

REVIEW REPORT

TO THE BOARD OF DIRECTORS OF ASSAM CARBON PRODUCTS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results ('the statement') of Assam Carbon Products Limited ("the Company") for the quarter ended 30 September 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Committee of Board of Directors on 30th November 2015. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to Note 3 to the financial results wherein it is stated that the Company has not established a provision for employee wages and benefits for the lock out period at the Company's Guwahati Factory from 7 December 2010 to 8 March 2012 on the principle of 'No Work No Pay'. The matter is currently pending with the labour commissioner, Guwahati, and hence the impact, if any, in terms of provision of employee wages and employee benefits and its resultant impact on loss for the quarter ended 30 September 2015, reserves and surplus and current liabilities cannot be currently determined.
4. The Company had advanced a sum of Rs 6.53 lacs to one of its directors, which is in contravention of Section 185 of the Companies Act, 2013. The advance is outstanding as at 30 September 2015. The consequential impact, if any, of the non-compliance on loss for the quarter ended 30 September 2015, reserves and surplus and current liabilities cannot be currently ascertained.
5. Based on our review conducted as above and subject to our observations in paragraphs 3 and 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. We draw attention to Note 4 to the financial results wherein it is stated that the Company has incurred a net loss of Rs 141 lacs during the half year ended 30 September 2015 and the Company's net worth is eroded. However, the Company's operational results have improved during the current quarter, as compared to the earlier period. The Board is of the opinion based on the facts and figures as presented by the management, that the company's performance for the financial year 2015-16 will show improved results. Accordingly, in view of the above, the management considers it appropriate to prepare its financial statements for the quarter ended 30 September 2015 on a going concern basis.
7. Further attention to Note 5 to the financial results is drawn regarding the Contingent Liabilities which are disclosed when there is a possible obligation or a present obligation that may require an outflow of resources. Taking into consideration the recent developments and status, there exists a Contingent Liability at the reporting date in case of (i) Custom duty matter under appeal for one license and similar cases for other three licenses, (ii) Sales-tax matter under appeal, (iii) Transit house matter under appeal and (iv) Industrial Shed matter under negotiation.

for **D.Basu & Company**

Chartered Accountants

Firm's Registration No.: 301111E

[**Malay Bhattacharya**]

Partner

Membership No.: 012724

Place: Kolkata

Date: 30th November 2015

ASSAM CARBON PRODUCTS LIMITED						
Regd. Office : Birkuchi, Guwahati - 781 026						
CIN : L23101AS1963PLC001206						
Phone : 0361 - 2640262, Fax : 0361 - 2640368, Mail : acplghy@ascarbon.com. Website : www.assamcarbon.in						
PART I						
Statement of Un-audited Financial Results for the quarter ended 30th September,2015						
(Rs. In Lacs)						
Particulars	Quarter ended			Half Year ended		Year Ended
	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	30th June 2015 (Un-audited)	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	31st March 2015 (Audited)
1. Income from Operations						
a) Net sales / Income from operations (net of excise duty)	926	969	803	1,729	1,985	3,415
b) Other operating income	1	5	4	5	5	22
Total Income from Operations (a) + (b)	927	974	807	1,734	1,990	3,437
2. Expenditure						
a. Cost of materials consumed	242	235	209	451	538	943
b. Purchase of stock-in-trade	10	8	3	13	14	32
c. Changes in inventories of finished goods, Work In Progress and stock in trade	100	162	27	127	193	96
d. Employee benefit expenses	332	298	284	616	598	1,220
e. Depreciation expense	43	49	44	87	98	183
f. Other expenses	267	317	315	582	678	1,283
g. Total	994	1,069	882	1,876	2,119	3,757
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(67)	(95)	(75)	(142)	(129)	(320)
4. Other Income	1	52	2	3	73	267
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(66)	(43)	(73)	(139)	(56)	(53)
6. Finance cost	1	29	1	2	57	118
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(67)	(72)	(74)	(141)	(113)	(171)
8. Exceptional items	-	-	-	-	-	-
9. Profit/(Loss) from ordinary activities before tax (7+8)	(67)	(72)	(74)	(141)	(113)	(171)
10. Tax expense	-	-	-	-	-	10
11. Net Profit /(Loss) from Ordinary Activities after tax (9-10)	(67)	(72)	(74)	(141)	(113)	(181)
12. Extraordinary Items (net of tax expenses)	-	-	-	-	-	-
13. Net (Loss)/Profit after taxes for the period (11-12)	(67)	(72)	(74)	(141)	(113)	(181)
14. Paid-up equity share capital (Face Value of Rs. 10 each)	276	276	276	276	276	276
15. Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	-
16. (i) Earnings per share of Rs. 10 each (before extraordinary items) :						
(a) Basic and diluted [not annualised]	(2.43)	(2.59)	(2.68)	(5.11)	(4.17)	(6.56)
(ii) Earnings per share of Rs. 10 each (after extraordinary items) :						
(a) Basic and diluted [not annualised]	(2.43)	(2.59)	(2.68)	(5.11)	(4.17)	(6.56)

