Graphite India Limited

ANNUAL REPORT
2017-18

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr K K Bangur, Chairman

Mr P K Khaitan

Mr N S Damani

Mr A V Lodha

Dr R Srinivasan

Mr N Venkataramani

Mr J D Curravala

Mr Gaurav Swarup

Mrs Shalini Kamath

Mr M B Gadgil, Executive Director

COMPANY SECRETARY

Mr B Shiva

AUDITORS

S R Batliboi & Co. LLP

SOLICITORS

Khaitan & Co.

BANKERS

Bank of India

Canara Bank

Citibank N. A.

Corporation Bank

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

UCO Bank

REGISTERED OFFICE

31, Chowringhee Road, Kolkata 700 016

Phone No. : +9133 22265755/2334/4942, 40029600

Fax No. : (033)22496420

CIN : L10101WB1974PLC094602

corp_secy@graphiteindia.com

www.graphiteindia.com

GRAPHITE INDIA LIMITED

Regd. Off: 31, Chowringhee Road, Kolkata 700 016
CIN : L10101WB1974PLC094602 Website : www.graphiteindia.com

NOTICE is hereby given that the Forty Third ANNUAL GENERAL MEETING of the members of Graphite India Limited will be held on Monday, the 6th day of August, 2018 at 2.00 pm at Kala Kunj Auditorium (Sangit Kala Mandir Trust) 48, Shakespeare Sarani, Kolkata - 700 017 to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt:

   a. the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2018 and the Report of the Auditors thereon.

2. To confirm payment of interim dividend and declare final dividend on equity shares for the financial year ended 31st March 2018.

3. To appoint a Director in place of Mr. K K Bangur, (DIN 00029427) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution with or without modification, as a Special Resolution.

   RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions if any, of the Companies Act, 2013 ("the Act") or any modification or re-enactment thereof, the Company hereby authorizes, payment of remuneration by way of commission at the discretion of the Board of Directors of the Company ("the Board") to one or more or all the Directors who are neither Managing directors nor Whole-time Directors of the Company, for a period of five financial years commencing from 1st April, 2018.

   FURTHER RESOLVED THAT the managerial remuneration to be distributed as commission to such directors along-with the managerial remuneration payable to the Managing Director, Whole Time Director and Manager in respect of any financial year shall not exceed eleven percent of the net profits of the company for that financial year computed in the manner laid down in Section 198 of the Act.

   FURTHER RESOLVED THAT the Board may, at its discretion, decide on the amount to be paid to any particular Director in any financial year.

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 (3) and other applicable provisions, if any of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) / or re-enactment (s) thereof for the time being in force) the remuneration payable to the Cost Auditors of the various divisions / plants of the Company to conduct the audit of the cost accounting records maintained for the financial year ending March 31, 2018 as approved by the Board of Directors of the Company, on the recommendation of the Audit Committee and as detailed hereunder be and is hereby ratified.

Name of Cost Auditors/ Firm Registration No.	Location	@Remuneration in Rs.
Shome & Banerjee Kolkata Reg. No. 000001	(i) Durgapur, Bangalore Plant (including captive power generation facility in Mysore) (ii) 1.5 MW Link Canal Power plant at Mandya	3,00,000 30000
DBK Associates Pune Reg. No. 00325	Satpur (including captive power generation facilities), Ambad, Gonde & Captive Power Plants	200000
B G Chowdhury & Co. Kolkata Reg. No. 000064	Barauni	50000
N Radhakrishnan & Co.Kolkata Reg. No. 00056	Mini Steel Plant of Powmex Steels division	40000

@ plus GST and reimbursement of out of pocket expenses.

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

RESOLVED THAT pursuant to Section 42 and 71 of Companies Act, 2013 and Companies (Prospectus & Allotment of Securities Rules), 2014 and other applicable provisions / rules of the Companies Act, 2013 and subject to, wherever required, the guidelines and / or approval of the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and subject to such other approvals and consents of the concerned authorities as required by law, and subject to such conditions, modifications and stipulations as may be imposed under the said approvals, permissions and consents and in terms of the Articles of Association of the Company, the Board of Directors of the Company (Board) be and is hereby authorised to issue and allot secured/ unsecured, redeemable, cumulative/ non-cumulative, non-convertible debentures/ Bonds upto Rs. 2,000 Crore or equivalent in one or more tranches/ series, through private placement, in domestic and/ or in international markets i.e. in Indian rupees and/or in foreign currency for subscription for cash at par on terms and conditions based on evaluation by the Board of market conditions as may be prevalent from time to time as may be determined and considered proper and most beneficial to the Company including without limitation as to when the aforesaid securities are to be issued, consideration, mode of payment, coupon rate, redemption period, utilisation of the issue proceeds and all matters connected therewith or incidental thereto; provided that the said borrowing shall be within the overall borrowing limits of the Company.

