



**ASSAM CARBON PRODUCTS LIMITED**

ANNUAL REPORT

**2018-19**

## ASSAM CARBON PRODUCTS LIMITED

CIN: L23101AS1963PLC001206

### ANNUAL REPORT 2018-19

#### BOARD OF DIRECTORS

Mr. Rakesh Himatsingka, Chairman  
 Mr. Kali Krishna Bhattacharya, Managing Director  
 Mrs. Anita Himatsingka  
 Ms. Maalika Himatsingka  
 Mr. Sandip Modi (w.e.f. 1st May, 2019)  
 Mr. Susheel Kumar Sharma (w.e.f. 1st May, 2019)  
 Mrs. Rupanjana De  
 Mr. Sanjay Kumar Lhila  
 Mr. Amitav Saikia - Nominee of AIDC Ltd.

#### CHIEF FINANCIAL OFFICER

Mr. Pijush Bysack

#### COMPANY SECRETARY

Mr. Subhendu Chakraborty

#### REGISTERED OFFICE

Birkuchi, Narengi Chandrapur Road,  
 Narengi, Guwahati- 781 026, Assam.  
 Ph: 0361 -2640262/ 2640630, Fax: 0361 – 2640368  
 E Mail: acplghy@ascarbon.com  
 Website: <http://www.assamcarbon.in>

#### CORPORATE OFFICE

6, Old Post Office Street,  
 Temple Chambers, 5th Floor,  
 Kolkata- 700001

#### AUDITORS

- D. Basu & Co., Chartered Accountants, Statutory Auditors
- A. S & Associates, Cost Accountants, Cost Auditors
- J. Kumar Jain & Associates, Chartered Accountants, Internal Auditors
- Mr. Rajat Kumar Jalan, Practicing Company Secretary, Secretarial Auditors

#### REGISTRARS & SHARE TRANSFER AGENTS

C B Management Services (P) Ltd  
 P-22 Bondel Road, Kolkata – 700 019  
 Phone No.: 40116700/17/18  
 Fax No.: (033) 4011 6739, E-mail:rta@cbmsl.com

#### BANKERS

Axis Bank  
 State Bank of India

#### WORKS

**Plant I:**  
 Narengi Chandrapur Road,  
 Birkuchi, Narengi, Guwahati,  
 Pin – 781 026,  
 Assam

#### Plant II:

Plot No. 2, I.D.A, Phase-I  
 Patancheru – 502 319  
 Dist – Medak, Telangana,  
 Pin: 502319

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## NOTICE TO MEMBERS

NOTICE is hereby given that the 56th Annual General Meeting of the Members of Assam Carbon Products Limited ('the Company'), will be held on Friday, the 27th day of September, 2019 at 11.45 a.m., at the registered office of the Company, at Narengi Chandrapur Road, Birkuchi, Narengi, Guwahati, Assam – 781 026, to transact the following businesses:

### ORDINARY BUSINESS:

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as ordinary resolutions:

**1. Adoption of Financial Statements:**

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019, together with the Reports of the Board of Directors and the Auditors thereon.

**2. Re-appointment of Mrs. Anita Himatsingka as a Director, liable to retire by rotation:**

To re-appoint Director, in place of Mrs. Anita Himatsingka, (DIN: 01201879), who retires by rotation and being eligible offers herself for re-appointment.

**3. Re-appointment of Ms. Maalika Himatsingka as a Director, liable to retire by rotation:**

To re-appoint Director, in place of Ms. Maalika Himatsingka, (DIN: 07811394), who retires by rotation and being eligible offers herself for reappointment.

### SPECIAL BUSINESS:

**4. Appointment of Mr. Susheel Kumar Sharma (DIN: 01636111) as a Director:**

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ('Act') and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Susheel Kumar Sharma (DIN: 01636111), who was appointed by the Board as an Additional Director of the Company with effect from May 1, 2019 and who holds office upto the date of this Annual General Meeting, pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Article 94 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.”

**5. Appointment of Mr. Sandip Modi (DIN: 01797999) as an Independent Director:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Sandip Modi (DIN: 01797999), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 1, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and Article 94 of the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of Mr. Sandip Modi, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 1st May, 2019 to 30th April, 2024, be and is hereby approved.”

**6. Re-Appointment of Mr Sanjay Kumar Lhila (DIN: 01383460) as an Independent Director:**

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 provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mr. Sanjay Kumar Lhila (DIN: 01383460), who was appointed as an Independent Director and who holds office of Independent Director up to 30th March, 2020, being eligible, and whose re-appointment has been recommended by the Nomination & Remuneration Committee and who has submitted a declaration to the effect that he meets the criteria

## Notice (Contd.)

of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company, with effect from 31st March, 2020.”

**7. Re-Appointment of Mrs. Rupanjana De (DIN: 01560140) as an Independent Director:**

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 provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], Mrs. Rupanjana De (DIN: 01560140), who was appointed as an Independent Director and who holds office of Independent Director up to 30th March, 2020, being eligible, whose re-appointment has been recommended by the Nomination & Remuneration Committee and who has submitted a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company, with effect from 31st March, 2020.”

**8. Ratification of Remuneration of the Cost Auditors:**

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 read with Section 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], the remuneration payable to M/s. A S & Associates, Cost Accountants (Firm Regd. No.: 000523), appointed by the Board of Directors, on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost accounting records maintained by the Company for the Products(s) / Services(s) for the financial year ending on 31st March, 2020, at a remuneration of ₹ 20,000/- (Twenty Thousand Only), plus applicable taxes and incidental expenses, if any, be and is hereby ratified and confirmed”.

**9. Approval of Transactions under Section 185 of the Companies Act, 2013:**

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

“RESOLVED THAT subject to the provisions of Section 185, 186 and such other provisions, as may be applicable, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Members of the Company, be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any Director(s) or Key Managerial Personnel or Officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to make investments / acquisitions / give loan(s) / any other form of debt to any person(s) or other body corporate(s) and / or guarantee(s) / provide any security(ies) in connection with a loan/ any other form of debt to any other body corporate(s) or person(s) and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate(s) whether Indian or overseas, in which any Directors are directly or indirectly deemed to be interested, up to a sum not exceeding ₹ 100 crores at any point of time, in one or more tranches, in their absolute discretion as may be deemed beneficial and in the interest of the Company”.

**10. To Approve the Payment of Commission to Mr. Rakesh Himatsingka, Non-Executive Chairman of the Company:**

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

“RESOLVED THAT pursuant to Sections 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the consent of the Shareholders be and is hereby accorded for payment of commission upto 1% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013, from the financial year 2018-2019 and onwards until otherwise repudiated by the Board of Directors, to Mr. Rakesh Himatsingka, (DIN: 00632156) Non-Executive Chairman of the Board, in addition to the sitting fees for attending the meeting of the Board of Directors/Committees thereof and any other expenses incurred for official/business purposes only.”

Date: 30<sup>th</sup> April 2019

Place: Kolkata

**Registered Office:**

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

By Order of the Board

Sd/-

**Rakesh Himatsingka**  
Chairman

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### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE ON A POLL AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**  
**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
2. **Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting (AGM) or upload it on the e-voting portal.**
3. Members are requested to bring their copy of Annual Report to the meeting.
4. Members / Proxies should fill the Attendance Slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID number and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
5. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Registers of the Company will remain close from 21st September, 2019 to 27th September, 2019, both days inclusive
7. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting are annexed hereto.
8. Details under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) and the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), in respect of Directors seeking appointment / re-appointment at the AGM are provided under a separate heading, which forms part of this Notice.
9. Equity shares of the Company are listed with The Calcutta Stock Exchange Limited (CSE). There are no dues with regard to payment of Listing fees. The ISIN code of the Company is INE496C01018. The CSE Scrip Code of the Company is 011403
10. The investors are requested to enroll their e-mail ids with the Company and can write to the Registrar & Share Transfer Agent at [rta@cbmsl.com](mailto:rta@cbmsl.com) or to the Company Secretary at [subhendu.chakraborty@ascarbon.com](mailto:subhendu.chakraborty@ascarbon.com).
11. The Company has appointed the following Registrar & Share Transfer Agent (RTA) to deal with both Physical and Demat shares.  
C. B. Management Services (P) Limited  
P-22, Bondel Road, Kolkata - 700 019  
Phone No. 033 40116700/17/18  
Fax No. : 033 4011 6739  
E-mail: [rta@cbmsl.com](mailto:rta@cbmsl.com)  
Members are requested to send their queries relating to share transfer/transmission, change of address, etc. to the above address.
12. All documents referred to in the Notice and accompanying Explanatory Statement and copy of Audited Financial Statements, the Register of Directors and Key Managerial Personnel and their shareholdings, the Register of Contracts or Arrangements in which the Directors are interested and every other documents required by law to be annexed or attached to the Financial Statements as per Section 136 of Companies Act, 2013, are open for inspection at the Registered Office of the Company, on all working days from Monday to Friday in between 10am to 5pm, up to the date of the Annual General Meeting and also at the venue of the Annual General Meeting.
13. This notice of Meeting and the Annual Report is also available on the Company's website <http://www.assamcarbon.in> for download and also on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
14. The Notice of the Annual General Meeting along with the copy of Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. Members are requested in their own interest:
  - a) To notify the Company / Registrar and Share Transfer Agent about their PAN, any change in address/name with correct pin code, mandate/ bank details and their e-mail id, etc with supporting documents.
  - b) To quote correct Folio No. / Client ID. No. and DP ID. No. in all correspondence with the Company/ Registrar and Share Transfer Agent to facilitate better service to the members.

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- c) To dematerialize the Equity Shares of the Company held in physical mode.
16. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
  17. The Ministry of Corporate Affairs (MCA), Government of India has introduced 'Green Initiative in Corporate Governance' by allowing paperless compliance by the Companies for service of documents to their Members through electronic mode. In case you have not registered / updated your e-mail address, please communicate the same to the Company or its RTA at their communication address given in the Annual Report in respect of the shares held in physical mode or communicate to your Depository Participants concerned in respect of shares held in demat / electronic mode. Although you are entitled to receive physical copy of the Notices, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which will help us to participate in the Green Initiative of the MCA and to protect our environment.
  18. The Securities and 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 their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Company's Registrar & Share Transfer Agent.
  19. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November 2018 requests for effecting transfer of Securities (except incase of transmission or transposition of securities) shall not be processed from 1st April 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Members are requested to take action to dematerialise the Equity Shares of the Company, promptly.
  20. Members seeking any information with regard to Accounts/ Financial Statements are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the Meeting.
  21. **Procedure of Voting through Electronic Means**
    - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, the Company is pleased to provide its Members, facility of voting by electronic means in respect of business proposed to be transacted at the 56<sup>th</sup> 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 ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
    - II. The facility for voting through Ballot Paper shall also be made available to the members at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through Ballot Paper.
    - III. The Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to vote again at the AGM.
    - IV. The cut-off date to determine the Members entitled to undertake voting electronically on all the resolutions set forth in this Notice by remote e-voting and also voting at the AGM venue shall be 20th September, 2019.
    - V. The remote e-voting period commences on 24th September, 2019 (at 9.00 a.m. IST) and ends on 26th September, 2019 (at 5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
    - VI. The process and manner for remote e-voting are as under:
 

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

      1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
      2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

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3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: Click on "**Forgot User Details/Password ?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
**Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kashliwalanant@yahoo.in](mailto:kashliwalanant@yahoo.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- VII. You can also 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).
- VIII. The voting rights of Members shall be in proportion to their shares of the paid up Equity Share Capital of the Company held as on the cut-off date i.e. 20th September, 2019.
- IX. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. 20th September, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rta@cbmsl.com](mailto:rta@cbmsl.com) mentioning his/her Folio Number/DPID and Client ID. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- X. A person, whose name is recorded in the Register of Members or Register of Beneficial Owners maintained by the depositories as on the closing working hours of cut-off date, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot Paper (who have not cast their vote electronically).
- XI. Mr. Anant Kashliwal, Practicing Chartered Accountant, Guwahati, (Membership No.: 302972, Firm Regd. No.: 328654E) who has consented to act as the scrutinizer and is available for the purpose of ascertaining the requisite majority, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process/ballot/poll in a fair and transparent manner.
- XII. Chairman shall, at the AGM, after the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot or polling Paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the AGM, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.assamcarbon.in](http://www.assamcarbon.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the Calcutta Stock Exchange Limited within the prescribed time limit.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 4 to 10 of the accompanying Notice:**

#### **Re: Item 4**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Susheel Kumar Sharma (DIN: 01636111) as an Additional Director of the Company, in the category of Non-Executive and liable to retire by rotation, with effect from 1st May 2019. Pursuant to the provisions of Section 161(1) of the Act and Article 94 of the Articles of Association of the Company, Mr. Susheel Kumar Sharma shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as a Director. The Company has, in terms of Section 160 of the Act, received in

## Notice (Contd.)

writing a notice from Member(s), proposing his candidature for the office of a Director. The Board of Directors is of the opinion that Mr. Sharma's association as a member on the Board will be beneficial for the Company. Your Board recommends for the approval of shareholders, for the appointment of Mr. Susheel Kumar Sharma as a Non-Executive Director of the Company, liable to retire by rotation.

