	8,30.99	(7,58.38)
Cash generated from Operations	<u>90,90.76</u>	<u>85,00.02</u>
Direct Tax Paid (Net)	(15,31.65)	(15,40.60)
Net cash from Operating Activities	<u>75,59.11</u>	<u>69,59.42</u>
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets/Expenditure on New Project	(70,62.65)	(52,55.20)
Sale of Fixed Assets	1,86.12	6.52
Loans to Other Companies (Net)	4,95.94	(1,36.00)
Investments Purchased	(16,09.97)	(5,67.45)
Investment sold	1,62.77	17,08.30
Movement in Fixed deposits with Banks	(5,56.33)	(64.09)
Decrease in value of Investment	(0.02)	-
Dividend on Current Investments	67.02	1,27.74
Dividend on Non-Current Investments	0.04	0.64
Interest Received	86.68	1,51.43
Net Cash used in investing activities	<u>(82,30.40)</u>	<u>(40,28.11)</u>
C. Cash Flow From Financing Activities		
Dividend Paid	(8,75.17)	(8,75.17)
Tax on Dividend	(1,78.16)	(1,78.16)
Long Term Borrowings	35,55.38	(20,02.45)
Short Term Borrowings from Banks	(14,09.32)	1,29.07
Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	(6,22.04)	(8,57.60)
Net Cash From Financing Activities	<u>4,70.69</u>	<u>(37,84.31)</u>
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	<u>(2,00.60)</u>	<u>(8,53.00)</u>
Opening Balance of Cash and Cash Equivalents	<u>4,04.82</u>	<u>12,57.82</u>
Closing Balance of Cash and Cash Equivalents	<u>2,04.22</u>	<u>4,04.82</u>
Cash & Cash Equivalents Comprise		
Cash on Hand	3.76	2.56
Cheques on Hand	5.61	3.25
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months	1,94.85	3,99.01
	<u>2,04.22</u>	<u>4,04.82</u>

Note:(i) Figures in bracket represent outflows

(ii) Cash & cash equivalents excludes Rs. 109.00 (Previous Year Rs. 99.21) lying in designated account with scheduled banks on account of unclaimed dividend, Rs. 10,50.93 (Previous Year Rs. 4,94.61) in fixed deposits with banks and Margin Money maturing beyond three months are shown under investing activities and fixed deposit of Rs. Nil (Previous year Rs. 98.65) pledged with Government Authority, shown under Trade and Other Receivables.

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

Place : Noida
Date : 23rd May, 2017

B.K. SIPANI
Partner
Membership No. 088926

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
1 SHARE CAPITAL:		
Authorised:		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of Rs. 10 each	14,99.00	14,99.00
1,000 (Previous year 1,000) 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	1.00	1.00
	15,00.00	15,00.00
Issued		
103,29,814 (Previous year 1,03,29,814) Equity shares of Rs. 10/- each	10,32.98	10,32.98
	10,32.98	10,32.98
Subscribed and Fully Paid-up:		
1,02,96,062 (Previous year 1,02,96,062) Equity shares of Rs. 10/- each fully Paid-up	10,29.61	10,29.61
Add: Forfeited Shares (Amount Originally Paid-up)	1.52	1.52
	10,31.13	10,31.13
A. Terms/ rights attached to Equity shares		
Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.		
B. Reconciliation of the number of Equity Shares Outstanding:		
Equity shares outstanding at the beginning of the year (Nos)	10,296,062	10,296,062
Equity shares outstanding at the end the of the year (Nos)	10,296,062	10,296,062
C. Shareholder holding more than 5 percent Equity shares of the Company:		
S. Name of shareholder	As at 31st March, 2017	As at 31st March, 2016
No.	Number of Shares held	Percentage of holding
1	1904528	18.50%
2	1202136	11.68%
3	994616	9.66%
4	697335	6.77%
5	591895	5.75%
	As at 31st March, 2017	As at 31st March, 2016
2 RESERVES AND SURPLUS		
(i) Capital Reserve		
Balance as per last Financial Statement	20,08.99	20,08.99
	20,08.99	20,08.99
(ii) Capital Redemption Reserve		
Balance as per last Financial Statement	0.25	0.25
	0.25	0.25
(iii) Securities Premium Reserve		
Balance as per last Financial Statement	17,92.64	17,92.64
	17,92.64	17,92.64
(iv) Revaluation Reserve		
Balance as per last Financial Statement	63.91	63.91
	63.91	63.91

ORIENTAL CARBON & CHEMICALS LIMITED

	As at 31st March, 2017	As at 31st March, 2016
(Rs. in Lacs)		
(v) General Reserve		
Balance as per last Financial Statement	<u>26,13.88</u>	26,13.88
	26,13.88	<u>26,13.88</u>
(vi) Surplus in Statement of Profit & Loss		
Balance as per last Financial Statement	<u>2,08,10.18</u>	1,69,11.33
Add: Profit for the year	<u>50,48.74</u>	<u>49,52.18</u>
	2,58,58.92	<u>2,18,63.51</u>
Less: Appropriations		
Interim Dividend @	3,08.88	3,08.88
Tax on Interim Dividend	62.88	62.88
Proposed Final Dividend @	-	5,66.29
Tax on Proposed Final Dividend	-	1,15.28
	2,54,87.16	<u>2,08,10.18</u>
Total Reserves and Surplus (i to vi)	3,19,66.83	<u>2,72,89.85</u>

@ During the year, the Company has paid Interim Dividend of Rs. 3.00/-; (Previous Year Rs. 3.00/-) per equity share. Now, Final Dividend Rs. 7.00/-; (Previous Year Rs. 5.50/-) per equity share for Financial year 2016-17 is recommended by the Board of Directors, which is subject to approval of the shareholders in the ensuing Annual General Meeting.

3 LONG-TERM BORROWINGS

	Non-Current Portion		Current Portion	
	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
(i) Secured				
Term Loans From Banks (a)	<u>61,46.30</u>	17,17.77	<u>13,75.43</u>	22,16.71
Vehicle Loans from Banks (b)	<u>19.01</u>	30.03	<u>24.59</u>	45.05
	61,65.31	<u>17,47.80</u>	14,00.02	<u>22,61.76</u>
(ii) Unsecured				
Deposits (c)	<u>2,08.65</u>	3,91.28	<u>268.97</u>	87.00
Total (i) + (ii)	<u>2,08.65</u>	<u>3,91.28</u>	<u>268.97</u>	<u>87.00</u>
(iii) Amount disclosed under the head "Other current liabilities" (Note No. 9)	-	-	16,68.99	23,48.76
Total (i) + (ii) - (iii)	<u>63,73.96</u>	<u>21,39.08</u>	-	-

(a) (i) Securities:

Secured by first exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit of Holding Company and first pari-pasu charge with Exim Bank and Kotak Mahindra Bank Ltd. on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit of Holding Company and second pari-pasu charge with Exim Bank on entire current assets of the Holding Company.