FURTHER RESOLVED THAT for the purpose of giving effect to this Special Resolution, the Board be and is hereby authorised to issue such directions as it may think fit and proper, including directions for settling all questions and difficulties that may arise in regard to the creation, offer, issue, terms and conditions of issue, allotment of the aforesaid securities, nature of security, if any, appointment of Trustees and do all such acts, deeds, matters and things of whatsoever nature as the Board, in its absolute discretion, consider necessary, expedient, usual or proper.

FURTHER RESOLVED THAT the Board shall have the right at any time to modify, amend any of the terms and conditions contained in the Offer Documents, Application Forms etc. not-withstanding the fact that approval of the concerned authorities in respect thereof may have been obtained subject, however, to the condition that on any such change, modification or amendment being decided upon by the Board, obtaining requisite approval, permission, authorities etc. from the concerned authorities is required.

FURTHER RESOLVED THAT all or any of the powers as conferred on the Board by the above resolutions be exercised by the Board or any Committee or by any Director as the Board may authorise in this behalf.

By Order of the Board
For Graphite India Limited

Kolkata
May 11, 2018

B. Shiva
Company Secretary

NOTES :

a. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and the additional information pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 in respect of Director proposed for re-appointment at the meeting are annexed hereto.

b. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.

c. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.

d. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 28th day of July, 2018 to Monday, the 6th day of August, 2018 (both days inclusive).

e. Final Dividend on Equity Shares when sanctioned will be made payable to those shareholders whose names stand on the Company's Register of Members on 28th July, 2018 and to whom dividend warrants will be posted. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership furnished by the depositories for this purpose. Final Dividend on equity shares, if declared at the meeting will be paid/despatched by 21st August, 2018.

f. (i) Members are hereby informed that dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to the Investor Education & Protection Fund (IEPF) established by the Central Government.

Unclaimed/un-encashed dividend declared by the Company for the year ended 31st March, 2011 would be transferred to the said fund in the third week of September, 2018.

Shareholders are advised to send all the unencashed dividend warrants to the Registered Office / office of the Company for revalidation and encash them immediately. Unclaimed/ Unencashed dividend upto the years ended 31st March, 2010 have already been transferred to the IEPF.

(ii) Further, pursuant to the provision of Section 124(6) of the Companies Act 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the Investor Education and Protection Fund authority ('IEPF Authority') The Members/claimants whose shares, unclaimed dividend, etc. have been transferred to the IEPF Authority may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on iepf.gov.in) as per the procedure prescribed in the IEPF Rules.

g. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 04, 2017 (date of last Annual General Meeting) on the website of the Company (www.graphiteindia.com) as also on the Ministry of Corporate Affairs website (www.mca.gov.in)

h. Members/Proxies should fill in the Attendance Slip for attending the meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting. Members are requested to affix their signature at the space provided in the attendance slip with complete details including the Folio No. annexed to the proxy form and hand over the slip at the entrance of the place of meeting.

i. Members are requested to notify change in their address, if any, immediately to the Company's Registrar, Link Intime India Pvt. Ltd., C 101, 247 Park, L B S Marg, Vikhroli (W), Mumbai 400 083 or to their Kolkata office at 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020.

j. All the documents referred in the accompanying notice will be available for inspection at the Registered Office of the Company between 10:00 a.m. and 2:00 p.m. on all working days till the date of this Annual General Meeting.

k. **Voting through electronic means**

I The Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the 43rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("e-voting") will be provided by Central Depository Services Limited (CDSL).

II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through ballot paper.

III **The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on 3rd August, 2018 – from 9.00 a.m. (IST) and ends on 5th August, 2018 – at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (30th July, 2018) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below :

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

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for GRAPAHITE INDIA LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

(IV) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (30th July, 2018) only shall be entitled to avail the facility of e-voting as well as voting at the AGM through ballot paper.

(V) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "e-voting" or "Ballot Paper" or "Poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.

(VI) Mrs. Swati Bajaj, Partner, M/s. P.S. & Associates, Practicing Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e-voting process and voting through Ballot Paper or Poll Paper, in a fair and transparent manner.