Your Board proposes the resolution, as set out at Item No.4 of the Notice, for approval of the Members as an Ordinary Resolution.

### **Memorandum of Interest:**

Concerned Director is interested in the resolution being related to his own appointment. Apart from him none of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 4 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 5**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Sandip Modi (DIN: 01797999) as an Additional Director of the Company, in the category of Independent and not liable to retire by rotation, with effect from 1st May 2019. Pursuant to the provisions of Section 161(1) of the Act and Article 94 of the Articles of Association of the Company, Mr. Sandip Modi shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as a Director. The Company has, in terms of Section 160 of the Act, received in writing a notice from Member(s), proposing his candidature for the office of a Director.

The Company has received declarations from Mr. Sandip Modi to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, Mr. Modi have confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Modi fulfils the conditions specified in the Act, Rules and SEBI Listing Regulations for the appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The Board of Directors is of the opinion that Mr. Sandip Modi's association as a member on the Board will be beneficial for the Company. In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the appointment of Mr. Modi as an Independent Director is now being placed before the Members for their approval.

Your Board proposes the resolution, as set out at Item No.5 of the Notice, for approval of the Members as an Ordinary Resolution.

### **Memorandum of Interest:**

Concerned Director is interested in the resolution being related to his own appointment. Apart from him none of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 5 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 6**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Sanjay Kumar Lhila (DIN: 01383460) as an Independent Director, for a second term of five years from 31st March, 2020 to 30th March, 2025, not liable to retire by rotation. Mr. Sanjay Kumar Lhila was appointed as an Independent Director at the Board Meeting of the Company held on 31<sup>st</sup> March, 2015 on and from that date itself, which was further confirmed and approved by Shareholders / Members at the 52<sup>nd</sup> Annual General Meeting ("AGM") of the Company and holds office up to 30<sup>th</sup> March, 2020. The Company has, in terms of Section 160 of the Act, received in writing a notice from Member(s), proposing his candidature for the office of a Director.

The Board, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Mr. Sanjay Kumar Lhila, would be beneficial to the Company and it is desirable to continue to avail of his services as an Independent Director.

The Company has received declarations from Mr. Sanjay Kumar Lhila to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, Mr. Lhila have confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Lhila fulfils the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members, at the Registered Office of the Company, during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The Board of Directors is of the opinion that Mr. Lhila's association as an Independent Director on the Board will be beneficial for the Company. In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI

## Notice (Contd.)

Listing Regulations and other applicable Regulations, the appointment of Mr. Lhila as an Independent Director, is now being placed before the Members for their approval.

Your Board proposes the resolution, as set out at Item No.6 of the Notice, for approval of the Members as a Special Resolution.

### **Memorandum of Interest:**

Concerned Director is interested in the resolution being related to his own appointment. Apart from him none of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 6 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 7**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mrs. Rupanjana De (DIN: 01560140) as an Independent Director, for a second term of five years from 31st March, 2020 to 30th March, 2025, not liable to retire by rotation. Mrs. Rupanjana De was appointed as an Independent Director at the Board Meeting of the Company held on 31<sup>st</sup> March, 2015 on and from that date itself, which was further confirmed and approved by Shareholders / Members at the 52<sup>nd</sup> Annual General Meeting ("AGM") of the Company and holds office up to 30<sup>th</sup> March, 2020. The Company has, in terms of Section 160 of the Act, received in writing a notice from Member(s), proposing her candidature for the office of a Director.

The Board, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, considers that given her background, experience and contribution, the continued association of Mrs. Rupanjana De, would be beneficial to the Company and it is desirable to continue to avail of her services as an Independent Director.

The Company has received declarations from Mrs. De to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, Mrs. De have confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. In the opinion of the Board, Mrs. De fulfils the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company, during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The Board of Directors is of the opinion that Mrs. De's association as an Independent Director on the Board will be beneficial for the Company. In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the appointment of Mrs. De as an Independent Director, is now being placed before the Members for their approval.

Your Board proposes the resolution, as set out at Item No.7 of the Notice, for approval of the Members as a Special Resolution.

### **Memorandum of Interest:**

Concerned Director is interested in the resolution being related to her own appointment. Apart from her none of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 7 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 8**

As per Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014, as may be amended from time to time, and any changes/ modifications in the Act, Rules, Circulars, Notifications thereafter, the Audit Committee has made a recommendation to the Board for the appointment of M/s. A S & Associates, Cost Accountants (Firm Regd. No.: 000523) as Cost Auditor of the Company for the financial year ending 31st March 2020, at a remuneration of Rs 20,000/- plus applicable taxes and incidental expenses. The Board based on the recommendation of the Audit Committee, appointed M/s A S & Associates, Cost Accountants as Cost Auditors of the Company for the financial year ending 31st March 2020. As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors, for the financial year ending March 31, 2020, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them. The Board of Directors recommends the Ordinary Resolution, as set out at Item No.8 of the Notice, for approval by the Members.

### **Memorandum of Interest:**

None of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 8 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 9**

The shareholders had vide resolution passed at the Annual General Meeting of the Company dated 18th September, 2017 consented and authorised the Board of Directors to make investments / acquisitions / give loan(s) / any other form of debt to any person(s) or other body corporate(s) and / or guarantee(s) / provide any security(ies) in connection with a loan/any other form of debt to any other body corporate(s) or person(s) and to make investment or acquire by way of subscription, purchase

## Notice (Contd.)

or otherwise the securities of any other body corporate(s) whether Indian or overseas, in excess of limits prescribed under Section 186 of the Companies Act, 2013 viz., 60% of the paid-up share capital, free reserves and securities premium of the Company or 100% of free reserves and securities premium of the Company, whichever is more or up to ₹ 100 crore, whichever is higher. The Board of Directors has been careful in acting upon the delegations by the shareholders including limits and regularly monitoring the same through proper review mechanisms.

The Company is expected to render support for the business requirements of other companies in or outside its group, from time to time, in which the Directors are directly or indirectly interested. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in or outside its group, in which the Directors are directly or indirectly interested.

In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in which the Directors are directly or indirectly interested under section 185 of the Companies Act, 2013 or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that the Board of Directors would judiciously evaluate proposals and provide such loan(s), guarantee(s) or security proposals through deployment of funds out of internal resources / accruals and /or any other appropriate sources, from time to time, only for principal business activities of the entities, in which the Directors are directly or indirectly interested, pursuant to provisions of Section 185 of the Companies Act, 2013.

In order to enable the Company to advance any loan(s), guarantee(s) or security proposals to its Subsidiaries/ Joint Ventures / associates/ any other Companies/ Firms / body corporate(s) in which the Directors are directly or indirectly interested, pursuant to provisions of Section 185 of the Companies Act, 2013, requires approval of its members by way of a Special Resolution.

None of the Directors or Key Managerial Personnel and / or their relatives is deemed to be interested or concerned financial or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

The Board of Directors recommends the Special Resolution, as set out at Item No.9 of the Notice, for approval by the Members.

### **Memorandum of Interest:**

None of the Directors of the Company and / or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 9 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

### **Re: Item 10**

Valued contribution are continuously being made by Mr. Rakesh Himatsingka (DIN: 00632156), Non-Executive Chairman of the Board and through his active participation, the Company has been progressing over the years. The rich experience of Mr. Rakesh Himatsingka in engineering, business, management and administration has led to the Company turning the corner and grow from strength to strength. Mr. Himatsingka is devoting considerable time to provide and laydown the policies and guidelines to carry out the business competitively. It is appropriate that the services being rendered by him to the Company are recognized by way of payment of remuneration.

In accordance with the provisions of Section 197 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment thereof for the time being in force], remuneration by way of commission upto 1% of the net profits, be paid to Mr. Rakesh Himatsingka, from the financial year 2018-2019 and onwards, subject to the approval of the Shareholders of the Company.

Based on the recommendations received from the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 30th April, 2019, had unanimously approved the payment of remuneration to Mr. Rakesh Himatsingka, by way of commission upto 1% of the net profits, which amounts to ₹ 6,34,000/-, which exceeds fifty per cent of the total annual remuneration payable to all non-executive directors of the Company.

The Board of Directors recommends the Special Resolution, as set out at Item No.10 of the Notice, for approval by the Members.

### **Memorandum of Interest:**

Concerned Director is interested in the resolution being related to his own payment. Apart from him, Ms. Maalika Himatsingka, Director (DIN: 07811394) being the daughter of Mr. Rakesh Himatsingka and Mrs. Anita Himatsingka, Director (DIN: 01201879) being the spouse of Mr. Rakesh Himatsingka may be considered as interested parties in this resolution. Mr. Shaurya Veer Himatsingka, one of the Promoters and shareholders of the Company, being the Son of Mr. Rakesh Himatsingka may also be treated as interested party in this resolution. Other than the aforesaid, none of the Directors of the Company and/or Key Managerial Personnel and their relatives are in any way concerned or interested in the aforesaid resolution as set out at Item No. 10 of the Notice, except to the extent of their shareholding(s), if any, in the Company.

Date: 30<sup>th</sup> April 2019

Place: Kolkata

By Order of the Board

Sd/-

### **Registered Office:**

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

**Rakesh Himatsingka**

**Chairman**

(DIN: 00632156)

## Annexure to the Notice dated April 30, 2019

### BRIEF PARTICULARS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT

Name of the Director	Mrs. Anita Himatsingka	Ms. Maalika Himatsingka	Mr. Susheel Kumar Sharma
Date of Birth	15th September, 1953	7th February, 1979	24th December, 1956
Date of Appointment	25th May 2016	10th May, 2017	1st May, 2019
Expertise in specific functional areas & Justification for choosing the appointees for appointment / re-appointment	Business Management	Business Management including Resource Optimization, Change Management and Continuous Improvement both Strategic and Operational, Data Management.	Business Management & Financial Management
Qualifications	B. A. (Honours) in English from Delhi University	BA Economics; Lady Shri Ram College for Women, New Delhi MBA, INSEAD, France- Singapore	B.Com from University of Calcutta
List of outside Directorship held	<ol style="list-style-type: none"> <li>Assam Plywood Limited</li> <li>APL Holdings &amp; Investments Ltd.</li> <li>Shree Shyam Orchid Estates Ltd.</li> <li>APL Investments Limited</li> <li>Tower Investment &amp; Trading Co. Ltd.</li> <li>Welvaart Realty Private Limited</li> <li>Budge Budge Carbon Limited</li> <li>Goneril Investment &amp; Trading Co. Ltd.</li> <li>Evimeria Realty Private Limited</li> <li>Prabhushil Group Investment Ltd.</li> <li>Sunray Vanijya Pvt. Ltd.</li> <li>Jyotsana Investment Co. Ltd</li> </ol>	N.A.	<ol style="list-style-type: none"> <li>APL Investments Ltd.</li> <li>Red Hot Mercantile Private Limited</li> <li>Subhag Projects Private Limited</li> <li>Subhag Power Private Limited</li> </ol>
Chairman/Member of the Committee of other Companies in which he/she is a Director			
a) Audit Committee	<ol style="list-style-type: none"> <li>Goneril Investment &amp; Trading Co. Ltd. (Member)</li> <li>Jyotsana Investment Co. Ltd. (Member)</li> <li>Tower Investment &amp; Trading Co. Ltd. (Member)</li> </ol>	Nil	Nil
b) Stakeholders Relationship Committee	<ol style="list-style-type: none"> <li>Goneril Investment &amp; Trading Co. Ltd. (Member)</li> <li>Jyotsana Investment Co. Ltd. (Member)</li> <li>Tower Investment &amp; Trading Co. Ltd. (Member)</li> </ol>	Nil	Nil
c) Nomination and Remuneration Committee	<ol style="list-style-type: none"> <li>Goneril Investment &amp; Trading Co. Ltd. (Member)</li> <li>Jyotsana Investment Co. Ltd. (Member)</li> <li>Tower Investment &amp; Trading Co. Ltd. (Member)</li> </ol>	Nil	Nil
Shareholding in the Company as on 31.03.19	275025	90000	2120
Disclosure of relationship between Directors inter-se	Spouse of Mr. Rakesh Himatsingka and Mother of Ms. Maalika Himatsingka	Daughter of Mr. Rakesh Himatsingka and Mrs. Anita Himatsingka	Not related to any Director / Key Managerial Personnel

## Annexure to the Notice (Contd.)

Name of the Director	Mrs. Anita Himatsingka	Ms. Maalika Himatsingka	Mr. Susheel Kumar Sharma
<b>Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person (including sitting fees)</b>	As per the resolution at item no. 2 of the Notice convening Annual General Meeting on September 27, 2019.  Sitting Fees last drawn from the Company: ₹ 1,68,000/-.	As per the resolution at item no. 3 of the Notice convening Annual General Meeting on September 27, 2019.  Sitting Fees last drawn from the Company: ₹ 40,000/-.	As per the resolution at item no. 4 of the Notice convening Annual General Meeting on September 27, 2019 read with explanatory statement thereto.  Remuneration last drawn from the Company: N.A.