(ii) Terms of Repayments of Non-Current portion of Term Loans from Banks

AS AT 31ST MARCH' 2017				AS AT 31ST MARCH' 2016			
As at 31.03.2017	Rate of Interest	No. of Outstanding Instalments	Periodicity	As at 31.03.2016	Rate of Interest	No. of Outstanding Instalments	Periodicity
53.86	4.42% linked with Libor Rate	1	Quarterly Equal	2,75.49	4.40% linked with Libor Rate	5	Quarterly Equal
9,67.44	3.92% linked with Libor Rate	20	Quarterly Equal	-	-	-	-
4,82.28	10.60% Fixed Rate	6	Monthly Equal	14,42.28	11.00% Fixed Rate	18	Monthly Equal
36,43.56	10.60% Fixed Rate (Includes Buyers credit of Rs. 6,37.56 part of Term Loan)	20	Quarterly Graded	-	-	-	-
9,99.16	9.90% Fixed Rate	20	Quarterly Equal	-	-	-	-
61,46.30				17,17.77			

ORIENTAL CARBON & CHEMICALS LIMITED

- (b) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 19.01; (Previous Year Rs. 30.03) is repayable ranging from 1 to 35 equated monthly instalments (previous year 2 to 23 equated monthly instalments) in 2017-18 onwards as per the repayment schedule and carries rate of interest of 10.39% to 9.09% (Previous year 10.39% to 9.50%) p.a.
- (c) Deposits from public carries rate of interest @ 9.00% to 11.00%; (Previous year 9.50% to 10.00%) p.a. and non-current portion of Rs. 2,08.65; (Previous year Rs. 3,91.28) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

	(Rs. in Lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of		
Depreciation and Amortisation Expenses	<u>31,81.54</u>	<u>24,24.71</u>
	<u>31,81.54</u>	<u>24,24.71</u>
Deferred Tax Assets on account of *		
Amount allowable on payment basis	1,12.01	1,04.69
Unabsorbed Depreciation/Carry forward Loss	1,64.13	1,97.94
Voluntary Retirement Scheme	-	8.40
	<u>2,76.14</u>	<u>3,11.03</u>
Deferred Tax Liabilities (Net)	<u>29,05.40</u>	<u>21,13.68</u>
*On consideration of prudence, the Subsidiary Company has accounted deferred tax assets only to the extent of deferred tax liabilities.		
5 OTHER LONG-TERM LIABILITIES		
Interest accrued but not due on Deposits	55.01	29.82
Trade Deposits	<u>12.93</u>	<u>13.29</u>
	<u>67.94</u>	<u>43.11</u>

6 PROVISIONS	Long - Term		Short - Term	
	As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016
Provision for Employee Benefits	2,46.91	1,98.62	52.81	35.00
Proposed Final Dividend	-	-	-	5,66.29
Tax on Proposed Final Dividend	-	-	-	1,15.28
Provision for Sales Tax Liability against pending C-Forms	-	-	12.27	17.35
	<u>2,46.91</u>	<u>1,98.62</u>	<u>65.08</u>	<u>7,33.92</u>

7 SHORT-TERM BORROWINGS

Secured

Loans repayable on Demand

Cash Credit & Packing Credit facilities from Banks	<u>26,98.52</u>	41,07.83
	<u>26,98.52</u>	<u>41,07.83</u>

Securities

In respect of Holding Company, Cash Credit & Packing Credit facilities amounting to Rs. 18,47.76; (Previous year Rs. 27,74.02) are secured by first exclusive charge on entire current assets of the Holding Company and second charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ unit and second pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and other fixed assets of the Holding Company (except assets having specific charge).

In respect of Subsidiary Company, Cash Credit facilities amounting to Rs. 8,50.76; (Previous year Rs. 13,33.81) are secured by Primary first exclusive mortgage / hypothecation charge on the tangible movable / immovable fixed assets at Ranjangaon, Pune of the Subsidiary Company and collateral charge on the current assets of the Subsidiary Company. Further secured by Corporate Guarantees of the Holding Company and Cosmopolitan Investments Ltd.

ORIENTAL CARBON & CHEMICALS LIMITED

	(Rs. in Lakhs)	
	As at	As at
	31st March, 2017	31st March, 2016
8 TRADE PAYABLES		
Micro, Small and Medium Enterprises *	67.86	1,92.00
Others	<u>23,08.48</u>	<u>17,87.61</u>
	23,76.34	19,79.61
<p>* In respect of Holding Company, there were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the Holding Company and the payments in respect of such suppliers are made within the appointed day.</p> <p>In respect of Subsidiary Company, information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Subsidiary Company:</p>		
a) Principal amount due	67.86	1,92.00
b) Interest due and remaining unpaid as at year end	-	1.65
c) Further interest remaining due and payable for earlier years	3.26	1.61
9 OTHER CURRENT LIABILITIES		
Current maturities of Long-Term Borrowings	13,75.43	22,16.71
Current maturities of Vehicle Loans	24.60	45.05
Current maturities of Deposits	2,68.97	87.00
Interest accrued and due on Borrowings	51.03	28.47
Interest accrued but not due on Borrowings	9.57	-
Advance Received from and Credit Balance of Customers	1,43.67	1,42.80
Unpaid Dividend	1,09.00	99.21
Unpaid and Unclaimed Matured Deposits & interest accrued thereon #	21.66	21.41
Creditors for Capital Goods	10,85.67	4,69.81
Statutory Dues Payable	2,94.10	3,63.67
Employees Liabilities	9,72.50	6,64.71
Security Deposits	9.06	8.90
Directors' Commission	42.93	42.41
Other Payable	<u>2,08.72</u>	<u>2,00.73</u>
	46,16.91	43,90.88

Includes Rs. 12.95; (Previous year Rs. 12.95) under legal disputes between the Joint Holders of the deposits.

ORIENTAL CARBON & CHEMICALS LIMITED

10 FIXED ASSETS

(Rs. in lakhs)

Description	GROSS BLOCK COST / BOOK VALUE				DEPRECIATION & AMORTISATION				NET BLOCK		
	As at March 31, 2016	Additions	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2016	For the Year@	Impairment Loss	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
A. Tangible Assets											
Freehold Land	1,41.34*	-	-	1,41.34	-	-	-	-	-	1,41.34	1,41.34
Leasehold Land	10,33.23	-	-	10,33.23	1,42.97	31.01	-	-	1,73.98	8,59.25	8,90.26
Leasehold Building	14,34.42	-	-	14,34.42	2,54.17	38.33	-	-	2,92.50	11,41.92	11,80.25
Buildings	75,38.32	68,29.82	61.99	1,43,06.15	15,52.56	3,03.59	-	46.61	18,09.54	1,24,96.61	59,85.76
Plant and Equipment	1,90,70.92	62,59.82	12,31.73	2,40,99.01	81,88.39	8,72.96	-	9,38.09	81,23.26	1,59,75.75	1,08,82.53
Electrical Installations	19,37.68	5,92.13	22.71	25,07.10	10,71.13	1,70.27	-	13.04	12,28.36	12,78.74	8,66.55
Furniture & Fixtures	4,38.60	1,51.26	8.23	5,81.63	2,28.48	43.98	-	4.88	2,67.58	3,14.05	2,10.12
Vehicles	4,98.02	25.83	71.97	4,51.88	2,64.37	93.92	-	62.94	2,95.35	1,56.53	2,33.65
Air-Conditioners & Coolers	1,00.96	1,03.37	8.31	1,96.02	40.28	37.54	-	5.13	72.69	1,23.33	60.68
Office Equipment	3,83.10	83.96	12.09	4,54.97	2,80.87	49.53	-	10.73	3,19.67	1,35.30	1,02.23
Total	3,25,76.59	1,40,46.19	14,17.03	4,52,05.75	1,20,23.22	16,41.13	-	10,81.42	1,25,82.93	3,26,22.82	2,05,53.37
Previous Year	3,15,01.67	12,66.15	1,91.23	3,25,76.59	1,01,54.88	17,34.00	2,50.00	1,15.66	1,20,23.22	2,05,53.37	
B. Intangible Assets											
Software	3,30.95	10.59	1.82	3,39.72	2,10.61	58.61	-	0.79	2,68.43	71.29	1,20.34
Total	3,30.95	10.59	1.82	3,39.72	2,10.61	58.61	-	0.79	2,68.43	71.29	1,20.34
Previous Year	2,85.86	45.09	-	3,30.95	1,60.21	50.40	-	-	2,10.61	1,20.34	-

