BAVARIA CARBON HOLDINGS GMBH
RÖTHENBACH A.D. PEGNITZ
BALANCE SHEET
AS OF 31 MARCH 2018

ASSETS

	31.03.2018 EUR	31.03.2017 EUR
A. FIXED ASSETS		
I. Tangible assets		
1. Real estate, titles to land and buildings including buildings on third party land	1,431,750.36	1,030,842.68
2. Technical equipment and machines	13,078.00	13,823.00
3. Other Plants, office fixtures and fittings	1,330.00	1,969.00
4. Down-payments made and plants under construction	51,874.89	51,355.39
	1,498,033.25	1,097,990.07
B. CURRENT ASSETS		
I. Receivables and other assets		
1. Trade receivables	18,036.65	11,635.77
2. Other assets	66,232.32	53,813.54
	84,268.97	65,449.31
II. Cash, bank deposits and cheques	50,835.85	24,615.00
	135,104.82	90,064.31
C. PREPAID EXPENSES	0.00	535.20
D. DEFERRED TAX ASSETS	92,415.00	92,415.00
	1,725,553.07	1,281,004.58

EQUITY AND LIABILITIES

	31.03.2018 EUR	31.03.2017 EUR
A. EQUITY		
I. Capital subscribed	250,000.00	250,000.00
II. Capital reserves	25,000.00	25,000.00
III. Profit carried forward	560,688.65	408,441.25
IV. Profit of the year / net loss	-221,741.24	152,247.40
	613,947.41	835,688.65
B. PROVISIONS AND ACCRUALS		
I. Provisions for taxes	0.00	24,142.86
II. Other provisions	68,059.93	67,393.48
	68,059.93	91,536.34
C. LIABILITIES		
I. Trade payables	42,905.01	5,198.16
II. Liabilities due to affiliated undertakings	994,038.82	333,737.83
III. Other liabilities	6,601.90	14,843.60
	1,043,545.73	353,779.59
	1,725,553.07	1,281,004.58

EXHIBIT 2

BAVARIA CARBON HOLDINGS GMBH
RÖTHENBACH A.D. PEGNITZ
INCOME STATEMENT
FOR THE PERIOD FROM 1 APRIL 2017 TO 31 MARCH 2018

	2017/18 EUR	2016/17 EUR
1. Sales	593,261.43	613,004.92
2. Other operating income	6,519.06	500.00
3. Cost of materials		
a) Cost of raw materials, supplies, operating materials and acquired goods	16,257.87	19,664.88
b) Cost of services acquired	-91,564.81	-84,228.33
4. Gross Profit	524,473.55	548,941.47
5. Depreciation for intangible fixed assets and tangible assets	-36,764.28	-32,967.47
6. Other operating expenses	-655,171.08	-294,143.51
7. Operating Income	-167,461.81	221,830.49
8. Interest and similar expenses	-4,127.99	-1,461.31
9. Financial Result	-4,127.99	-1,461.31
10. Taxes on income and profit from ordinary business operations	52,179.40	34,209.06
11. Profit after taxes	-119,410.40	254,578.24
12. Other taxes	-102,330.84	-102,330.84
13. Net Profit for the year / net loss	-221,741.24	152,247.40

Translation

Bavaria Carbon Holdings GmbH, Röthenbach a. d. Pegnitz
Notes according para 284 – 288 of the German Commercial Code
for the Financial Year 1 April 2017 to 31 March 2018

A. General Remarks

Bavaria Carbon Holdings GmbH ("the Company") is domiciled in Röthenbach a. d. Pegnitz and incorporated in the Register of Companies HRB 21197 maintained by the local civil Court Nuremberg.

The annual financial statements on hand have been prepared in accordance with the accounting and financial regulations of German Commercial Code ("HGB") and the Limited Liability Company Act.

For the income statement, the total cost method was applied in accordance with § 275 para. 2 HGB. The company is a small-sized limited liability Company according to § 267 para. 1 of the German Commercial Code ("HGB"). In part, the preparation of the annual financial statements is carried out in utilization of the size-related thresholds according to §§ 274a, 276 and 288 para. 1 HGB.

B. Accounting and valuation principles

The accounting and valuation policies applied in the previous year were retained. The accounting and valuation of items in the balance sheet and income statement are based on the going concern assumption according to § 252 para. 1 no. 2 HGB.

The **fixed assets** acquired in August 2004 from the insolvency administrator of the Conradty Group, Dr. Pöhlmann, are valued with the acquisition costs, reduced by the regular straight-line depreciation assuming remaining life of assets to be seven years for plant and machinery and ten years for buildings.

Newly acquired **intangible assets and fixed assets** are valued at the acquisition costs reduced by the straight-line depreciation. Assets manufactured in-house are valued according to the production costs considering adequate parts of the required general and administrative costs. Depreciation is done according to the current official tax depreciation tables.

Low-value assets in an amount of EUR 150 up to EUR 410 have been completely written-off in the year of acquisition. Low-value assets in an amount from EUR 410 to EUR 1,000 are collective items and depreciated according to a straight-line method over a period of 5 years.

Receivables and other assets are stated at the nominal amount. Foreseeable risks are addressed by individual value adjustments.

Cash and cash equivalents are stated at their nominal amount.

Prepaid expenses are taken into account, insofar as they represent expenses for a certain time after the balance sheet date.

Other accruals were recorded for all identifiable risks and uncertain obligations and at an amount to be paid required using reasonable commercial judgment. For short term accruals, the discounting option was not used.

The **liabilities** are recorded at the amount to be paid.

C. Comments on the balance sheet

Receivables and other assets

The receivables and other assets have a residual maturity of up to one year in the business year as well as in the previous year. Receivables are mostly against affiliated companies and relate to receivables from supplies and services.

Accruals

Other accruals are mainly created for maintenance and financial statement costs.

Liabilities

Liabilities have a residual maturity of up to one year and mostly relate to trade liabilities.

D. Other information

Comments on the consolidated accounts

The annual accounts of the company will be included in the consolidated accounts of Graphite International B. V., Rotterdam, The Netherlands, which is a subsidiary of Graphite India Ltd., Kolkata, India. The consolidated accounts of Graphite India Ltd., Kolkata, India, the ultimate parent company, are published in India at National Stock Exchange and Bombay Stock Exchange in Mumbai.

Management

During the financial year 2017/2018, the management was carried out by:

Makarand Bhalchandra Gadgil, Nasik, India, Bachelor of Technology / Master of Business Administration (until 12 February 2018)
Adrian Nikolov Bojilov, Röthenbach a. d. Pegnitz, Graduate Economist
Nitin Shridharrao Deshpande, Nasik, India, Graduate Mechanical Engineer

Proposed appropriation of Net Income

The net profit of the financial year and the retained profit shall be carried forward onto new account.

Röthenbach a. d. Pegnitz, 11 May 2018

A.N. Bojilov N.S. Deshpande