**Note:**

- CM –Chairman of the Committee.
- M – Member of the Committee.
- Directorship in Foreign Co.'s & Companies U/s 8 of the Companies Act, 2013 are excluded.

**Chairmanship/Membership of the Audit Committee, Shareholders' Grievance Committee and Nomination & Remuneration Committee alone has been considered.**

### BRIEF PARTICULARS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT

Name of the Director	Mrs. Rupanjana De	Mr. Sanjay Kumar Lhila	Mr. Sandip Modi
<b>Date of Birth</b>	4th July, 1975	5th May, 1951	9th August, 1975
<b>Date of Appointment</b>	31st March, 2015	31st March, 2015	1st May, 2019
<b>Expertise in specific functional areas &amp; Justification for choosing the appointees for appointment / re-appointment</b>	Business Management, Corporate Governance and Corporate Laws	Business Management including Finance, Accounting, Taxation And Auditing.	Business Management & Financial Management
<b>Qualifications</b>	Company Secretary from The Institute of Company Secretaries of India, LLB, LLM from University of Hamburg, M A (Economics) from University Paul Cezanne Aix-Marseille III, France and a European Master in Law and Economics from Erasmus University Rotterdam, The Netherlands.	Chartered Accountant from the Institute of Chartered Accountants of India and Cost Accountant from the Institute of Cost Accountants of India.	B.Com from University of Calcutta
<b>List of outside Directorship held</b>	<ol style="list-style-type: none"> <li>1. Hiranmaye Energy Limited</li> <li>2. Afield Touriosity Private Limited</li> <li>3. Bengal Shelter Housing Development Limited</li> <li>4. Nandi Resources Generation Technology Pvt. Ltd.</li> <li>5. Visa Steel Limited</li> <li>6. Visa Power Limited</li> <li>7. Envert Agro and Food Private Limited</li> <li>8. Envert E-Vehicles Private Limited</li> <li>9. Shyam Metalics and Energy Ltd.</li> <li>10. Bhagalpur Smart City Limited</li> <li>11. Balasore Alloys Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Madhu Mati Finance Pvt Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Subhag Properties Pvt. Ltd.</li> <li>2. Red Hot Mercantile Private Limited</li> <li>3. Subhag Projects Private Limited</li> <li>4. Subhag Power Private Limited</li> <li>5. New Age Petcoke Private Limited</li> </ol>

## Annexure to the Notice (Contd.)

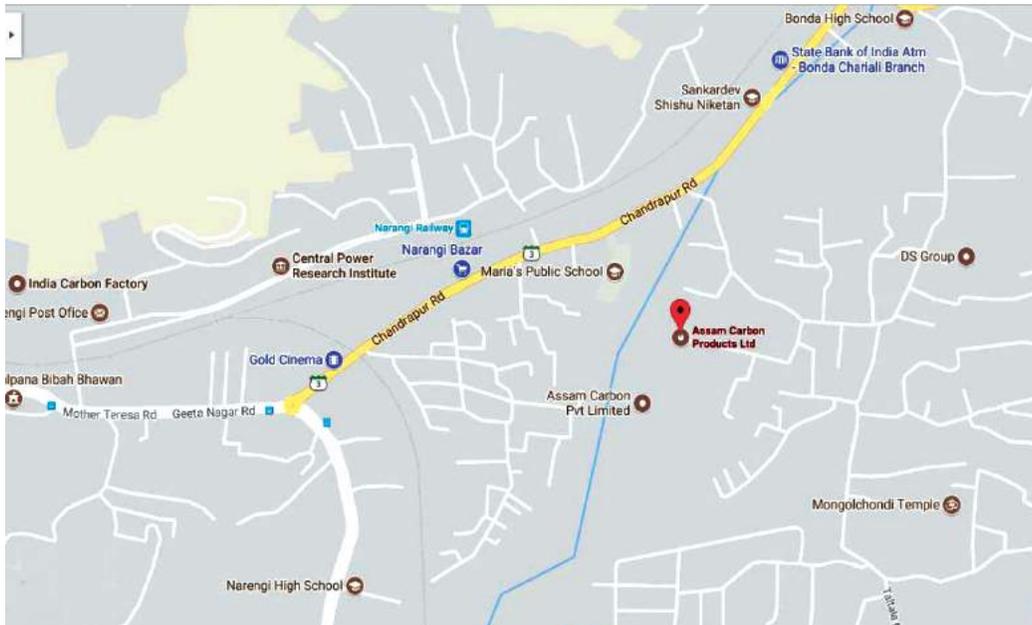
Name of the Director	Mrs. Rupanjana De	Mr. Sanjay Kumar Lhila	Mr. Sandip Modi
<b>Chairman/Member of the Committee of other Companies in which he/she is a Director</b>			
<b>a) Audit Committee</b>	1. Hiranmaye Energy Limited (Member) 2. Bengal Shelter Housing Development Limited (Member) 3. Visa Steel Limited (Chairperson) 4. Bhagalpur Smart City Limited (Member)	Nil	Nil
<b>b) Stakeholders Relationship Committee</b>	1. Visa Steel Limited (Member)	Nil	Nil
<b>c) Nomination and Remuneration Committee</b>	1. Hiranmaye Energy Limited (Member) 2. Bengal Shelter Housing Development Limited (Chairperson) 3. Visa Steel Limited (Member) 4. Shyam Metaliks and Energy Ltd.	Nil	Nil
<b>Shareholding in the Company as on 31.03.19</b>	Nil	Nil	Nil
<b>Disclosure of relationship between Directors inter-se</b>	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
<b>Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person (including sitting fees)</b>	As per the resolution at item no. 7 of the Notice convening Annual General Meeting on September 27, 2019 read with explanatory statement thereto. Sitting Fees last drawn from the Company: ₹ 1,33,000/-.	As per the resolution at item no. 6 of the Notice convening Annual General Meeting on September 27, 2019 read with explanatory statement thereto. Sitting Fees last drawn from the Company: ₹ 1,26,000/-.	As per the resolution at item no. 5 of the Notice convening Annual General Meeting on September 27, 2019 read with explanatory statement thereto. Remuneration last drawn from the Company: N.A.

### Note:

- CM / CP –Chairman / Chairperson of the Committee.
- M – Member of the Committee.
- Directorship in Foreign Co.'s & Companies U/s 8 of the Companies Act, 2013 are excluded.

**Chairmanship/Membership of the Audit Committee, Shareholders' Grievance Committee and Nomination & Remuneration Committee alone has been considered.**

## Route Map to the 56th Annual General Meeting of Assam Carbon Products Limited



### Venue

Regd. Office :  
Narengi Chandrapur Road, Birkuchi, Narengi  
Guwahati, Assam – 781 026

## Directors' Report

### To the Members,

Your Directors have pleasure in presenting the 56th Annual Report on the business and operations of the Company along with the Audited Financial Accounts for the financial year ended 31st March, 2019.

#### 1. CORPORATE OVERVIEW

Your Company is one of the market leaders in Electrical & Mechanical Carbon Products, with interests in manufacturing of Carbon Blocks of various grades. It manufactures a complete range of Carbon Brushes for Railways and Industrial uses. In addition to Carbon Brushes, its Railway Traction products include Pantograph, Current Collectors & SIG Contacts.

Mechanical Carbon Division in Patancheru near Hyderabad produces Carbon Seals, Bearings, Vanes and Thrust Pads from the Carbon Blocks and Blanks produced in Guwahati. The finishing unit at Patancheru is equipped with the latest state-of-the-art machines to offer customers product as per their specific requirement to highest level of tolerance and surface finish.

Speciality Graphite Division of the Company offers solutions to the Diamond Tool Industry, Optical fiber manufacturing, Hard metal sintering and Electronic industry.

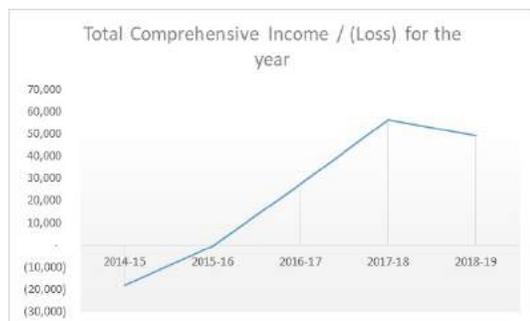
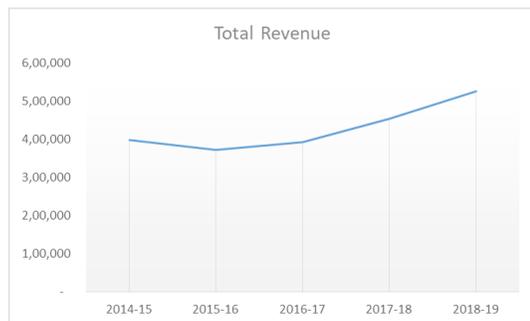
Your Company also manufactures various kinds of Graphite products Viz., Hi-Temp Insulator, Fuel Cells, Heating Elements, Casting Dyes, Lubricating Blocks and other such items as per the need of the Customers. Aegis – the world's most effective shaft grinding brush is also provided by the Company.

Your Company continues to sustain its commitment to the highest levels of quality, superior and robust service management and mature business continuity management.

#### 2. FINANCIAL RESULTS

*(INR '000 except EPS Figure)*

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue	3,98,338	3,71,631	3,92,684	4,52,932	<b>5,24,784</b>
Revenue from Operation	3,71,654	3,70,411	3,90,602	4,39,299	<b>5,12,700</b>
Total Comprehensive Income/(Loss) for the year	(18,071)	(533)	27,338	56,553	<b>49,192</b>
Earning Per Share (Basic & Diluted)	(6.56)	(0.19)	9.82	20.97	<b>18.33</b>



## Directors' Report (Contd.)

### 3. OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year under review, which is only the third full year of operation under the new promoters, revenue from operations of the Company increased to ₹ 5127.00 Lacs as compared to ₹ 4392.99 Lacs in the previous year which is a healthy 16.71% growth. This increase in the sales was achieved by continuously improving the production and productivity by removing bottlenecks in operations and by adding new Plant and Machinery.

The 12 Months bottom line closed with a profit of INR 634 Lacs (before provision of tax) as against a previous year 12 Months profit of INR 687 Lacs. [Figures rounded off]. The major cause for a slight dip in profit margin was because the current financial year 2018-19 had witnessed settlement of the various legacy issues which was pending since the past five years resulting in a one time effect in the Statement of Profit & Loss. If we add back these legacy issues, the Profit before tax figure of the Company for this financial year would have been INR 984 Lacs instead of INR 634 Lacs.

During the year, your Company incurred a forex loss of ₹ 0.25 Lacs only as compared to a forex gain of ₹ 1.46 lakhs in the previous year, basically as a result of better management of the forex transactions, as relative instability in the forex market continued in this financial year.

During the year, your Company achieved an export sales of ₹ 27.67 Lacs as against ₹ 46 Lacs in the previous year. However, the management has taken strong initiative and is confident that it will pick-up in the next year.

During the year, your Company has further worked actively towards rationalizing its business and product portfolios and adding new product lines.

Exercise commenced three years back for cost cutting, savings in power and fuel as well as improving efficiency and productivity continued relentlessly and is helping the Company reap rich dividends.

Balancing of Plant and Machineries, refurbishing old equipment and addition of new equipments and machineries with a view to optimizing production through modernization, was undertaken on top priority as was production planning and optimization of raw materials procurement and stocks continued this year too.

### 4. FUTURE OUTLOOK

Business environment continues to improve in the segments in which your Company is in business and it has started to show results in the form of orders at improved prices. New Business Opportunities with very large potential for growth, have been identified and new customers inducted, which will contribute significantly to the top and bottom line of the Company going forward.

Further, in view of the substantial addition to the ongoing business, Company's expansion in Mechanical Carbons, especially for Radial Bearings & Vanes was moving rapidly and for which several new high precision machines are being acquired. Some machines have already been bought, both domestically as well as imported and this will be an ongoing process, to keep up with the rapidly growing demand.

In addition it has been strongly felt that to cut time and costs, some basic materials manufacturing facility, as at Guwahati should also be installed in the South. Whilst, Patancheru would be the ideal site, but as the land in hand is already fully occupied, and also we have been unofficially informed that sooner than later, we will be instructed to move our factory, as the City residential area is being expanded, hence it was thought prudent to look for suitable land for expansion, without any further delay. Senior officials of Patancheru factory have been actively looking for alternative lands, having Red Zone Status and finally two parcels of land at Vishakhapatnam, Andhra Pradesh and Coimbatore, Tamil Nadu have been identified. Final discussions on the Price of the Land and other studies in terms of Labour, Power Availability & Cost, Accessibility etc., is being looked into and your Company expects to finalize it very soon.