* Includes amount added on revaluation Rs. 63.91.

@ Includes amount related to Discontinued Operations Rs. 4.85 (Previous year Rs. 3,37.40)

Notes:

- Gross Block includes Rs. 1,43.56; (Previous Year Rs.1,76.21) purchased under Car Finance Scheme.
- The Expansion project at Mundra has Commenced Commercial Production on 20th December'2016. Pre-Operative and Start Up Expenses Aggregating Rs. 810.03 Lakhs (including Cumulative Borrowing Cost Rs. 59.32 Lakhs Previous year Rs. Nil) has been allocated to Fixed Assets Proportionate to their Direct Cost.
- Building includes Properties Costing Rs. 34,96.42 Pending for Registration (Previous year Rs. 49.20)
- The Holding Company has exercised option under notification no. GIR 914 (E) dated 29th December' 2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 34.37; (Previous Year Rs. net exchange gain Rs. 1,38.39) on long term foreign currency borrowing has been adjusted with the depreciable fixed assets acquired. As at 31st March 2017, Rs. 4,54.65; (Previous Year Rs.4,43.74) remain to be amortised over the balance life of the assets.
- During the year, the Holding Company has changed the useful life of Air Conditioners and Coolers from 10 years to 5 years resulting in an increase in depreciation by Rs. 22.76; (Previous year Nil).

11 NON-CURRENT INVESTMENTS

Long Term Investment (Non Trade)

Investment in Equity Shares - Quoted (at Cost)

As at
31st March, 2017 As at
31st March, 2016

-

2.08

Investment in Equity Shares - Unquoted (at Cost)

-

2.08

16.88

16.88

15.60

Aggregate amount of Quoted Investments

-

2.08

Aggregate amount of Unquoted Investments

16.88

15.60

Aggregate market value of Quoted Investments

-

14.04

ORIENTAL CARBON & CHEMICALS LIMITED

12 LOANS AND ADVANCES

(Rs. in Lakhs)

(Unsecured, Considered Good)

	Long - Term		Short - Term	
	As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016
Loans to Other Companies	-	39.00	-	500.00
Capital Advances*	4,39.80	30,63.44	1.53	11.37
Security Deposits	2,31.12	3,69.00	0.05	0.42
Loan and Advances to Employees	33.81	32.72	56.75	44.30
Balances with Government Authorities	-	-	1,09.61	1,45.39
Income Tax Refund Receivable (Net)	-	-	1,74.20	2,58.75
Other Advances	-	-	2,13.64	1,57.17
Prepaid Expenses	3.80	4.38	1,10.77	150.23
MAT Credit Entitlement	16,80.44	13,43.32	-	-
	<u>23,88.97</u>	<u>48,51.86</u>	<u>6,66.55</u>	<u>12,67.63</u>

* Capital Advances include Rs. 75.00; (Previous Year Rs. 75.00) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Holding Company as per agreed terms.

13 CURRENT INVESTMENTS

	As at 31st March, 2017	As at 31st March, 2016
Investment in Equity Shares - Quoted (at Cost)	0.03	-
Investment in Mutual Funds - Unquoted (At Cost or Fair Value whichever is Lower)	30,08.45	15,48.49
	<u>30,08.48</u>	<u>15,48.49</u>
Aggregate amount of Quoted Investments	0.03	-
Aggregate amount of market value of quoted investments	3.25	-
Aggregate amount of Unquoted Investments (at Cost)	30,08.45	15,48.49
Aggregate Net Asset Value of Unquoted Investments	30,54.44	15,65.38
Aggregate of excess of carrying cost over fair value	-	-

14 INVENTORIES

(Valued at lower of cost or net realisable value)

Raw Materials	16,46.91	17,50.06
Work-in-Progress	2,17.86	2,13.88
Finished Goods	15,59.80	24,53.18
Traded goods	7.60	8.42
Scrap	10.99	15.54
Stores and Spares	5,74.28	6,10.24
Fuel	57.42	30.09
	<u>40,74.86</u>	<u>50,81.41</u>
Includes in transit :		
Raw Materials	93.49	85.36
Stores & Spares	35.04	5.67

15 TRADE RECEIVABLES

Outstanding for a period exceeding six months (from due date)

Secured, Considered Good	2.28	0.39
Unsecured, Considered Good	105.63	91.04
Unsecured, Considered Doubtful	1,67.16	138.68
	<u>2,75.07</u>	<u>2,30.11</u>
Less: Provision for Doubtful Debts	1,67.16	138.68
	<u>107.91</u>	<u>91.43</u>
Outstanding for a period less than six months		
Secured, Considered Good	5.77	5.70
Unsecured, Considered Good	78,98.83	59,93.53
	<u>79,04.60</u>	<u>59,99.23</u>
	<u>80,12.51</u>	<u>60,90.66</u>

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
16 CASH AND BANK BALANCES		
(a) Cash and Cash Equivalents		
Cash on hand	3.76	2.56
Cheques on hand	5.61	3.25
Balance with Banks:		
In Current Accounts	<u>1,94.85</u>	<u>3,99.01</u>
	<u>2,04.22</u>	<u>4,04.82</u>
(b) Other Bank Balances		
Earmarked Balances with Banks:		
Unpaid Dividend Account	109.00	99.21
Deposit Repayment Reserve Account	55.50	35.00
Other Fixed Deposit with Maturity more than 12 months *	<u>9,95.43</u>	<u>5,58.26</u>
	<u>11,59.93</u>	<u>6,92.47</u>
	<u>13,64.15</u>	<u>10,97.29</u>

* Includes Rs. Nil (Previous Year Rs. 98.65) pledged with Government Authority and Rs. 3,89.22 (Previous Year Rs. 4,37.04) against margin money which can be withdrawn at any point of time without prior notice or exit costs on the principal amount.