PART II	Select information for the quarter ended 30th September, 2015					
Particulars	Quarter ended			Half Year ended		Year Ended
	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	30th June 2015 (Un-audited)	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	31st March 2015 (Audited)
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	1,962,673	1,962,673	1,962,673	1,962,673	1,962,673	1,962,673
- Percentage of shareholding	71.22	71.22	71.22	71.22	71.22	71.22
2 Promoters and promoter group shareholding (%)						
(a) Pledge / Encumbered						
- Number of shares	-	-	-	-	-	-
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
(b) Non-Encumbered						
- Number of shares	792,927	792,927	792,927	792,927	792,927	792,927
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
-Percentage of shares (as a % of the total share capital of the company)	28.78	28.78	28.78	28.78	28.78	28.78
B INVESTOR COMPLAINTS	Quarter ended 30th September, 2015					
Pending at the beginning of the quarter	NIL					
Received during the quarter	NIL					
Disposed off during the quarter	NIL					
Remaining unresolved at the end of the quarter	NIL					



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REPORTING OF SEGMENTWISE REVENUES, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

Particulars	Quarter ended			Half Year ended		Year Ended
	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	30th June 2015 (Un-audited)	30th Sept 2015 (Un-audited)	30th Sept 2014 (Un-audited)	31st March 2015 (Audited)
1 Segment Revenue (Net Sales/ Income from Operations)						
a) Export	38	57	14	52	100	134
b) Domestic	889	953	793	1,682	1,926	3,545
Total	927	1,010	807	1,734	2,026	3,679
Add: Other Unallocable Income	1	16	2	3	37	25
Total Income	928	1,026	809	1,737	2,063	3,704
2 Segment Results [Profit / (Loss)] before Interest and Tax						
a) Export	(2)	(1)	-	(2)	-	3
b) Domestic	(47)	(14)	(45)	(92)	(12)	29
Total	(49)	(15)	(45)	(94)	(12)	32
Less: Interest (net) - charge	1	29	1	2	57	118
Less: Unallocable expenditure net of unallocable income	17	28	28	45	44	85
Profit / (Loss) before tax	(67)	(72)	(74)	(141)	(113)	(171)
3 Capital Employed (Segment Assets - Segment Liabilities)						
a) Export	288	248	304	288	248	245
b) Domestic	(713)	(749)	(749)	(713)	(749)	(608)
c) Unallocated	322	606	409	322	606	401
Total	(103)	105	(36)	(103)	105	38

Statement of Assets & Liabilities	As at 30th September 2015	As at 31st March 2015
EQUITY AND LIABILITIES		
Shareholders's Funds		
Share Capital	276	276
Reserves and Surplus	(379)	(238)
	(103)	38
Non Current Liabilities		
Long term borrowings	6	6
Long term provisions	302	254
	308	260
Current Liabilities		
Short-term borrowings	1,004	1,004
Trade payables	1,555	1,582
Other current liabilities	372	267
Short-term provisions	136	192
	3,067	3,045
Total Equity & Liabilities	3,272	3,343
ASSETS		
Non Current Assets		
Fixed Assets	927	1,008
Non Current Investments**	-	-
Long term loans and advances	70	37
Other non current assets	2	3
	999	1,048
CURRENT ASSETS		
Inventories	730	815
Trade receivables	1,189	1,274
Cash and cash equivalents	298	75
Short term loans and advances	46	90
Other current assets	10	41
	2,273	2,295
Total Assets	3,272	3,343

** Amount less than Rs 1 lacs

- The above results have been approved by the Accounts Committee of the Board of Directors in their meeting held on 30 November 2015 and the same will be ratified by the Board of Directors at their next meeting. The Statutory Auditors have carried out a limited review of the above financial results.
- Revenue, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to particular segments on a reasonable basis have been included under Unallocable expenditure net of unallocable (income).
- The issue of payment of back wages during the period of strike / lock-out at the Company's Guwahati Unit employees effective from 7 December 2010 to 8 March 2012 has been referred to appropriate authorities. However, the Company, on the principle of 'No Work No Pay', has neither ascertained nor made any provision for payment of such wages and other employee benefits for the period of strike and lock out. The labour matter is currently pending with the labour commissioner.
- The Company has incurred a net loss of Rs 141 lacs during the half year ended 30 September 2015. However, the Company's operational results have improved during the current quarter, as compared to the earlier periods, largely due to the cost savings, operational efficiencies, improved realisation and other measures initiated by the management. The Board is of the opinion based on the facts and figures as presented by the management, that the company's performance for the financial year 2015-16 will show improved results. In view of the same, the financial results have been prepared on a going concern basis for the current period.
- A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may require an outflow of resources. Taking into consideration the recent developments and status, there exists a Contingent Liability at the reporting date in case of (i) Custom duty matter under appeal for one license and similar cases for other three licenses, (ii) Sales-tax matter under appeal, (iii) Transit house matter under appeal and (iv) Industrial Shed matter under negotiation.

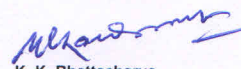


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- 6 The company has imported a considerable amount of Machineries from the Morgan Group in and around 2006 which has never been used till date. The consequential impact of the unused machineries are being avaluated and it will have an impact on the future profitability of the company.
- 7 As stated by Auditors in previous review report : - (i) non- provision for wages and other employee benefits for the lock out period at Guwahati factory, (ii) Pending approval of the excess remuneration paid to non executive director as per the Central Government and (iii) Non compliance with Section 185 of the Companies Act, 2013. The matter relating to point (i) and (iii) are pending. As per Companies Act 2013, compliance for point (ii) is no longer required.
- 8 Figures have been regrouped or rearranged wherever necessary.

Kolkata
30th November, 2015

For Assam Carbon Products Limited


K. K. Bhattacharya
Managing Director