During the period of Joint Venture with Morgans, the Company was exporting substantially all over through them. This market has now totally dried up and the management is confident of making a breakthrough and sensing this opportunity as quite favorable in terms of cost reduction, ease of doing business, access to better technological know-how, building an international brand, a widespread customer base in the global arena, access to more demanding and extensive markets, expansion of business across the globe, etc., is desirous to incorporate a wholly owned Subsidiary in the United Kingdom (UK) with the name and style of ASSAM CARBON PRODUCTS UK LIMITED and having its main objects as marketing of all products of Assam Carbon Products Limited, exploring new markets in UK, Europe or other neighboring areas / Countries, entering into some technology transfer agreements, Joint Venture Agreements, sharing knowhow, New Product Development agreements, etc.

### 5. DIVIDEND

After the huge operating losses in the past several years, under Morgans management, the Company has just started making operating profits from the last two financial years, under the new management and there is still a massive amount of repairs and maintenance, modernization & upgradation of the Plant and Machinery at both the factories as well as capital expenditure to be incurred and as such the Board has decided not to declare dividend for the current year, in order to preserve its cash reserve.

## Directors' Report (Contd.)

### 6. PUBLIC DEPOSIT

The Company has not accepted / renewed any public deposit under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, during the year.

### 7. STATUTORY AUDITORS' AND THEIR REPORT

M/s D Basu & Co., the Statutory Auditors of the Company, shall hold office until the conclusion of the 57<sup>th</sup> Annual General Meeting. They have confirmed that their eligibility is within the prescribed limits under the Act and they are not disqualified.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s. D Basu & Co, Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and therefore, do not call for any further explanations or comments.

Statutory Auditors of the Company has drawn attention to Note 25(A)(iii) to the Ind AS Financial Statements, 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<sup>th</sup> December 2010 to 8<sup>th</sup> March 2012, on the principle of 'No Work No Pay'. They had further stated that as the matter is currently subjudice and hence the impact, if any, in terms of provision of employee wages and employee benefits and its resultant impact on profit for the year ended 31 March 2019, reserves and surplus and current liabilities, cannot currently be determined.

With regard to the Statutory Auditor's qualified opinion in Note 25(A)(iii) to the Ind AS Financial Statements, in the opinion of the Management, the issue of payment of back wages during the period of strike / lock-out at the Company's Guwahati Unit employees effective from 7<sup>th</sup> December 2010 to 8<sup>th</sup> 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 matter is currently subjudice.

### 8. DIRECTORS

The Board of your Company consists of the following directors:

NAME OF DIRECTORS	DESIGNATION	DIN
Mr. Kali Krishna Bhattacharya	Managing Director	07011241
Mr. Rakesh Himatsingka	Chairman and Non Executive Director	00632156
Mrs. Anita Himatsingka	Non Executive Woman Director	01201879
Ms. Maalika Himatsingka	Non Executive Woman Director	07811394
Mrs. Rupanjana De	Non Executive Independent Woman Director	01560140
Mr. Amitav Saikia	Non Executive Nominee Director	02663720
Mr. Sandip Modi	Non Executive Independent Director (w.e.f. 1 <sup>st</sup> May, 2019)	01797999
Mr. Sanjay Kumar Lhila	Non Executive Independent Director	01383460
Mr. Susheel Kumar Sharma	Non Executive Director (w.e.f. 1 <sup>st</sup> May, 2019)	01636111

The Board of Directors of your Company, based on the recommendations of Nomination and Remuneration Committee ("NRC"), approved the following appointments and re-appointments on the Board of the Company:

Appointment of Mr. Susheel Kumar Sharma (DIN: 01636111), as an Additional (Non-Executive, Non-Independent) Director of the Company w.e.f. May 1, 2019. The Board recommends his re-appointment.

Appointment of Mr. Sandip Modi (DIN: 01797999), as an Additional (Non-Executive, Independent) Director of the Company w.e.f. May 1, 2019. The Board recommends his re-appointment.

Re-appointment of Mrs. Rupanjana De (DIN: 01560140) and of Mr. Sanjay Kumar Lhila (DIN: 01383460), as a Directors (Non-Executive, Independent) of the Company w.e.f., 31<sup>st</sup> March, 2020 for a second term of 5 (five) consecutive years, subject to approval of the Shareholders at the ensuing Annual General Meeting, by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> April, 2019. The Board recommends their re-appointment.

Mrs. Anita Himatsingka (DIN: 01201879 and Ms. Maalika Himatsingka (DIN: 07811394), Directors (Non-Executive), retires by rotation and being eligible, offers themselves for re-appointment. The Board recommends their re-appointment.

Appropriate Resolutions for confirming the above appointment(s) and re-appointment(s), forms part of the Notice convening the 56<sup>th</sup> Annual General Meeting ('AGM') scheduled to be held on September 27, 2019.

## Directors' Report (Contd.)

Brief profile and particulars of experience, attributes and skills that qualify the above Directors for the Board membership are disclosed in the Notice convening the AGM to be held on September 27, 2019.

As per the disclosure received from the Directors, none of the Directors are disqualified from being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013.

### 9. KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company:

1. Mr. Kali Krishna Bhattacharya, Managing Director,
2. Mr. Pijush Bysack, Chief Financial Officer,
3. Mr. Subhendu Chakraborty, Company Secretary and Compliance Officer

During the year under review, there has been no change in the Key Managerial Personnel of the Company.

### 10. INDEPENDENT DIRECTORS' DECLARATION

The Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment thereof for the time being in force], in respect of their position as an "Independent Director" of Assam Carbon Products Ltd.

### 11. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is done by independent Chartered Accountants, whose reports are being placed in the Audit Committee and Board for their review. Their objective is to ensure efficient usage and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and procedures. The internal control structure showed no reportable material weaknesses. The Company's Internal Financial Control system is commensurate with current best practices and effectively addresses emerging challenges of its business. The Company has a process in place to continuously identify gaps and implement newer and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

### 12. RISK MANAGEMENT POLICY

The Company's Risk Management Policy is well defined to identify and evaluate business risks across all businesses. It assesses all risk at both pre and post-mitigation levels and looks at the actual or potential impact that a risk may have on the business together with an evaluation of the probability of the same occurring. Risk mapping exercises are carried out with a view to regularly monitor and review the risks, identify ownership of the risk, assessing monetary value of such risk and methods to mitigate the same. The Policy for the same is hosted on its website at [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations → Board Policies.

### 13. GOING CONCERN STATUS

Regulators or Courts or Tribunals passed no orders during the year affecting the Company's going concern status and its future operations.

### 14. SHARE CAPITAL

The Company has neither issued any class of shares nor was there any buy-back of shares during the year under review. Further, the Company does not have any stock option scheme for its employees.

### 15. EVALUATION OF BOARD PERFORMANCE

The Board carried out an annual evaluation of its own performance, of each Board Member individually, as well as the working of its Committees in compliance with the provisions of the Act and Listing Regulations.

The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors.

Pursuant to the provisions of Section 149(8) of the Companies Act, 2013 read with Schedule IV thereto, an exclusive meeting of the Independent Directors of the Company was duly convened and held between themselves on 13<sup>th</sup> February 2019 during the Financial Year 2018-19.

### 16. NUMBER OF BOARD MEETINGS

A tentative calendar of Board Meetings is prepared and circulated to the Board Members in advance. A minimum of four Board Meetings are held annually. Additional Board Meetings are convened by giving appropriate notice to address the Company's specific needs, if any. In case of business exigencies or urgency of matters, resolutions are passed by circulation. The Company has held at least one Board Meeting in every three months and the maximum time gap between any two consecutive meetings have always been less than one hundred and twenty days.

## Directors' Report (Contd.)

The Board of Directors met 4 (four) times during the financial year 2018-19, namely, on 4<sup>th</sup> May 2018, 1<sup>st</sup> August 2018, 6<sup>th</sup> November 2018 and 13<sup>th</sup> February 2019 respectively.

### 17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism and Whistle Blower Policy to deal with instance of fraud and mismanagement, if any, as per the provisions of the Companies Act 2013 which is hosted on its website at [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations → Board Policies.

### 18. AUDIT COMMITTEE

The Audit Committee as on 31<sup>st</sup> March, 2019 comprises of 3 (three) members out of which, 2 (two) Non-Executive Independent Directors and 1 (one) Non-Executive Directors namely, Mr. S. K. Lhila, (Chairman), Mrs. Rupanjana De (Member) and Mr. Rakesh Himatsingka (Member) respectively. The Company Secretary is the Secretary of the Committee. The Chief Financial Officer and the Managing Director are the invitees to the Meetings along with the various Auditors.

During the year ended 31<sup>st</sup> March 2019, the Audit Committee met 4 (four) times on 4<sup>th</sup> May 2018, 1<sup>st</sup> August 2018, 6<sup>th</sup> November 2018, 13<sup>th</sup> February 2019 respectively. The maximum gap between any two consecutive meetings was less than one hundred and twenty days. All recommendations of the Audit Committee were duly accepted by the Board.

### 19. NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The Committee as on 31<sup>st</sup> March 2019 comprises 3 (three) members out of which, 2 (two) Non-Executive Independent Directors and 1 (one) Non-Executive Director namely, Mr. S K Lhila (Chairperson), and Mrs. Rupanjana De (Member) and Mr. Rakesh Himatsingka (Member) respectively.

During the year ended 31<sup>st</sup> March 2019, the Committee met 2 (two) times on 4<sup>th</sup> May 2018 and 6<sup>th</sup> November 2018.

The Company's Nomination and Remuneration Policy has been prepared in accordance with Section 178(3) of the Act and is available at the web-link- [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations → Board Policies.

### 20. SHARE TRANSFER COMMITTEE

The Board has delegated the powers of approving transfer / transmission, etc. of shares to the Share Transfer Committee. The said Committee has met 11 (eleven) times during the year ended 31<sup>st</sup> March 2019 for approving the transfer / transmission, etc. of shares lodged with the Company.

However, the Board has decided to dissolve the committee with effect from 30<sup>th</sup> April 2019 and merge it with Stakeholders Relationship Committee.

### 21. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year under review, this committee, comprises 3 (three) members out of which, 1 (one) Non-Executive Independent Directors and 2 (two) Non-Executive Director, namely, Mr. S K Lhila (Chairperson), Mr. Rakesh Himatsingka (Member) and Mrs. Anita Himatsingka (Member) respectively.

During the year ended 31<sup>st</sup> March 2019, the Committee met once on 13<sup>th</sup> February 2019.

### 22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any loan or guarantees covered under the provisions of Section 186 of the Companies Act, 2013, nor have made any investment under the Companies Act 2013.

### 23. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of the business.

There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in Section 188 of the Companies Act, 2013 (as may be amended from time to time), in the prescribed Form AOC-2, is appended as "Annexure A" to the Board's Report.

### 24. HOLDING / SUBSIDIARY COMPANIES

The Company does not have any Holding or Subsidiary Company as on 31<sup>st</sup> March, 2019.

### 25. OBLIGATION OF THE COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place your Company has followed adequate Policy for prevention, prohibition and redressal of Sexual Harassment of Women at workplace and has set up a Committee for implementation of the said policy. During the year Company has received one complaint at its Guwahati Unit which was subsequently disposed off after enquiry.

## Directors' Report (Contd.)

### 26. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are made and maintained by the Company as required under Section 148 (1) of the Act. The Board, upon recommendation from the Audit Committee appointed M/s. A S & Associates, Cost Accountants (FRN: 000523) as Cost Auditors of the Company, to Audit the cost accounting records maintained by the Company for the financial year ended 31st March, 2020 at a remuneration of ₹ 20,000/- plus applicable taxes and incidental expenses. Accordingly, a resolution seeking ratification of the remuneration payable to the Cost Auditors, has been included as a part of the Notice convening the 56th Annual General Meeting.

### 27. CORPORATE GOVERNANCE

Your Company is exempted from compliance with the Corporate Governance provisions under Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, since the Company's share capital and net worth, was less than the specified threshold limit as on the last day of the previous financial year.

### 28. CODE OF CONDUCT

Pursuant to the provisions of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Code of Conduct for the Board of Directors, Senior Managers and all other Employees of the Company. The code of conduct is hosted on its website at [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations → Board Policies.

The Managing Director's Certificate under Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 relating to Compliance with the Code of Conduct for the year ended 31st March 2019 forms a part of this Report enclosed as "Annexure B" .

### 29. SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Rajat Kumar Jalan, Practising Company Secretary (C P No. 5705, Membership No. ACS 14895) to undertake the Secretarial Audit of the Company for the financial year 2019-2020.

During the year, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

The Secretarial Audit report along with the Secretarial Compliance Report for the financial year 2018-2019 are annexed herewith as "Annexure C" and forms part of this report. There are no qualifications in the Report.

### 30. INTERNAL AUDITORS

Based on the recommendation of the Audit Committee at its meeting held on 30th April, 2019, the Board has approved the re-appointment of M/s. J Kumar Jain & Associates, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2019-2020.

### 31. DETAILS OF FRAUD REPORTED BY THE AUDITORS

As per Auditors' Report, no fraud u/s 143(12) was reported by the auditors.

### 32. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as "Annexure D" and the same is available within the annual report in the website of the Company at [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations → Annual Reports & Annual General Meetings.