17 OTHER CURRENT ASSETS

Unsecured, Considered Good

Export Incentive Receivable	3,71.55	3,04.25
Claims Receivable	8.39	-
Accrued Interest Income	36.57	40.78
Interest Receivable from Government Authorities	55.92	23.10
Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	13.17	14.54
Other Receivables (Comprises of Service Tax, CST, Excise Duty Receivable, etc.)	<u>1,84.27</u>	<u>1,69.55</u>
	<u>6,69.87</u>	<u>5,52.22</u>

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS

			(Rs. in Lakhs)
	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016	
18 REVENUE FROM OPERATIONS			
Sale of Products			
Insoluble Sulphur	2,85,53.46	2,61,99.58	
Sulphuric Acid & Oleum	21,73.07	22,74.28	
Passenger and Truck Valves	1,97.20	1,05.11	
Hydraulic and Pneumatic Equipments	34,38.02	37,12.76	
Others	<u>2,17.20</u>	<u>2,73.81</u>	3,25,65.54
Other Operating Revenues			
Export and Other Incentives	<u>3,35.41</u>		<u>342.99</u>
Gross Revenue from operations	<u>3,49,14.36</u>		<u>3,29,08.53</u>
Less: Excise Duty	<u>17,55.85</u>		<u>17,99.87</u>
Net Revenue from operations	<u>3,31,58.51</u>		<u>3,11,08.66</u>
19 OTHER INCOME			
Dividend on Current Investments	67.02		1,27.74
Profit on Redemption / Sale of Investment (Net)	12.00		28.59
Dividend on Non-Current Investments	0.04		0.64
Interest Income			
- On Deposits	49.31	73.61	
- On Loans	31.77	35.48	
- Others	<u>37.83</u>	<u>9.87</u>	1,18.96
Loans and Debts earlier written-off, now recovered	7.24		-
Net gain on Foreign currency translations and transactions (Not Considered as Finance Cost)	<u>3,58.96</u>		<u>1,65.55</u>
Rent Received	11.51		10.13
Provision for Doubtful Debts written back	11.00		-
Provision no longer Required / Advance Received written back	57.98		84.25
Insurance Claim Received	-		3.78
Scrap Sales	43.33		15.89
Miscellaneous Income (Comprises of Support Services, Cash discount, Claims and Other Receipts)	<u>3.92</u>		<u>12.30</u>
	<u>6,91.91</u>		<u>5,67.83</u>

ORIENTAL CARBON & CHEMICALS LIMITED

	For the Year Ended 31st March, 2017	(Rs. in Lakhs) For the Year Ended 31st March, 2016
20 COST OF MATERIALS CONSUMED		
Sulphur	25,27.15	34,36.84
Carbon di sulphide	3,31.13	2,88.08
Coating Oil	28,08.88	30,66.22
Metal	39.66	9.92
Rubber	25.20	7.35
Others	26,54.23	26,68.85
	<u>83,86.25</u>	<u>94,77.26</u>
Less: Consumption for Trial Run Production	39.81	-
	<u>83,46.44</u>	<u>94,77.26</u>
21 PURCHASES OF TRADED GOODS		
Sulphuric Acid	9.21	
- Valve Cores & High Pressure Valves	40.51	43.18
	<u>49.72</u>	<u>43.18</u>
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
I Inventories as at the beginning of the Year		
Finished Goods	23,72.06	21,00.97
Work-in-Progress	1,77.20	3,26.59
Traded goods	8.42	10.81
Scrap	1.73	-
	<u>25,59.41</u>	<u>24,38.37</u>
Add: Transferred from Trial Run Production		
Finished Goods	65.51	-
Work-in-Progress	31.46	-
	<u>96.97</u>	<u>-</u>
	<u>26,56.38</u>	<u>24,38.37</u>
II Inventories as at end of the Year		
Finished Goods	15,59.80	23,72.06
Work-in-Progress	2,17.86	1,77.20
Traded goods	7.60	8.42
Scrap	6.06	1.73
	<u>17,91.32</u>	<u>25,59.41</u>
Changes in Inventories (I - II)	<u>8,65.06</u>	<u>(1,21.04)</u>
23 EMPLOYEES BENEFIT EXPENSES		
Salaries, Wages and Bonus	40,11.86	36,96.65
Contribution to Provident and Other Funds	3,47.40	2,46.31
Employee Welfare Expenses	4,08.78	4,21.45
	<u>47,68.04</u>	<u>43,64.41</u>
Less: Transfer to Capital Work-in-Progress/ Capitalised	1,25.03	1,11.62
	<u>46,43.01</u>	<u>42,52.79</u>

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in Lakhs)

**For the
Year Ended
31st March, 2017**

**For the
Year Ended
31st March, 2016**

24 OTHER EXPENSES

Stores Consumed	1,04.46	97.40
Packing Cost	8,41.56	7,50.50
Power and Fuel	36,55.92	34,53.04
Water Charges	87.14	60.60
Rent*	2,39.21	2,65.69
Rates and Taxes	52.50	62.72
Insurance	1,30.08	1,30.96
Repairs to Buildings	98.84	63.82
Repairs to Machinery	7,88.11	8,49.66
Repairs to Others	1,55.26	1,22.21
Job Charges	35.36	2.66
Freight & Forwarding	19,39.86	16,94.91
Commission and Discount	4,14.54	4,03.97
Travelling	3,58.83	3,02.75
Legal and Professional	3,45.41	2,67.02
Service Charges	2,00.99	1,72.78
Loss on Sale /Discard of Fixed Assets (Net)	1,19.40	59.67
Bad Advances / Debts	92.68	25.06
Provision for Doubtful Debts	34.90	5.06
Donations (Includes for CSR Activities Rs. 1,19.00 (Previous year Rs. 1,02.89))	1,94.00	1,02.99
Excise Duty on Increase of finished goods Stock	(81.14)	19.10
Directors' Commission & Fees	72.40	71.60
Prior Period	15.48	0.99
Miscellaneous **	8,84.18	7,10.13
	1,07,79.97	96,95.29
Less: Transfer to Capital Work-in-Progress/ Capitalised	1,91.44	1,22.00
	105,88.53	95,73.29

* Net of Recovery of Rs. 5.40; (Previous year Rs. 15.68).

** Miscellaneous include Auditors' Remuneration as follows :

(i) Statutory Auditor:

As Auditor	18.14	17.14
For Limited Review	5.65	4.65
For Tax Audit	4.70	3.50
For Certification, Consolidation and Other Matters	3.77	3.20
Travelling and other out of pocket Expenses	0.61	0.98
	32.87	29.47

(ii) Cost Auditor:

As Auditor	1.25	1.25
	1.25	1.25
	34.12	30.72

ORIENTAL CARBON & CHEMICALS LIMITED

	For the Year Ended 31st March, 2017	(Rs. in Lakhs) For the Year Ended 31st March, 2016
25 FINANCE COSTS		
Interest	7,01.96	6,71.60
Net Loss on Long Term Foreign Currency Loan Translations/ Transactions Repayable within a year	37.42	58.11
Other Borrowing Cost	64.14	69.44
	8,03.52	7,99.15
Less: Transfer to Capital Work-in-Progress	1,37.96	6.00
	6,65.56	7,93.15
26 DEPRECIATION AND AMORTISATION (Note No. 10)		
Depreciation on tangible assets including Impairment Loss	16,36.28	16,46.60
Amortisation of Intangible Assets	58.61	50.40
	16,94.89	16,97.00
27 CURRENT TAX		
Current Tax for the year	15,60.50	13,60.00
Less: MAT Credit Entitlement	3,37.12	3,98.50
Add: Write down of MAT Credit Entitlement	-	2,99.50
Add: Taxation adjustments in respect of earlier years (Net)	(0.18)	0.01
	12,23.20	12,61.01

28 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Accounting

The financial statements have been prepared to comply with the Accounting Standards referred to in section 133 and other relevant provisions of The Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

(B) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialize.