(VII) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(VIII) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.graphiteindia.com) and on Service Provider's website (www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board
For Graphite India Limited

Kolkata
May 11, 2018

B. Shiva
Company Secretary

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

ITEM NO. 4

The members of the Company in the 42nd Annual General Meeting held on 04th August 2017 had by way of an ordinary resolution approved and authorised the Board of Directors of the Company to pay commission exceeding one percent of the net profits of the Company as prescribed in Section 197 (1) of the Act in such proportion and to such one or more directors who are neither the managing director nor the whole-time director, as the Board in its discretion may decide for a period of five financial years commencing from 1st April 2017, but within the overall ceiling of eleven percent to all directors (including whole-time directors), subject to approvals wherever necessary.

The Companies (Amendments) Act 2017, has amended Section 197 of the Act, which provides for approval of the members of the Company, by way of a special resolution instead of an ordinary resolution. Applicability of the said amendment has not been notified yet.

However, as an enabling measure, approval from members is sought by way of a special resolution for payment of remuneration by way of commission to directors of the Company who are not managing director or whole time director of the Company, exceeding one percent of the net profits of the Company for a period of five financial years, commencing from 1st April 2018. The special resolution set out in Item no. 4 is commended for approval by the members

A copy of the Articles of Association of the Company is available for inspection at its Registered Office between 10.00 a.m. and 2.00 p.m. on any working day of the Company till the date of this Annual General Meeting.

All the directors (except Executive Director, the other Key Managerial personnel and their relatives) may be deemed to be concerned or interested in the resolution.

ITEM NO. 5.

Upon the recommendation of Audit Committee, the Board of Directors of the Company approved appointment of the cost auditors for the various divisions/plants of the Company on remuneration as detailed in the resolution. Ratification is sought from the members of the Company for payment of remuneration as approved by the Board and detailed in the resolution, pursuant to Rule 14 (a) (ii) of Companies (Audit and Auditors) Rules, 2014.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

ITEM No. 6

In order to arrange funds for capital expenditure/long term/short term working capital, organic and inorganic growth opportunities/general corporate purposes, the Board could consider issue of secured/unsecured, redeemable, cumulative/non-cumulative/non-convertible debentures/bonds upto Rs. 2000 crore (Rupees Two Thousand crore) or equivalent in one or more tranches/series, through private placement in domestic or in international markets i.e. in Indian rupees and/or in foreign currency.

Pursuant to the provisions of Section 42 of Companies Act, 2013 read with Rules 14(2) (a) of Companies (Prospectus & Allotment of Securities) Rules, 2014, members approval by way of a special resolution would be sufficient for all offers or invitation for such debentures for a year. The resolution placed before the members is thus an enabling resolution giving authority to the Board of Directors/Committee thereof to decide upon the issue on such terms and conditions as may be prevalent from time to time for a year from the date of passing this resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No.6 of the Notice for approval by the members.

By Order of the Board
For Graphite India Limited

Kolkata
May 11, 2018

B. Shiva
Company Secretary

Profile of Director being re-appointed

Mr. K. K. Bangur aged 57 years, Chairman is an industrialist of repute. He has been exposed to business and industry at an early age and has around 35 years of experience in managing the affairs of companies and its business activities. He has been a director of the Company since July 1998 and Chairman since July 1993. He is a past President of All India Organization of Employers (AIOE) and Member, Board of Governors of Indian Institute of Social Welfare and Business Management (IISWBM) and a past Chairman of Council of Indian Employers (CIE). He is a past President of Indian Chamber of Commerce, Kolkata and Executive Committee member of FICCI. He is Chairman of the 'Stakeholders Relationship Committee', 'Committee for Borrowings', and 'Investment Committee' of the Company. As per Company records, he holds 19,07,726 shares of the Company including 50500 equity shares held as Karta of HUF & 199505 equity shares on behalf of Family Welfare Trust.

Directorships in other Companies

1	Emerald Company Pvt. Ltd.	Chairman
2	Shree Laxmi Agents Ltd.	Chairman
3	Innovative Properties Pvt. Ltd.	Chairman
4	Carbon Finance Ltd.	Chairman
5	Matrix Commercial Pvt. Ltd.	Director
6	The Marwar Textiles (Agency) Pvt. Ltd.	Director
7	West Bengal Properties Ltd.	Director

Committee Membership in other Companies - NIL

By Order of the Board
For Graphite India Limited

Kolkata
May 11, 2018

B. Shiva
Company Secretary