### 33. INDUSTRIAL RELATIONS

At Guwahati factory, since the new union taking charge, there have been illegal tools down, etc and industrial relations have been strained. In addition, low productivity and absenteeism continued to be a great cause for worry. In spite of all such positive steps from Management's side, the cooperation and productivity from the workmen isn't forthcoming as expected. Whilst, Patancheru Union readily accepted Management's proposal to scale back the festival holidays from fifteen to twelve, but Birkuchi Union point blank refused. Both the Charter of Demands i.e. 2015 and 2018 have been resolved and the workmen received the revised wages as per agreement and appointment of 17 nos of Trainee workmen was regularized.

With respect to the Company's Patancheru Unit, there are no IR issues as on date. The Company had entered into wage agreement which is valid till December 2019.

## Directors' Report (Contd.)

### 34. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on Conservation of Energy, Technological Absorption and Foreign Exchange earnings and outgo is appended as "Annexure E" in this report.

### 35. EMPLOYEES/ MANAGERIAL REMUNERATION

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "Annexure - F" and forms a part of the Board Report.

Further, none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this report and is appended as "Annexure F".

### 36. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors confirm:

- i) that in preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- ii) that such accounting policies have been selected and applied consistently and such judgments and estimates have been made 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 ended 31st March, 2019 and of the profit of the Company for the year ended on that date;
- iii) that proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts have been prepared on a going concern basis;
- v) that proper internal financial controls are in place and the internal financial controls are adequate and operating effectively;
- vi) that proper system to ensure compliance with the provisions of all applicable laws including applicable Secretarial Standards are in place and such systems are adequate and operating effectively;

### 37. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities along with composition of CSR Committee with detail particulars of CSR meeting held during the year are set out in "Annexure – G" of this report. The policy is available at the website of the Company at the web-link- [www.assamcarbon.in](http://www.assamcarbon.in) under the Heading About Us → Investor Relations Board Policies.

### 38. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURING AFTER BALANCE SHEET DATE

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

### 39. NOTE OF APPRECIATION

The Directors expressed their gratitude for the assistance and co-operation that the Company has received from the Central Government, State Governments of Assam and Telengana, other State Governments, Statutory Authorities, Regulatory Bodies, Customers, Bankers, Suppliers and Shareholders. Your Directors also wish to place on record their appreciation for the services by the executives, staff and workers of the Company.

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

## Annexure to the Board of Directors' Report (Contd.)

"Annexure A"

### FORM NO. AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014] Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.  
There were no contracts or arrangements or transaction entered into during the year ended March 31, 2019, which was not at Arm Length basis.
2. Details of contracts or arrangements or transactions at Arm's length basis for the year ended 31.03.2019 are as follows:

Name(s) of the Related party & Nature of Relationship	Nature of Contracts/ arrangements/ transactions	Duration of Contracts/ arrangements/ transactions	Salient Terms of the Contracts or arrangements or transactions including the value, if any	Justification for entering into such Contracts or arrangements or transactions	Date(s) of approval by the Board	Amount in ₹
India Carbon Ltd Mr. Rakesh Himatsingka, Non Executive Director and Chairman of the Board, is interested.	Sale and Purchase of Goods	April 1st , 2018- March 31st , 2019	Omnibus approval accorded for Sale, Purchase or supply of any goods or material and avail or render any service not exceeding ₹5.00 Crore for the FY 2018-19	Purchase of raw material which is to be used in production process	04.05.18, 01.08.18, 06.11.18, 13.02.19	Purchase of raw materials amounting to ₹7.00 Lacs and sale of ₹ 7.84 Lacs

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

"Annexure B"

### MANAGING DIRECTOR'S CERTIFICATE ON COMPLIANCE WITH THE CODE OF CONDUCT

As required under Regulation 34(3) read with Part D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31<sup>st</sup> March 2019.

For and on behalf of the Board of Directors

Sd/-

Kali Krishna Bhattacharya

Managing Director

DIN: 07011241

Kolkata

Date: 30th April, 2019

## Annexure to the Board of Directors' Report (Contd.)

"Annexure C"

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2019

[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,  
Assam Carbon Products Ltd,  
Birkuchi,  
Guwahati- 781026,  
Assam.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASSAM CARBON PRODUCTS LTD (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ASSAM CARBON PRODUCTS LTD's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by ASSAM CARBON PRODUCTS LTD ("the Company") for the financial year ended on 31<sup>st</sup> March, 2019, according to the provisions of:

- (i) The Companies Act, 2013/ the Companies (Amendment) Act, 2017 (the Act) and the rules made there under as amended from time to time;
- (ii) the Securities Contracts(Regulation) Act, 1956("SCRA"), rules made there under and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI") as may be amended from time to time;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under and as may be amended from time to time;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under as may be amended from time to time to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and as may be amended from time to time;
- (v) The following Regulations, Circulars, Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (as may be amended from time to time):-
  - (a) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended from time to time);
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time);
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time);
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as may be amended from time to time); - Not Applicable as there was no reportable event;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as may be amended from time to time); - Not Applicable as there was no reportable event;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as may be amended from time to time; - Not Applicable as there was no reportable event;

## Annexure to the Board of Directors' Report (Contd.)

- (g) 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 (as may be amended from time to time); - Not Applicable as there was no reportable event;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (as may be amended from time to time) ; - Not Applicable as there was no reportable event;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (as may be amended from time to time);
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as may be amended from time to time); - Not Applicable as there was no reportable event; and
- (k) Any other Regulations/ Rules/Notifications/ Circulars/ Amendments etc. as issued by the Securities and Exchange Board of India from time to time;
- (vi) Other laws/acts/rules as may be applicable specifically to the company:
  - (a) Payment of Bonus Act, 1965 as may be amended from time to time;
  - (b) Payment of Gratuity Act, 1972 as may be amended from time to time;
  - (c) Payment of Wages Act, 1936 as may be amended from time to time;
  - (d) Trade Unions Act, 1926 as may be amended from time to time;
  - (e) Workmen's Compensation Act, 1923 as may be amended from time to time;
  - (f) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 as may be amended from time to time;
  - (g) Employees' State Insurance Act, 1948 as may be amended from time to time;
  - (h) Minimum Wages Act, 1948 and its Rules as may be amended from time to time;
  - (i) The Factories Act, 1948 & its allied State Laws & Rules and as may be amended from time to time;
  - (j) Pollution Control Board Clearance as may be amended from time to time;
  - (k) Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
  - (l) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
  - (m) Environment Protection Act, 1986 and the rules, notifications issued thereunder.
  - (n) Central Excise Act, 1944 and its Rules as may be amended from time to time;
  - (o) Income Tax Act, 1961 and its Rules as may be amended from time to time;
  - (p) Central Sales Tax Act, 1956 and its Rules as may be amended from time to time;
  - (q) VAT Act and its Rules as may be amended from time to time;
  - (r) Profession Tax and its Rules as may be amended from time to time;
  - (s) Shops and Establishments Act and its Rules as may be amended from time to time;
  - (t) Industrial Disputes Act 1947 and its Rules as may be amended from time to time;
  - (u) Service Tax Act and its Rules as may be amended from time to time;
  - (v) Contract Labor (Regulation and Abolition) Act, 1970 as may be amended from time to time.
  - (w) Central Goods and Services Tax Act, 2017 & its Rules / the Integrated Goods and Services Tax Act, 2017 & its Rules there under including any Circulars/ Notifications issued from time to time.

I have also examined the required licenses specific to the Company and found them duly up to date/applied for renewal, as the case may be.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

## Annexure to the Board of Directors' Report (Contd.)

### **I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** Company has passed special resolution pursuant to Section 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and had obtained the consent of the Shareholders for payment of commission upto 1% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013, from the financial year 2017-2018 and onwards until otherwise repudiated by the Board of Directors, to Mr. Rakesh Himatsingka, (DIN: 00632156) Non-Executive Chairman of the Board, in addition to the sitting fees for attending the meeting of the Board of Directors/Committees thereof and any other expenses incurred for official/business purposes only.

**I further report that** Company has passed special resolution pursuant to 190, 196, 197, 198 and 203 read along with Schedule V and other applicable provisions and Rules, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof), and had obtained the approval of the shareholders of the Company, for the re-appointment of Mr. K K Bhattacharya (DIN: 07011241) as the Managing Director of the Company for a period of 2 (two) years, from 9th October 2018 to 8th October, 2020.

Place: Kolkata  
Date: 30<sup>th</sup> April, 2019

Sd/-  
**Rajat Kumar Jalan**  
Practising Company Secretary  
C P No.: 5705  
ACS No.: 14895

## Annexure to the Board of Directors' Report (Contd.)

### Secretarial Compliance report of

Assam Carbon Products Limited,  
Birkuchi, Guwahati, Assam-781026

for the year ended 31st March, 2019

I, Shri Rajat Kumar Jalan, Company Secretary in Practice, have examined:

- (a) all the documents and records made available to us and explanation provided by Assam Carbon Products Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity which is <http://www.assamcarbon.in/>
- (d) all other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31<sup>st</sup> March, 2019 ("Review Period"), in respect of compliance with the provisions of :
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) the Securities Contracts(Regulation) Act, 1956("SCRA"), rules made there under and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
- (i) All other regulations as may be applicable and circulars/ guidelines issued thereunder; and based on the above examination, I/We hereby report that, during the Review Period:
  - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations / Circulars/ Guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NOT APPLICABLE			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

## Annexure to the Board of Directors' Report (Contd.)

Sr. No.	Action Taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/remarks of the Practising Company Secretary, (if any)
NOT APPLICABLE				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31 <sup>st</sup> March, 2019	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
NOT APPLICABLE				

Place: Kolkata  
Date: 30<sup>th</sup> April, 2019

Sd/-  
**Rajat Kumar Jalan**  
Practising Company Secretary  
C P No.: 5705  
ACS No.: 14895

## Annexure to the Board of Directors' Report (Contd.)

"Annexure D"

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time]

#### I. REGISTRATION & OTHER DETAILS :

1.	CIN	L23101AS1963PLC001206
2.	Registration Date	17th April 1963
3.	Name of the Company	<b>ASSAM CARBON PRODUCTS LTD</b>
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	BIRKUCHI, GUWAHATI, ASSAM INDIA – 781026
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CB Management Services (P) Ltd, P-22, Bondel Road, Kolkata- 700 019 Phone No.: 40116700/17/18. Fax No.: (033) 4011 6739, E mail: rta@cbmsl.com

#### 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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	CARBON BLOCKS	NA	13%
2	CARBON BRUSH	NA	45%
3	MECHANICAL AND SPECIAL CARBON COMPONENTS	NA	42%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1	NIL	NA	NA	NA	NA

## Annexure to the Board of Directors' Report (Contd.)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	2049300	0	2049300	74.37	2049300	0	2049300	74.37	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total(A)(1)</b>	<b>2049300</b>	<b>0</b>	<b>2049300</b>	<b>74.37</b>	<b>2049300</b>	<b>0</b>	<b>2049300</b>	<b>74.37</b>	<b>0.00</b>
<b>(2) Foreign</b>									
(a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>2049300</b>	<b>0</b>	<b>2049300</b>	<b>74.37</b>	<b>2049300</b>	<b>0</b>	<b>2049300</b>	<b>74.37</b>	<b>0.00</b>
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/Fl	1950	100050	102000	3.70	50	100050	100100	3.63	-0.07
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>	<b>1950</b>	<b>100050</b>	<b>102000</b>	<b>3.70</b>	<b>50</b>	<b>100050</b>	<b>100100</b>	<b>3.63</b>	<b>-0.07</b>
<b>2. Non-institutions</b>									
(a) Bodies Corporate									
(i) Indian	11358	12100	23458	0.85	20953	12100	33053	1.20	0.35
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	226813	194531	421344	15.29	227102	179897	406999	14.77	-0.52
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	157073	0	157073	5.70	157423	0	157423	5.71	0.01
(c) Others (specify)									
(c-i) Non-Resident Individuals	1925	350	2275	0.08	2025	350	2375	0.09	0.01
(c-ii) LLP	0	0	0	0.00	6200	0	6200	0.22	0.22
(c-iii) Trust	150	0	150	0.01	150	0	150	0.01	0.00
<b>Sub-Total (B)(2)</b>	<b>397319</b>	<b>206981</b>	<b>604300</b>	<b>21.93</b>	<b>413853</b>	<b>192347</b>	<b>606200</b>	<b>22.00</b>	<b>0.07</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>399269</b>	<b>307031</b>	<b>706300</b>	<b>25.63</b>	<b>413903</b>	<b>292397</b>	<b>706300</b>	<b>25.63</b>	<b>0.00</b>
<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2448569</b>	<b>307031</b>	<b>2755600</b>	<b>100.00</b>	<b>2463203</b>	<b>292397</b>	<b>2755600</b>	<b>100.00</b>	<b>0.00</b>