(C) Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

(D) Revenue Recognition

- (i) Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the delivery.
- (ii) Revenue from services is recognised on rendering of services in accordance with the contractual arrangements.
- (iii) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(E) Fixed Assets

Fixed assets are stated at cost or at revalued amount less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its

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intended use. The carrying amounts are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. (Also refer note no. 10 (iv)).

Intangible assets resulting in future economic benefits where the cost can be reliably measured are capitalised. Intangible assets are stated at cost less accumulated depreciation / amortisation and impairment loss.

(F) Depreciation

Tangible Assets

Depreciation on Fixed Assets has been provided on straight line method with reference to the economic useful life of its fixed assets as prescribed in Schedule II to the Companies Act, 2013 except in case of Vehicles useful life is considered by 5 Years instead of 8 Years and Air Conditioners & Coolers, whose useful life is considered 5 Years instead of 10 Years. Depreciation on machinery spares is provided retrospectively from the date the related assets are put to use. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Additions to Fixed Assets on leased land and premises are amortised over the lease period. Moreover in case of Subsidiary Company Asset purchased for value not exceeding Rs. 5000/- is fully depreciated in the year of Purchase, so as no material impact on the profit before tax and fixed assets of the group.

Intangible Assets

Depreciation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over the period of five years.

(G) Expenditure on new projects , substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

(H) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items related to foreign currency transactions are restated at year end exchange rates. All exchange differences arising from such conversion including gain or loss on cancellation of foreign currency forward covers are included in the Statement of Profit & Loss except exchange difference arising on long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets are capitalised. (refer note no. 10(iv)). Premium / Discount on forward covers, covered under AS-11(i.e. The Effects of Changes in Foreign Exchange Rates) are recognised over the tenure of the contract.

(I) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost is determined on weighted average cost. Further the cost for Work-in-Progress includes material cost, stagewise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

(J) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks

ORIENTAL CARBON & CHEMICALS LIMITED

and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

(K) Retirement and other employee benefits

- 1 Retirement benefits in the form of Provident Fund and Superannuation Scheme, which are defined contribution plans, are charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.
- 2 Gratuity and Leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date carried out by an independent Actuary using the projected unit credit method.
- 3 Gratuity and Superannuation liability is being contributed to the respective funds formed by the Company.

(L) Investments

Long term (Non-Current) Investments are stated at cost. The Company provides for diminution, other than temporary, in the value of Long term Investments. Current Investments are valued at lower of cost or fair value.

(M) Taxation

Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws. Deferred tax for timing differences between the book and taxable Income for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future and the same is reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(N) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying fixed assets, are capitalised as part of the cost of such assets upto the date of commencement of commercial production/put to use of plant. Other Borrowing costs are charged to revenue.

(O) Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

(P) Derivatives

Outstanding derivatives contracts, other than those covered under AS-11, at the year end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit & Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

(Q) Cash & Cash Equivalents

Cash & Cash Equivalents comprises Cash on hand, Balances with Banks and Deposits with Banks maturing within three months from the Balance Sheet date.

(R) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(S) Contingent Liabilities

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements.

ORIENTAL CARBON & CHEMICALS LIMITED

28.01 Principles of Consolidation

- (a) The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards referred to in Section 133 and the relevant provisions of the Companies Act, 2013.
- (b) Consolidated Financial Statements relates to M/s Oriental Carbon & Chemicals Limited (the Company) and it's Subsidiary M/s Duncan Engineering Limited(Formerly known as Schrader Duncan Limited), a Company incorporated in India.

The Company's interest in Subsidiary is 50.01 % .

The Consolidated Financial Statements are in conformity with the AS-21 referred to in Section 133 and the relevant provisions of the Companies Act, 2013 and prepared on the following basis:

- i) The financial statements of the company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets , liabilities , income and expenses after fully eliminating inter company balances and transactions.
- ii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except provision for depreciation for some assets, which is not material to the Consolidated Financial Statements.
- iii) Minority interest in the consolidated financial statements is identified and recognised after taking into consideration the amount of equity attributable to minority at date on which investments in subsidiary is made.
- iv) The Minorities share of movement in Equity since the date parent/ Subsidiary relationship came into existence, the losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary.

(Rs. in Lakhs)

As At
31st March' 2017 As At
31st March' 2016

29 CONTINGENT LIABILITIES & COMMITMENTS:

29.01 Contingent Liabilities

(i) Bank Guarantees given to various Govt. Authorities/Others (Margin money/Short Term Deposits Rs. 25.40; Previous year Rs. 8.96)	1,88.56	65.20
(ii) Bills discounted with Banks	4,02.71	13,01.93
(iii) Matters under Litigations / Appeals		
(a) Central Excise & Service Tax Matters (Deposited Rs. Nil; Previous year Rs. 85.58)	35.64	1,40.12
(b) Other Matters (Deposited Rs. 12.00 ; Previous year Rs. 12.00)	22.69	22.69
(c) Income Tax Matters (Deposited Rs. 34.10; Previous year Rs. 23.75)	1,15.94	1,00.26
(d) Sales Tax Matters	21.25	50.76
(iv) Subsidiary Company's Statutory Bonus Liabilities for the Financial year 2014-15 pursuant to the retrospective amendment in the Bonus Act, 1965. The Company is hopeful of favourable decisions and expect no outflow of resources, hence no provision is made in the books of account.	30.36	30.36

29.02 Commitments

(i) Estimated amount of capital commitments outstanding and not provided for (Gross) (Advance paid Rs. 3,66.33 ; Previous year Rs.29,99.81)	15,19.62	56,45.77
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30 OTHER NOTES ON ACCOUNTS

30.01 Segment Reporting

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

As part of Secondary reporting, revenues are attributed to geographic areas based on the location of the customers.

The following tables present the revenue, profit, assets and liabilities information relating to the Business/Geographical segment for the year ended 31.03.2017.