## Annexure to the Board of Directors' Report (Contd.)

### B) Shareholding of Promoters-

Sl. 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. Rakesh Himatsingka	796452	28.90	NIL	796452	28.90	NIL	0.00
2	Mr. Shaurya Veer Himatsingka	887823	32.22	NIL	887823	32.22	NIL	0.00
3	Mrs. Anita Himatsingka	275025	9.98	NIL	275025	9.98	NIL	0.00
4	Ms. Maalika Himatsingka	90000	3.27	NIL	90000	3.27	NIL	0.00

### C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	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.	<b>MR. RAKESH HIMATSINGKA</b>				
	At the beginning of the year	796452	28.90	796452	28.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	796452	28.90
2.	<b>MR. SHAURYA VEER HIMATSINGKA</b>				
	At the beginning of the year	887823	32.22	887823	32.22
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	887823	32.22
3.	<b>MRS. ANITA HIMATSINGKA</b>				
	At the beginning of the year	275025	9.98	275025	9.98
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	275025	9.98
4.	<b>MS. MAALIKA HIMATSINGKA</b>				
	At the beginning of the year	90000	3.27	90000	3.27
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	90000	3.27

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Assam Industrial Development Corporation Ltd.</b>				
	At the beginning of the year	100000	3.63	100000	3.63
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	100000	3.63

## Annexure to the Board of Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	<b>Mahendra Girdharilal</b>				
	At the beginning of the year	65249	2.37	65249	2.37
	Increase / Purchase/ 04.05.2018	150	0.01	65399	2.37
	Increase / Purchase/ 20.07.2018	150	0.01	65549	2.38
	At the end of the year	-	-	65549	2.38
3.	<b>P P Zibi Jose</b>				
	At the beginning of the year	55000	2.00	55000	2.00
	Increase / Purchase/ 27.07.2018	50	0	55050	2.00
	At the end of the year	-	-	55050	2.00
4.	<b>Prem Chand Goenka</b>				
	At the beginning of the year	25924	0.94	25924	0.94
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	25924	0.94
5.	<b>Narendra Kumar Bapna</b>				
	At the beginning of the year	10900	0.40	10900	0.40
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	10900	0.40
6.	<b>Shri Parasram Securities Pvt Ltd</b>				
	At the beginning of the year	10750	0.39	10750	0.39
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	10750	0.39
7.	<b>Raja Kakati</b>				
	At the beginning of the year	10000	0.36	10000	0.36
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	10000	0.36
8.	<b>Asit Baran Sarkar</b>				
	At the beginning of the year	5600	0.20	5600	0.20
	Decrease/ Sale/ Transfer 10.08.2018	-	-	5600	0.20
	At the end of the year	-	-	0	0
9.	<b>Jyotsna Rajgarhia</b>				
	At the beginning of the year	5350	0.19	5350	0.19
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	5350	0.19
10.	<b>Vivek Sheel Aggarwal</b>				
	At the beginning of the year	4300	0.16	4300	0.16
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	4300	0.16
11.	<b>Indra Kumar Bagri</b>				
	At the beginning of the year	6108	0.22	6108	0.22

## Annexure to the Board of Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Decrease/ Sale/ Transfer 25.05.2018	200	0.01	5908	0.21
	Increase / Purchase 01.06.2018	500	0.02	6408	0.23
	Decrease/ Sale/ Transfer 22.06.2018	400	0.01	6008	0.22
	Decrease/ Sale/ Transfer 17.08.2018	300	0.01	5708	0.21
	Decrease/ Sale/ Transfer 31.08.2018	200	0.01	5508	0.2
	Decrease/ Sale/ Transfer 14.09.2018	400	0.01	5108	0.19
	Decrease/ Sale/ Transfer 19.10.2018	100	0	5008	0.18
	Decrease/ Sale/ Transfer 18.01.2019	250	0.01	4758	0.17
	At the end of the year	-	-	4758	0.17
<b>12.</b>	<b>Shri Parasram Industries Pvt. Ltd.</b>				
	At the beginning of the year	3500	0.13	3500	0.13
	Decrease/ Sale/ Transfer 06.04.2018	500	0.02	3000	0.11
	Increase / Purchase 29.03.2019	8570	0.31	11570	0.42
	At the end of the year	-	-	11570	0.42
<b>13.</b>	<b>3A Financial Services Ltd</b>				
	At the beginning of the year	2800	0.1	2800	0.1
	Increase / Purchase 08.06.2018	675	0.02	3475	0.13
	Increase / Purchase 29.06.2018	400	0.01	3875	0.14
	Increase / Purchase 13.07.2018	100	0	3975	0.14
	Increase / Purchase 27.07.2018	100	0	4075	0.15
	Increase / Purchase 03.08.2018	100	0	4175	0.15
	Increase / Purchase 10.08.2018	400	0.01	4575	0.17
	Increase / Purchase 17.08.2018	100	0	4675	0.17
	Increase / Purchase 07.09.2018	200	0.01	4875	0.18
	Increase / Purchase 11.09.2018	550	0.02	5425	0.2
	Increase / Purchase 19.10.2018	200	0.01	5625	0.2
	Increase / Purchase 26.10.2018	450	0.02	6075	0.22
	Decrease/ Sale/ Transfer 02.11.2018	350	0.01	5725	0.21
	Decrease/ Sale/ Transfer 16.11.2018	500	0.02	5225	0.19
	Increase / Purchase 23.11.2018	500	0.02	5725	0.21
	Increase / Purchase 30.11.2018	400	0.01	6125	0.22
	Decrease/ Sale/ Transfer 07.12.2018	250	0.01	5875	0.21
	Increase / Purchase 21.12.2018	200	0.01	6075	0.22
	Increase / Purchase 11.01.2019	550	0.02	6625	0.24
	Decrease/ Sale/ Transfer 25.01.2019	50	0	6575	0.24
	Decrease/ Sale/ Transfer 15.02.2019	25	0	6550	0.24
	Decrease/ Sale/ Transfer 01.03.2019	25	0	6525	0.24
	At the end of the year	-	-	6525	0.24
<b>14</b>	<b>Mayna H Shah</b>				
	At the beginning of the year	0	0	0	0
	Increase / Purchase 25.05.2018	200	0.01	200	0.01
	Increase / Purchase 01.06.2018	500	0.02	700	0.03
	Increase / Purchase 08.06.2018	200	0.01	900	0.03
	Increase / Purchase 22.06.2018	400	0.01	1300	0.05
	Increase / Purchase 29.06.2018	50	0	1350	0.05
	Increase / Purchase 20.07.2018	3600	0.13	4950	0.18
	Increase / Purchase 27.07.2018	270	0.01	5220	0.19
	Increase / Purchase 03.08.2018	400	0.01	5620	0.21
	Increase / Purchase 24.08.2018	50	0	5670	0.21
	Decrease/ Sale/ Transfer 21.09.2018	100	0	5570	0.2
	Increase / Purchase 21.12.2018	250	0.01	5820	0.21
	Increase / Purchase 18.01.2018	550	0.02	6370	0.23
	At the end of the year	-	-	6370	0.23

## Annexure to the Board of Directors' Report (Contd.)

### E) Shareholding of Directors and Key Managerial Personnel:

Sl. 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	<b>Mr. Rakesh Himatsingka</b> - Chairman				
	At the beginning of the year	796452	28.90	796452	28.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	796452	28.90
2	<b>Mr. K K Bhattacharya</b> - Managing Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0
3	<b>Mrs. Anita Himatsingka</b> - Director				
	At the beginning of the year	275025	9.98	275025	9.98
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	275025	9.98
4	<b>Ms. Maalika Himatsingka</b> - Director				
	At the beginning of the year	90000	3.27	90000	3.27
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	90000	3.27
5	<b>Mr. S K Lhila</b> - Independent Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0
6	<b>Mrs. Rupanjana De</b> - Independent Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0
7	<b>Mr. A Saikia</b> - Nominee Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0
8	<b>Mr. Sandip Modi</b> - Independent Director				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0

## Annexure to the Board of Directors' Report (Contd.)

Sl. 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
9	<b>Mr. Susheel Kumar Sharma</b> - Director				
	At the beginning of the year	2120	0.08	2120	0.08
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	-	-	2120	0.08
10	<b>Mr. Pijush Bysack</b> - Chief Financial Officer				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0
11	<b>Mr. S Chakraborty</b> - Company Secretary				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0

### V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (in ₹ '000)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
* Addition	Nil	49500	Nil	49500
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	49500	Nil	49500
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	49500	Nil	49500
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	358	Nil	358
Total (i+ii+iii)	Nil	49858	Nil	49858

## Annexure to the Board of Directors' Report (Contd.)

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in ₹)
		<b>Mr K K Bhattacharya</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,28,000	5,28,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,34,168	5,34,168
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	10,62,168	10,62,168
	Ceiling as per the Act	Remuneration is within the limits as laid down under the Companies Act, 2013 & its Corresponding Rules & Schedules.	

#### B. Remuneration to other directors (In ₹)

Sl. No.	Name of Directors	Particulars of Remuneration			Total Amount (in ₹)
		Fee for attending Board/ Committee Meetings	Commission	Others, please specify	
1	Mr S K Lhila	1,26,000	NIL	NIL	1,26,000
2	Mrs Rupanjana De	1,33,000	NIL	NIL	1,33,000
	<b>Non Executive Directors</b>				
3	Mr. Rakesh Hitamsingka	1,96,000	6,34,000	NIL	8,30,000
4	Mrs. Anita Himatsingka	1,68,000	NIL	NIL	1,68,000
5	Ms. Maalika Himatsingka	40,000	NIL	NIL	40,000
	Total Managerial Remuneration to other Directors (1+2+3+4)	6,63,000	6,34,000	NIL	12,97,000
	Overall Ceiling as per the Act	Remuneration is within the limits as laid down under the Companies Act, 2013 & its Corresponding Rules & Schedules.			

## Annexure to the Board of Directors' Report (Contd.)

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CS	CFO	CEO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,86,752	16,68,960	NIL	22,55,712
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>5,86,752</b>	<b>16,68,960</b>	<b>NIL</b>	<b>22,55,712</b>

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

## Annexure to the Board of Directors' Report (Contd.)

### “Annexure E”

#### A. Conservation of Energy

##### (a) Energy Conservation Measures :

The Company is very conscious about Energy Conservation which occupies an important place, while choosing new plant and machineries.

Company is also rapidly moving towards all LED fixtures to save energy.

#### B. Technology Absorption

##### Research and Development (R&D)

##### 1. Specific areas in which R & D carried out by the company

Indigenization of raw materials started in the earlier years, continued during the year.

##### 2. Benefits derived as a result of the above R & D

Benefits is being derived in terms of better quality.

##### 3. Future plan of action

- Continued Indigenization of imported raw materials;
- Development of New Material for New Business Areas, such as for Radial Bearings, Auto Sector etc;
- Improve existing Grades to meet more demanding Operational conditions.

##### 4. Expenditure on R & D

(₹ In lacs)

a. Capital	-
b. Recurring	19.58
c. Total	19.58
d. Total R & D expenditure as a percentage of total turnover	0.38

##### Technology absorption, adaptation and innovation

The Company has fully absorbed the technology on existing product line.

#### C. Foreign exchange earnings and outgo:

- a. Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans: -

During the year, exports were made to Europe and the Far East, for Mechanical Carbon Products as well as Electrical Carbon products. Efforts to increase exports are ongoing.

- b. Total foreign exchange used and earned

(₹ In Lacs)

Total Foreign Exchange used	13.20
Total Foreign Exchange earned	27.33

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

## Annexure to the Board of Directors' Report (Contd.)

"Annexure-F"

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of remuneration of each Director to the median remuneration of each Key Managerial Personnel(KMP) against the performance of the Company are as under:

Sl. No.	Name of the Director/KMP and Designation	Remuneration of Director/ KMP for FY 2018-19 (in ₹)	% increase in Remuneration of each Director/ KMP in the Financial Year 2018-19	Ratio of remuneration of each Director/ KMP to median remuneration of employees
1.	Mr. R Himatsingka, Non-Executive Chairman	8,30,000	7.79%	2.08:1
2.	Mr K K Bhattacharya, MD	10,62,168	-36.01%	2.66:1
3.	Mrs. Anita Himatsingka, Non-Executive Director	1,68,000	273.33%	0.42:1
3.	Ms. Maalika Himatsingka, Non-Executive Director	40,000	60%	0.10:1
4.	Mr S K Lhila, Non-Executive & Independent	1,26,000	61.53%	0.32:1
5.	Mrs Rupanjana De, Non-Executive & Independent	1,33,000	82.19%	0.33:1
6.	Mr. Subhendu Chakraborty, CS	5,86,752	10.37%	1.47:1
7.	Mr. P Bysack, CFO	16,68,960	5.41%	4.19:1

Note:

1. Calculation of median is taken on the figures as at the end of Financial Year.
2. i) The Median Remuneration of Employees as on March 31, 2019 was ₹ 3,98,568 and as on March 31, 2018 was ₹3,58,428.
  - ii) The percentage increase in the median remuneration of employees was 11.19% during the financial year.
  - iii) There were 250 permanent employees on the rolls of Company as on March 31, 2019.
  - iv) The Company has earned a profit after tax during the financial year 2018-19 amounting of ₹ 491.92 Lacs compared to a profit of Rs 565.53 Lacs during the financial year 2017-18.
  - v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 21.05%, whereas the average percentage increase made in the salaries of managerial personnel is 12.82%. Further there was no exceptional increase in the salary during the Financial Year ended 31.03.2019 as compared above.
  - vi) It is hereby affirmed that the remuneration paid during the year ended 31st Day of March, 2019 is as per the Remuneration Policy of the Company.