ORIENTAL CARBON & CHEMICALS LIMITED
Information about Business Segment - Primary
(Rs. In Lakhs)

Reportable Segments	Chemicals		Automotive Products (Exclusive of Discontinuing Operations of Tube Valve Product Line)		Fluid Power & Automation		Total	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Revenue (Net of Excise)								
External	2,97,45.16	2,74,71.72	3,57.92	3,41.52	30,55.43	32,95.42	3,31,58.51	3,11,08.66
Total Revenue from operations	2,97,45.16	2,74,71.72	3,57.92	3,41.52	30,55.43	32,95.42	3,31,58.51	3,11,08.66
Result								
Segment Result	79,32.77	69,67.68	29.95	(2,79.86)	1,26.70	3,73.14	80,89.42	70,60.96
Unallocated Corporate Income (Net)							4,26.65	3,06.95
Finance costs							6,65.56	7,93.15
Profit before Exceptional Items and Tax							69,97.21	59,60.86
Exceptional items							-	-
Profit before Tax and Minority Interest							69,97.21	59,60.86
Less: Provision for Taxation(Including Deferred Tax)							20,14.92	12,63.09
Profit for the period from Continuing Operations							49,82.29	46,97.77
Profit / (Loss) from Discontinued Operations							(2,27.87)	(91.95)
Profit for the period before Minority Interest							47,54.42	46,05.82
Less: Profit / (Loss) attributable to Minority Interest							(2,94.32)	(3,46.36)
Profit for the year attributable to Holding Company							50,48.74	49,52.18
Other Information								
Segment Assets from Continuing Operations	4,42,58.62	3,60,93.50	5,09.05	15,11.08	30,08.98	24,04.60	4,77,76.65	4,00,09.18
Segment Assets from Discontinued Operations	-	-	23.27	8,66.21	-	-	23.27	8,66.21
Unallocated Corporate Assets							53,65.05	42,62.59
Total Assets	4,42,58.62	3,60,93.50	5,32.32	23,77.29	30,08.98	24,04.60	531,64.97	451,37.98
Segment Liabilities from Continuing Operations	44,66.97	27,92.37	43.54	89.47	6,73.07	9,07.25	51,83.58	37,89.09
Segment Liabilities from Discontinued Operations	-	-	59.86	2,39.01	-	-	59.86	2,39.01
Unallocated Corporate Liabilities (Including Deferred tax Liabilities Rs. 29,05.40 (Previous year Rs. 21,13.68) and Borrowings Rs. 1,08,70.01 (Previous year Rs. 86,67.25))							1,41,07.62	1,16,78.63
Total Liabilities	44,66.97	27,92.37	1,03.40	3,28.48	6,73.07	9,07.25	1,93,51.06	1,57,06.73
Capital Expenditure	1,02,75.90	46,98.75	(2.05)	25.75	87.65	1,04.11	1,03,61.50	48,28.61
Unallocated Capital Expenditure							6.84	0.50
Total Capital Expenditure							103,68.34	48,29.11
Depreciation	15,15.43	15,65.12	48.94	40.62	1,02.08	61.25	16,66.45	16,66.99
Unallocated Depreciation							28.44	30.01
							16,94.89	16,97.00

Secondary Segment - Geographical by location of customers						
Reportable Segments	Domestic		Export		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue	1,36,10.18	1,35,69.48	1,95,48.33	1,75,39.18	3,31,58.51	3,11,08.66
Carrying amount of Trade Receivables	33,04.20	33,89.58	47,08.31	27,01.08	80,12.51	60,90.66
Finished Goods Stock	3,62.57	9,68.76	12,04.83	14,92.84	15,67.40	24,61.60
Other Information:	The company has common assets for producing goods for domestic market and overseas market.					

ORIENTAL CARBON & CHEMICALS LIMITED

Notes:

- (i) The Company is organised into three main business segments, namely;
- Chemicals (Including Insoluble Sulphur, Sulphuric Acid and Oleum);
 - Automotive Products
 - Fluid Power & Automation
- Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.
- (ii) The segment revenue in the geographical segments considered for disclosure are as follows:
- (a) Revenue within India includes sales to customers located within India and earnings in India.
- (b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/benefits.
- (iii) Segment, Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

30.02 Related Party Disclosures (To the extent Identified by the Company)

1 Name & Relationship of the Related Parties:

- (a) Duncan International (India) Limited : Enterprise over which relative of key management personnel is having significant influence.
- (b) Cosmopolitan Investments Ltd. (w.e.f 17.12.2015) : Enterprise over which key management personnel is having significant influence.
- (c) Haldia Investments Ltd. (w.e.f. 17.12.2015) : Subsidiary of Cosmopolitan Investments Ltd.
- (d) Disciplined Investments Ltd. (w.e.f. 17.12.2015) : Subsidiary of Cosmopolitan Investments Ltd.
- (e) Mr. J.P. Goenka : Chairman and Relative of Key Management Personnel
- (f) Mr. Arvind Goenka - Managing Director : Key Management Personnel
- (g) Mr. Akshat Goenka - Joint Managing Director : Key Management Personnel
- (h) Mr. Shreyans Goenka - (Senior Manager upto 31.03.2016) : Relative of Key Management Personnel
- (i) Mrs. Aparna Goenka : Relative of Key Management Personnel
- (j) Mrs. Uma Goenka } (From 01.04.2015 : Relative of Key Management Personnel
- (k) Ms. Shreya Goenka } to 12.08.2015) : Relative of Key Management Personnel
- (l) Ms. Sujata Goenka } : Relative of Key Management Personnel

2 Transactions with Related Parties during the year:

(Rs. in lakhs)

Particulars	Enterprise over which relative of key management personnel having significant influence		Enterprise over which key management personnel having significant influence		Subsidiary Company of Cosmopolitan Investments Ltd.		Subsidiary Company of Cosmopolitan Investments Ltd.		Key Management Personnel		Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
(a) Service charges reimbursed	68.70	64.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Expenses Reimbursed / (Recovered) (Net)	(4.56)	(5.49)	61.00	17.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Remuneration @	-	-	-	-	-	-	-	-	-	-	1.73.22	1,57.43	1,55.82	1,24.57	-	24.37	-	-	-	-	-	-	-	-
(d) Dividend Paid	84.54	84.54	1,61.88	-	50.31	-	2.55	-	-	-	8.50	13.28	8.50	8.50	11.23	5.70	17.00	29.93	-	10.11	-	6.80	-	1.15
(e) Director's Fees & Commission	-	-	-	-	-	-	-	-	3.60	3.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Outstanding Payable as on 31.03.2017	-	-	-	-	-	-	-	-	2.43	1.64	57.15	47.75	47.44	40.08	-	1.61	-	-	-	-	-	-	-	-

@ Excludes Actuarial Valuation of Retirement Benefits.

ORIENTAL CARBON & CHEMICALS LIMITED

30.03 Earnings per Share (EPS)

	For Continuing Operations		For Continuing & Discontinuing Operations	
	(net of tax expense)		(net of tax expense)	
	For the year ended		For the year ended	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Profit attributable to the Equity Shareholders(A) (Rs. in Lakhs)	5162.71	4998.16	50,48.74	49,52.18
Number of Equity Shares (B)	10296062	10296062	10296062	10296062
Nominal value of Equity Shares (Rs.)	10.00	10.00	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)-A/B	50.14	48.54	49.04	48.10

30.04 The Subsidiary Company, in its Board meeting held on 16th April 2016 had decided to discontinue its Tube Valve product line as it was incurring cash losses and the same was not commercially viable and the operations of the Tube Valve product line were closed on 31st May, 2016. Consequently, for the purpose of discontinuing operations, tangible assets, current assets and current liabilities, others etc. related to Tube Valve product line were identified. The company has disclosed information to the extent identifiable in compliance with the requirement of AS-24 on Discontinuing Operation.