## Annexure to the Board of Directors' Report (Contd.)

- i) Information on employees' particulars as on 31st March, 2019 as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014, as may be amended from time to time, is provided hereunder. Particulars of the same shall also be made available to any shareholder on a specific request made by him/her in writing before the date of this Annual General Meeting. In case of request received even after the date of completion of Annual General Meeting, such particulars shall also be made available to the Shareholders.

Sl. No.	Name of employee	Designation of employee	Remuneration received (*) Amount in ₹	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company within the meaning of clause(iii) of sub-rule(2)	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager of the company and if so, name of such director or manager
1	Jayant Kumar	GM(O)	26,86,830.00	Permanent	BTCH – Mech, MBA – Marketing 28 yrs Exp	26.08.1991	55	NA	NA	NA
2	Pijush Bysack	CFO	16,68,960.00	Permanent	B Com, CA – Inter 22 Yrs Exp.	01.02.2011	48	Sahara India	NA	NA
3	K.C. Joshi	Advisor - Accounts	15,14,400.00	Consultant	B.com, LB, C.A (Inter) Group I with 36 yrs exp.	01/06/1982 & 01/04/2014	64	NA	0.003	NA
4	Nilanjan Chaki	Dy. General Manager	14,97,450.00	Permanent	B.E in Industrial & Production with 29 yrs exp.	04/08/2016	56	Mersen India P. Ltd	0.0004	NA
5	Jyotirmay Goswami	Chief General Manager – Technology & Operations	14,61,600.00	Consultant	B.E chemical with 39 yrs exp.	04/07/1973 & 01/04/2013	68	NA	0.007	NA
6	Aavinash Nimckar	Zonal Head - West	13,84,656.00	Permanent	BE- Mech 22 Yrs Exp	28.09.2012	47	Spraying Systems Pvt Ltd	NA	NA
7	S.M. Madan Kumar	Zonal Head - South	12,58,806.00	Permanent	DEE 27 Yrs Exp	01.10.2007	56	Mersen India P. Ltd	NA	NA
8	Anuj Pratap Singh Chauhan	AGM – Maintenance	1,20,205.00	Permanent	Diploma (Mech) AIME (Mech) With 18 Yrs Exp	21/02/2019	46	MS Bhushan Power & Steel Ltd	NA	NA
9	Alok Bhuyan	Zonal Head - East	9,97,176.00	Permanent	AMIE (elec) 32 yrs exp.	01.01.2014	56	Info Care	NA	NA
10	KVR Praveen Kumar	Manager – Sales(Exports)	7,40,094.00	Permanent	MBA - 20 yrs exp.	02/07/2018	43	Rolan Seals	NA	NA

(\*) Remuneration includes fixed pay, retirement benefits and the perquisites exercised during the reporting period.

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

## Annexure to the Board of Directors' Report (Contd.)

"Annexure-G"

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

- A brief outline of the Company's CSR policy including Overview of projects / programs undertaken:  
The Company has framed Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, as may be amended from time to time. It enumerates the list of activities for channelizing the amount of expenditure towards Corporate Social Responsibility by the Company.  
CSR Committee has proposed to spend more than 2% of Company's average net profits made during the 3 immediately preceding financial years in Manav Kalyan Trust with an established track record of more than 3 years and Indian Council of Child welfare with an established track record of more than 3 years.  
The CSR Policy of the Company as approved by the Board of Directors is available on the Company's website at the web link [www.assamcarbon.in/](http://www.assamcarbon.in/)
- The composition of the CSR Committee is as under:

Name	Category	Position
Mrs. Rupanjana De	Non Executive Independent Director	Chairperson
Mrs. Anita Himatsingka	Non Executive Non-Independent Director	Member
Mr. Kali Krishna Bhattacharya	Managing Director	Member

- During the year ended 31st March 2019, the Committee met 2 (two) times on 1<sup>st</sup> August 2018 and 13<sup>th</sup> February 2019.
- Average Net Profit of the Company during last 3 Financial Years: ₹ 385.74 Lacs.
- Prescribed CSR Expenditure (two percent of the amount as in item 4 above): 7.72 Lacs.
- Details of CSR spent during the financial year:
  - Total amount to be spent for the year: ₹ 7.72 Lacs.
  - Total amount spent for the year: ₹ 10 Lacs.
  - Amount unspent, if any: N.A
  - Manner in which the amount spent during the financial year is detailed below:

Sl No	CSR project or activity identified	Sector in which the Project/ activity is covered	Projects/ Programs 1.Local area or other 2.Specify the State and District where projects or program was under taken	Amount outlay (budget) project/ programs wise	Amount Spent on the Project or programs Subheads: 1.Direct expenditure on project or programme 2.Overheads 3. Corpus Fund.	Cumulative expenditure up to the reporting period	Amount spent directly/ through implementing agency
1.	Promotion of Education and healthcare as specified in Company's CSR Policy	Education and health care	Kolkata, West Bengal	₹2 Lakhs	₹2 Lakhs by way of contribution/donation to Manav Kalyan Trust	₹2 Lakhs	Through implementing agency Manav Kalyan Trust came into existence in the year 1977, eligible as per provisions of Companies Act, 2013
2.	Empowering women and Children	Setting up hostels for women and orphans	Guwahati, Assam	₹8 Lakhs	₹8 Lakhs by way of contribution/ donation to Indian Council for Child Welfare	₹8 Lakhs	Through implementing agency Indian Council for Child Welfare came into existence in the year 1968, eligible as per provisions of Companies Act, 2013

## Annexure to the Board of Directors' Report

### 7. CSR Committee Responsibility Statement.

The CSR Committee confirms that the implementation and monitoring of CSR activities of the Company is in compliance with the CSR objectives and CSR Policy of the Company.

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

For and on behalf of the Board

Sd/-

Kali Krishna Bhattacharya

**Managing Director**

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

**Chairman**

(DIN: 00632156)

## Management Discussion and Analysis Report

### INDUSTRY STRUCTURE & DEVELOPMENT

Your Company is engaged in the manufacturing of Electrical and Mechanical Carbon Materials and the product range includes various kinds of Carbon and Metal Graphite Blocks, Carbon Brushes, Mechanical and Special Carbon Components and Current Collectors for Railway network, underground Railways and other industrial applications.

Electrical motors are an integral part of the machinery and carbon brushes transfer the electricity from outside the motor to the spinning winding in the center of the motor.

Another major product range represents the Electric Current Collectors which are used by Electric Locomotives to carry electrical power from overhead lines used on intercity rail network or electrical third rails to the electrical equipment of the vehicles, used for the Metro/ underground rail network within the cities.

On the other hand Mechanical Carbon products are suitable for high temperature, lubrication, chemical inertness, dimensional stability / impermeability and the product range includes Radial Bearings, Thrust Bearings, Mechanical Seals, Piston Rings, Packing and Vanes.

During April-January 2018-19, industrial output grew at 4.4 per cent as against 4.1 per cent in the same period previous fiscal, according to the data released by the Central Statistics Office (CSO). Industrial Production in India is expected to be 4.50 percent by the end 2019 according to Trading Economics global macro models and analysts expectations. Looking forward, we estimate Industrial Production in India to stand at 4.80 in 12 months time. Thus, Industry Growth Rate in India has been registering a steady growth over the past few years. This has given a major boost to the Indian economy. The government of India is continuing its efforts to boost the industrial sector in the Country. India's economy is on track to grow from the present around \$ 2.5 Trillion to over \$ 10 Trillion by 2030, thereby becoming the world's third largest economy after China and the US. Thus, India has become one of the most attractive destinations for investments in the manufacturing sector. Business conditions in the Indian manufacturing sector continue to remain positive and your Company is expected to take the benefit of such growth.

### OPPORTUNITIES & THREATS

Your Company constantly examines the opportunities and threats that exist in its business and already has plans to exploit the opportunity available going forward as well as equipped to handle threats.

#### Opportunities

The Company's product range includes Electrical Carbon Materials, Mechanical Carbon Materials and Current Collectors.

After decades of under-investment, the railway sector is finally going through a much-needed course correction. In the past two years, the government has set in motion numerous measures to realise the sector's potential as the next growth engine of the economy. An ambitious investment outlay of ₹ 8.56 Trillion has been announced, supported by external funding and participation of various stakeholders. And of this, ₹1 Trillion has already been expended, marking the government's determination to see these plans materialise within defined timeframes.

With the ongoing progress of a new Dedicated Freight Corridor (DFC) by Indian Railways covering about 3300 route km long two routes - the Eastern Corridor and the Western Corridor, as well as the rapid setting up and expansion of Metro Railways all over India, there will be a massive requirement for Electrical Brushes and Current Collectors.

With a booming economy, rapidly increasing urbanization and with the whole of India coming under the electric power umbrella, there is a major surge in the demand for Mechanical Components across all the Sectors, especially for Radial Bearings which is a fast growing sector with Energy efficient five star rated pumps all requiring Carbon materials.

#### Threats

1. Dumping of cheap material from China.
2. Conversion of DC motor to brushless AC motor in Locomotives and Power plants.
3. Price war for tender business.

### SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

Company has achieved a gross revenue from operation amounting to ₹51.27 Crore as against ₹43.93 Crore in the last financial year, an increase of 16.71% as compared to the previous financial year.

## Management Discussion and Analysis Report (Contd.)

Sale of Electrical segment contributes 67% to the top line as against 75% in the previous fiscal, while Mechanical segment witnessed a share of 33% and in real terms the Electric Car segment grew by only around 5% whereas the Mechanical Carbon segment grew by over 50%.

Performance of the Company continues to improve due to various cost saving measures and operational efficiency measures initiated by the management, as well as rationalization of sales price, strict control on credit sales and staying away from loss making accounts.

### OUTLOOK

The outlook for the Company continues to be optimistic based on the growth in the demand for Company's products. The Company has already upgraded and modernized its plants. The Company is also exploring new growth opportunities as well as optimum utilization of its available resources, as well as constantly working towards improved productivity through further upgradation of Plant & Machinery where required, training of workmen, etc.

Constant efforts are on towards achieving savings, improving operational efficiency, increasing market share, optimum utilization of production capacities and customer's satisfaction.

The Management is optimistic about the growth and profitability of the Company.

### RISKS & CONCERNS

Unforeseen/unmitigated technology obsolescence, the emergence of competing technologies would impact the Company's business and its ability to deliver on its strategic goals.

The advanced technological nature of the Company requires people with highly differentiated skill sets. Any inability to recruit, retain and develop the right people would impact the Company's ability to achieve its strategic goals.

Supplying into critical applications, the quality of the Company's contracts must match the quality and nature of its products. Ineffective contract risk management could result in significant liabilities for the Company and damage customer relationships.

### INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has proper and adequate internal control system commensurate with its size and nature of business. It ensures that all assets are safeguarded and protected against improper use and that transactions are authorized, recorded and reported correctly.

Internal Audit is conducted by independent auditing firm at all locations of the Company. The internal audit reports are reviewed by the Audit Committee and adequate remedial measures are taken in time.

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, revenue from operations of the Company increased to ₹ 5127.00 Lacs as compared to ₹ 4392.99 Lacs in the previous year which is a healthy 16.71% growth. This increase in the sales was achieved by firstly improving production and productivity by removing bottlenecks in operations, adding new Plant and Machinery.

Your Company was able to earn a profit of ₹ 491.92 Lacs as against a profit of ₹ 565.53 Lacs in the previous year. The major cause for a slight dip in profit margin was because the current financial year had witnessed settlement of the various legacy issues which was pending for more than 5 years resulting to one time effect in the Statement of Profit & Loss.

Despite several challenges issue faced by your Company such as low productivity, absenteeism, outdated and obsolete Plant & Equipment, global economic slowdown, Foreign exchange price risk, cut throat internal competition due to dumping from China and reduction in the prices due to price war; your Company has been able to continue towards higher turnover and profits.

### HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company has always given prime importance to Human Resources. Continued efforts towards optimum manpower utilization are being made for reduction of cost and optimization of productivity. The Company continues to provide thrust on regular training programmes for upgradation of job knowledge and other related skills amongst its employees.

The total number of people employed in the organization as on 31.03.2019 was 250 as compared to 254 as on 31.03.2018.