(a) **The carrying amounts of total assets and total liabilities attributable to the discontinued operation, as at March 31, 2017 :**

	(Rs. in Lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
Liabilities		
Non-current liabilities:		
Long-term provisions	-	7.17
Current liabilities :		
Trade payables	-	2,19.35
Other current liabilities	47.37	-
Short-term provisions	12.49	12.49
Total	59.86	2,39.01
Assets		
Fixed assets (Tangible Assets)	-	2,12.06
Current assets		
Inventories	4.94	2,66.15
Trade receivables	9.32	3,88.00
Other current assets	9.01	-
Total	23.27	8,66.21

(b) **The amounts of revenue and expenses from ordinary activities attributable to the discontinued operation, for the year ended March 31, 2017 :**

Revenue	2,54.47	27,04.03
Expenditure		
Cost of raw materials consumed	1,04.31	19,10.92
Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,26.67	35.98
Employee benefits expense	1,21.75	1,02.75
Finance costs	20.36	48.07
Depreciation & amortisation expenses including impairment loss	4.85	3,37.40
Other expenses (Includes Loss on Disposal of Fixed Assets arising out of discontinued operations of the said product line Rs. 38.34)	1,04.40	3,60.86
Total	4,82.34	27,95.98
Loss before tax	(2,27.87)	(91.95)
Loss after tax	(2,27.87)	(91.95)

ORIENTAL CARBON & CHEMICALS LIMITED

(c) The amounts of net cash flow attributable to the operating, investing and financial activities of the discontinued operation, for the year ended March 31, 2017 :

	As at 31st March, 2017	As at 31st March, 2016
A. Cash flow from Operating Activities		
Profit / (Loss) before tax	(2,27.87)	(91.95)
Adjustments for:		
Depreciation and amortisation expense including impairment loss	4.85	3,37.40
Finance costs	20.36	48.07
(Profit) / Loss on Sale / discard of Fixed Assets	38.34	-
Bad Debts written off	1.13	5.57
Advance written off	6.31	-
Provision for Doubtful Debts	4.58	51.08
Operating profit / (loss) before working capital changes	(1,52.30)	3,50.17
Increase / (Decrease) in Current and Non Current Liabilities	(1,79.14)	(4,39.10)
(Increase) / Decrease in Inventories	2,61.21	4,57.37
(Increase) / Decrease in Trade receivables	3,78.68	3,50.58
(Increase) / Decrease in Loans and Advances and Other Current and Non Current Assets	(9.01)	-
Cash generated from operations	4,51.74	3,68.85
Net cash generated from Operating Activities	2,99.44	7,19.02
B. Cash flow from Investing Activities		
Proceeds from Sale of Tangible / Intangible assets (net)	1,61.67	-
Net cash generated from investing activities	1,61.67	-
C. Cash flow from Financing Activities		
Interest & finance cost paid	(20.36)	(48.07)
Net cash used in Financing Activities	(20.36)	(48.07)
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	4,40.75	6,70.95

As per the present system of maintenance of books of accounts the relevant records do not provide clearly identifiable cash flow from operating activities / Investing activities / Financing Activities pertaining to this product line and hence the same has not been disclosed above.

The Subsidiary Company has recognised loss on assets of Rs.38.34 arising out of disposal/ discontinued operations of said product line

In view of the above discontinued operation, Subsidiary Company has retrenched 57 workmen and provided a liability of Rs.34,29,413 during the current financial year based on statutory dues payable. The labour union has approached the Hon'ble High Court, Bombay against closure of the tube valve product line and the Subsidiary Company does not expect any additional liability in this regard.

30.05 i) Outstanding Forward Covers in respect of foreign currencies for Hedging.

(Foreign currency and Indian currency in Lakhs)

Currency	Cross Currency	As on 31st March, 2017	As on 31st March, 2016
Future Export sales			
USD	INR	33.50	49.72
EURO	USD	40.00	28.10
EURO	INR	-	17.45
Term Loans			
USD	INR	19.52 @	-

@ Includes JPY/USD 5,00.00 equivalent to USD/INR 4.61

ii) Foreign currency exposure not hedged by a derivative instrument or otherwise:

Currency	Cross Curr- ency	Payables				Receivables			
		As On 31st March, 2017		As On 31st March, 2017		As On 31st March, 2017		As On 31st March, 2016	
		Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD	INR	6.52	4,22.73	9.89	6,57.80	17.21	11,16.47	6.91	4,58.13
EURO	INR	1.63	1,13.14	15.53	11,66.00	6.09	4,21.55	10.96	8,23.21
GBP	INR	-	-	-	-	-	-	0.32	30.42
JPY	INR	6,09.19	3,53.09	-	-	2,79.00	1,61.71	2,74.49	1,62.12

ORIENTAL CARBON & CHEMICALS LIMITED

30.06 (a) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:

Particulars	As at 31st March 2017				As at 31st March 2016			
	Net Assets i.e. Total Asset less Total Liabilities		Share in Profit / (Loss)		Net Assets i.e. Total Asset less Total Liabilities		Share in Profit / (Loss)	
	As % of Consolidated Net Assets	Amount (in Lakhs)	As % of Consolidated Profit/ (Loss)	Amount (in Lakhs)	As % of Consolidated Net Assets	Amount (in Lakhs)	As % of Consolidated Profit/ (Loss)	Amount (in Lakhs)
Parent								
Oriental Carbon & Chemical Limited *	95.17	3,21,81.57	112.38	53,43.22	80.47	2,72,10.12	111.45	52,98.73
Subsidiary Company								
Duncan Engineering Limited (Formerly Known as Schrader Duncan Limited)	4.83	16,32.34	(12.38)	(5,88.80)	6.57	22,21.13	(14.57)	(6,92.91)
Total	100.00	3,38,13.91	100.00	47,54.42	87.04	2,94,31.25	96.87	46,05.82

*after eliminating investment in subsidiary company

(b) Statement containing salient features of the financial statement of Subsidiary Company, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Name of the subsidiary :Duncan Engineering Limited (formerly known as Schrader Duncan Limited)

Particulars	As at 31st March 2017	As at 31st March 2016
Reporting period	1st April 2016 to 31st March 2017	1st April 2015 to 31st March 2016
Reporting currency	INR	INR
Share capital	3,69.60	3,69.60
Reserves & surplus	12,62.73	18,51.53
Total assets	40,60.40	54,07.48
Total Liabilities	24,28.07	31,86.35
Investments	0.03	0.80
Turnover (Net)	34,21.30	36,47.31
Profit/ (Loss) before tax from Continuing Operations	(3,61.11)	(5,15.47)
Tax Expenses for Continuing Operations	(0.18)	85.50
Profit/ (Loss) after tax from Continuing Operations	(3,60.93)	(6,00.97)
Profit/ (Loss) before tax from Discontinuing Operations	(2,27.87)	(91.95)
Tax Expenses for Discontinuing Operations	-	-
Profit/ (Loss) after tax from Discontinuing Operations	(2,27.87)	(91.95)
Profit/(Loss) for the year after taxation	(5,88.80)	(6,92.92)
Percentage of shareholding	50.01%	50.01%

30.07 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th Nov.'2016 to 30th Dec.' 2016 as provided in the table below:

Particulars	SBNs	(Amount in Rs.)	
		Other Denomination Notes	Total
Closing cash in hand as on 08 .11.2016	434,500	67,857	502,357
(+) Permitted receipts dt. 09.11.2016 to 30.12.2016	NIL	1,896,229	1,896,229
(-) Permitted payments dt. 09.11.2016 to 30.12.2016	4,500	1,406,099	1,410,599
(-) Amounts Deposited in Banks dt. 09.11.2016 to 30.12.2016	430,000	NIL	430,000
Closing cash on hand as on 30.12.2016	NIL	557,987	557,987

30.08 Previous year figures have been regrouped to conform current year figures.

In terms of our Report of even date attached.

For and on behalf of the Board of Directors

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

ARVIND GOENKA
Managing Director

O.P. DUBEY
Director

B.K. SIPANI
Partner

P.K. MAITY
Company Secretary

ANURAG JAIN
Chief Financial Officer

Place : Noida
Date : 23rd May, 2017

Membership No. 088926

ATTENDANCE SLIP

ORIENTAL CARBON & CHEMICALS LIMITED

CIN – L24297WB1978PLC031539

Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001

Email: investorfeedback@occlindia.com; Website: www.occlindia.com

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF SHAREHOLDER

I hereby record my/our presence at 37th Annual General Meeting of the Company on Friday, the 28th July, 2017 at 10.30 a.m. at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001

* Applicable for investors holding shares in electronic form

Signature of shareholder/Proxy

Note:

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue duly signed.

..... cut here.....

ORIENTAL CARBON & CHEMICALS LIMITED

CIN – L24297WB1978PLC031539

Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001

Email: investorfeedback@occlindia.com; Website: www.occlindia.com

PROXY FORM

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

Name of the member(s):		Email Id:	
Registered address:		Folio No./*Client Id:	
		DP Id:	

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

- 1) NameAddress.....
Email ID.....Signature..... or failing him/her
- 3) NameAddress.....
Email ID.....Signature..... or failing him/her
- 3) NameAddress.....
Email ID.....Signature..... or failing him/her

as my / our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company on Friday, the 28th July, 2017 at 10.30 a.m. at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
ORDINARY:			
1.	To receive, consider and adopt: a.the audited financial statements of the Company for the financial year ended March 31, 2017, and Reports of the Directors and Auditors thereon; and b.the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and Report of the Auditors thereon.		
2.	To confirm the interim dividend paid during the year and to declare a final dividend for the financial year ended March 31, 2017		
3	To appoint a Director in place of Mr. J P Goenka (holding DIN 00136782), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To consider appointment of M/s. S S Kothari Mehta & Co., Chartered Accountant as a Statutory Auditor of the Company and to fix their remuneration.		
5.	Approval of the Remuneration of the Cost Auditor		
6.	To authorise Mr. Arvind Goenka, Managing Director, Mr. Anurag Jain, Chief Financial Officer and Mr. Pranab Kumar Maity, Company Secretary of the Company to charge from the members such amount as may be deemed fit as an advance amount in lump sum or otherwise against any estimated or actual expenses incurred or to be incurred by the Company from time to time for delivery of the documents to the members in a mode specified by the members.		
SPECIAL:			
7.	To consider reclassification of status of Mr. Shreyans Goenka and Ms. Shreya Goenka from "Promoter & Promoter Group" shareholding of the Company to the "Public" shareholding of the Company.		

Signed this day of2017.

.....
Signature of member

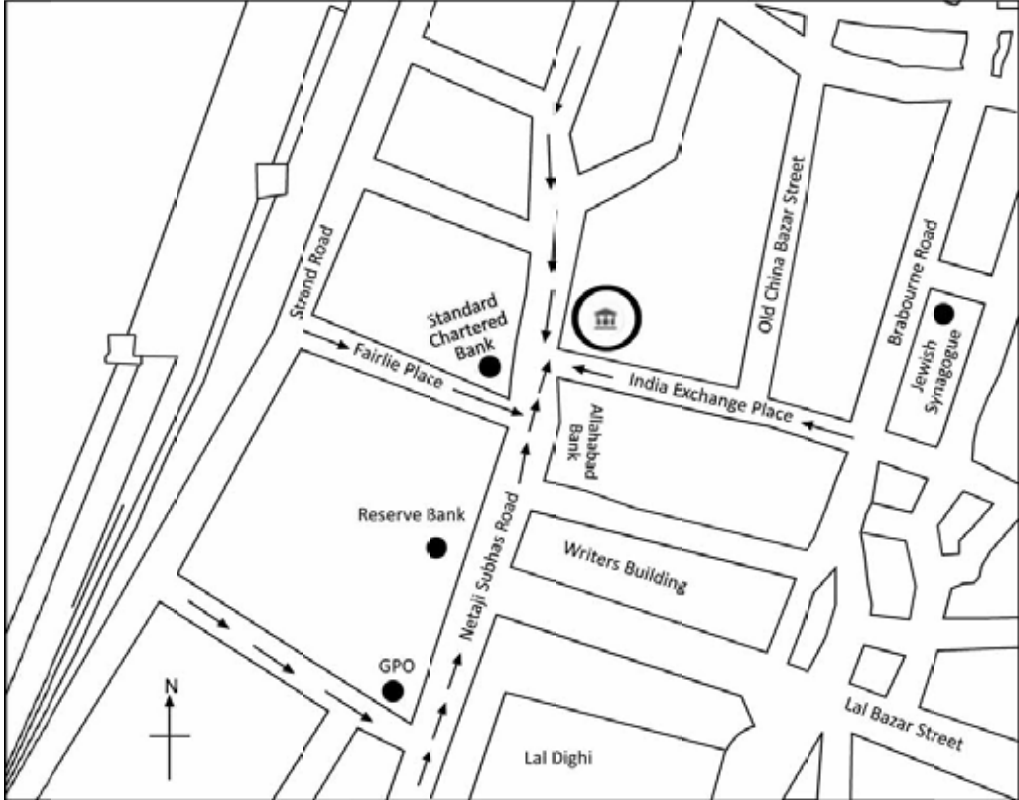
.....
Signature of proxy holder(s)

Affix revenue stamp of not less than ₹0.15
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Notes:

Note: This form of proxy in order to be effective should be duly completed, stamped, dated and signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Route Map to the AGM Venue



Williamson Magor Hall,
The Bengal Chamber of Commerce and Industry,
6 Netaji Subhas Road
Kolkata 700 001



ORIENTAL CARBON & CHEMICALS LTD

31, Netaji Subhas Road, Kolkata-700001