## Management Discussion and Analysis Report

Details of significant changes in key financial ratios, along with detailed explanations:

### Financial Ratios for standalone financials

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Debtors Turnover [Net Credit Sales / Average Accounts Receivable]	3.36	3.52
Inventory Turnover [Cost of Goods Sold / Average Inventory]	3.01	2.81
Interest Coverage (*) [Earning Before Interest & Taxes / Interest Expenses]	149	1433
Current Ratio [Current Assets / Current Liabilities]	0.95	1.04
Debt Equity Ratio [Total Liabilities / Total Shareholders Equity]	0.22	0.27
Net Profit Margin (%) [Net Profit / Revenue]	9.59%	12.87%
Return on Net Worth (%) (^) [Profit after tax / Average Equity Capital and Other Equity]	45.10%	97.68%

(\*) The variance in the ratio is mainly due to fresh borrowings taken during the current financial year.

(^) The variance in the ratio is mainly due to lower available balance of 'Other Equity' during the period ending March 2018 resulting to lower 'Average Equity Capital and other Equity'.

### CAUTIONARY STATEMENT

Statement in the "Management's Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied in this report. Important factors that would make a difference to the Company's operations include global and Indian demand/supply conditions, raw materials prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations/policies, tax regimes, economic developments within the country and other factors such as litigation and labour negotiations. The Company assumes no responsibility to modify or revise any forward-looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.

For and on behalf of the Board

Date: 30th April, 2019

Place: Kolkata

Registered Office:

Birkuchi, Guwahati, Assam- 781026

CIN: L23101AS1963PLC001206

Sd/-

Kali Krishna Bhattacharya

Managing Director

(DIN: 07011241)

Sd/-

Rakesh Himatsingka

Chairman

(DIN: 00632156)

### CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE REGARDING NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To

The Members,  
Assam Carbon Products Limited,  
Birkuchi, Guwahati, Assam – 781026.

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we certify that none of the directors on the Board of Assam Carbon Products Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

Place: Kolkata

Date: 30<sup>th</sup> April, 2019

**Rajat Kumar Jalan**

Practising Company Secretary

C P No.: 5705

ACS No.: 14895

## Independent Auditor's Report

### To the Members of Assam Carbon Products Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Assam Carbon Products Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), and Cash Flow Statement and the Statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the state of affairs as at March 31, 2019 and its Profit including other comprehensive income, its Cash Flow and changes in equity for the year ended on that date.

We draw attention to Note 25(A)(iii) to the Ind AS financial statements 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 subjudice and hence the impact, if any, in terms of provision of employee wages and employee benefits and its resultant impact on profit for the year ended 31 March 2019, reserves and surplus and current liabilities, cannot currently be determined.

#### Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.	Key Audit Matter	Auditor's Response
1.	<i>Litigation – Contingencies</i> Provision for employee wages and benefits for the lockout period at the factories of the company was not made based on the principles of 'No Work No Pay'. This might have an impact on the results, if the potential exposures were to materialise. The labour matter of Company's Guwahati factory is subjudice. Refer note 25A(iii) and (iv).	<i>Principal Audit Procedures</i> Our audit approach was a combination of test of internal controls and substantive procedures. Supporting documentation are tested for the positions taken by the management.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the shareholder information and Report of the Board of Directors & Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

## Independent Auditor's Report (Contd.)

We have nothing to report in this regard.

### 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 IND AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the act read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Independent Auditor's Report (Contd.)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") as amended, issued by Central Government of India in terms of subsection(11) of Section 143 of the act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 & 4 of the order.
2. As required by section 143(3) of the Act, based on our audit 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 & Loss including other comprehensive income, Cash Flow Statement and statement of changes in equity dealt with by this report are in agreement with the books of account;
  - (d) In our opinion the aforesaid IND AS financial statements comply with the Accounting Standards specified under section 133 of the act.
  - (e) On the basis of written representations received from the directors as on March 31,2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019, from being appointed as a director in terms of sub section(2) of section 164 of the Act.
  - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its director during the year is in accordance with the provisions of section 197 of the act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit & Auditors) Rules 2014, in our opinion and to best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statements in accordance with the generally accepted accounting practice – Refer Note 25 to the Ind As financial statements.
    - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor's Education and Protection Fund by the company.

For **D.Basu & Co.**  
Chartered Accountants  
Firm's Registration No.: 301111E  
[Ashis Ranjan Maitra]

Place: Kolkata  
Date : 30<sup>th</sup> April 2019

Partner  
Membership No : 056520

## Annexure A to the Independent Auditor's Report

(Referred to in our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except for goods in transit has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanation given to us and based on our examination of the records of the company, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraphs 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanation given to us and based on our examination of the records of the company, the Company has not made any investment, advanced any loan, given any guarantee or provided any securities to other during the year.
- (v) The Company has not accepted any deposits during the year as per the directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraphs 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the products manufactured by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanation given to us, the Company did not have any outstanding debentures during the year. The company has not defaulted in repayment of loans or borrowings to any financial institution, bank and government authorities. Accordingly, paragraphs 3(viii) of the Order is not applicable.
- (ix) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraphs 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid managerial remuneration during the year which is 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 and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraphs 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company,

## Annexure A to the Independent Auditor's Report (Contd.)

transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraphs 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **D.Basu & Co.**

*Chartered Accountants*

Firm's Registration No.: 301111E

**[Ashis Ranjan Maitra]**

Place: Kolkata

Date : 30<sup>th</sup> April 2019

Partner

Membership No : 056520

## Annexure B to the Independent Auditor's Report

### Annexure - B to the Independent Auditors' Report of even date on the Ind AS financial statements of Assam Carbon Products Limited

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

We have audited the internal financial controls over financial reporting of Assam Carbon Products Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Annexure B to the Independent Auditor's Report

### 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D.Basu & Co.**  
*Chartered Accountants*  
Firm's Registration No.: 301111E  
**[Ashis Ranjan Maitra]**

Place: Kolkata  
Date : 30<sup>th</sup> April 2019

Partner  
Membership No : 056520

## Balance Sheet as at 31 March, 2019

(Amount in Rupees thousand)

	Note	31 Mar 2019	31 Mar 2018
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant & Equipments	3	1,44,756	1,15,866
(b) Capital Work in Progress	3	-	953
(c) Other Intangible Assets	3	398	729
(d) Other Financial Assets	4	5,873	4,969
		<b>1,51,027</b>	<b>1,22,517</b>
<b>Current Assets</b>			
(a) Inventories	5	1,32,965	1,11,957
(b) Financial Assets			
(i) Investments	6	3,412	3,240
(ii) Trade Receivables	7	1,58,070	1,47,443
(iii) Cash & Cash Equivalents	8	8,834	14,084
(iv) Other Financial Assets	4	14,126	12,005
(c) Other Current Assets	9	13,449	14,008
		<b>3,30,856</b>	<b>3,02,737</b>
<b>TOTAL ASSETS</b>		<b>4,81,883</b>	<b>4,25,254</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	10	27,556	27,556
(b) Other Equity	11	1,09,041	59,849
		<b>1,36,597</b>	<b>87,405</b>
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	-	118
(b) Provisions	13	29,479	23,708
		<b>29,479</b>	<b>23,826</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	49,500	-
(ii) Trade Payables	14	29,198	27,395
(iii) Other Liabilities	15	1,87,124	2,37,928
(b) Provisions	13	24,123	19,937
(c) Other Current Liabilities	16	17,048	18,166
(d) Current Tax Liabilities (Net)	17	8,814	10,597
		<b>3,15,807</b>	<b>3,14,023</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,81,883</b>	<b>4,25,254</b>
<b>Significant accounting policies</b>	<b>1B</b>		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **D. Basu & Co.**

Chartered Accountants

Firm Registration No.: 301111E

**Ashis Ranjan Maitra**

Partner

Membership No.: 056520

Place: Kolkata

Date: 30.04.2019

For and on behalf of the Board of Directors of

**Assam Carbon Products Limited**

**Rakesh Himatsingka**

Chairman

(DIN : 00632156)

**K. K. Bhattacharya**

Managing Director

(DIN : 07011241)

**S. K. Lhila**

Director

(DIN : 01383460)

**Subhendu Chakraborty**

Company Secretary

**Pijush Bysack**

Chief Financial Officer

## Statement of Profit and Loss for the year ended 31 March, 2019

(Amount in Rupees thousand)

	Note	31 Mar 2019	31 Mar 2018
I. Income from Operations	18	5,12,700	4,39,299
II. Other income	19	12,084	13,633
III. <b>Total Income (I + II)</b>		<b>5,24,784</b>	<b>4,52,932</b>
IV. <b>Expenses</b>			
(a) Cost of materials consumed	20	1,24,525	1,01,862
(b) Purchase of stock in trade	21	720	1,792
(c) Changes in inventories of finished goods, work in progress & stock in trade	22	(12,209)	(17,263)
(d) Excise Duty [Net of refund of previous year ₹ 2,264]		-	8,310
(e) Employee benefits expenses	23	1,47,624	1,14,683
(f) Finance cost		426	48
(g) Depreciation and Amortisation expenses	3	15,735	14,763
(h) Other Expenses	24	1,84,552	1,59,991
<b>Total Expenses (IV)</b>		<b>4,61,373</b>	<b>3,84,186</b>
V. <b>Profit / (Loss) before exceptional items and tax (III - IV)</b>		<b>63,411</b>	<b>68,746</b>
VI. <b>Exceptional Items</b>		-	-
VII. <b>Profit / (Loss) before tax (V - VI)</b>		<b>63,411</b>	<b>68,746</b>
VIII. <b>Tax Expense / (Credit)</b>			
(a) Current tax		12,895	10,973
(b) Deferred tax		-	-
Total Tax Expenses / (Credit)		12,895	10,973
IX. <b>Profit / (Loss) for the year from continuing operations (VII - VIII)</b>		<b>50,516</b>	<b>57,773</b>
X. <b>Other Comprehensive Income / (Loss)</b>			
(a) Items that will not be reclassified to profit or Loss			
- Remeasurement gains and (losses) on defined benefit obligation		(1,324)	(1,220)
- Equity instruments fair value through other comprehensive income		-	-
(b) Income-tax (expense)/credit relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income / (Loss), net of taxes		(1,324)	(1,220)
XI. <b>Total Comprehensive Income / (Loss) for the year (IX + X)</b>		<b>49,192</b>	<b>56,553</b>
XII. <b>Earnings per share</b>			
Basic & Diluted	28	18.33	20.97
<b>Significant accounting policies</b>	<b>1B</b>		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **D. Basu & Co.**

Chartered Accountants

Firm Registration No.: 301111E

**Ashis Ranjan Maitra**

Partner

Membership No.: 056520

Place: Kolkata

Date: 30.04.2019

For and on behalf of the Board of Directors of

**Assam Carbon Products Limited**

**Rakesh Himatsingka**

Chairman

(DIN : 00632156)

**Subhendu Chakraborty**

Company Secretary

**K. K. Bhattacharya**

Managing Director

(DIN : 07011241)

**Pijush Bysack**

Chief Financial Officer

**S. K. Lhila**

Director

(DIN : 01383460)

## Cash Flow Statement for the year ended 31 March 2019

(Amount in Rupees thousand)

	31 Mar 2019		31 Mar 2018	
<b>A. Cash flow from operating activities</b>				
Profit/ (Loss) before tax		63,411		68,746
<u>Adjustments for :</u>				
Depreciation and amortisation	15,735		14,763	
Allowance for doubtful receivables	-		3,342	
Advances written off	761		1,668	
Finance cost	426		48	
Interest income	(251)		(245)	
Dividend	(176)		(194)	
Remeasurement of Defined Benefit Plan	(1,324)		(1,220)	
Provisions and Liabilities no longer required written back	(1,247)		(4,582)	
Loss in Reinstatement of Investment	4		41	
Profit on sale of investment	-		(33)	
Loss/ (profit) on sale / discard of fixed asset	3		(49)	
		13,931		13,539
Operating cash flow before working capital changes		77,342		82,285
<u>Adjustments for :</u>				
Trade receivables, loans and advances and other current assets	(13,791)		(64,225)	
Inventories	(21,008)		(19,180)	
Trade payable, provisions and other liabilities	(39,122)	(73,921)	10,425	(72,980)
		3,421		9,305
Less : Direct Taxes paid		(14,680)		(212)
Net Cash provided by/ (used in) operating activities		(11,259)		9,093
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets (including net movement in capital WIP)		(43,347)		(16,826)
Proceeds from disposal of fixed assets		3		103
Investment in Mutual funds		(176)		(3,000)
(Investment)/Maturity in term deposit with bank (net)		28		112
Sale of Equity Instruments		-		38
Dividend Income		176		194
Interest received		251		245
Net cash provided by/ (used in) investing activities		(43,065)		(19,134)

## Cash Flow Statement for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

	31 Mar 2019	31 Mar 2018
<b>C. Cash flow from financing activities</b>		
Borrowings	49,500	-
Finance cost paid	(426)	(48)
Net cash provided by/ (used in) financing activities	49,074	(48)
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(5,250)</b>	<b>(10,089)</b>
Cash and cash equivalents - opening balance	14,084	24,173
Cash and cash equivalents - closing balance	8,834	14,084
	<b>(5,250)</b>	<b>(10,089)</b>
<b>Cash and cash equivalents as at the year end comprises of:</b>		
Cash on hand	124	112
Balances with banks in current accounts	8,710	13,972
	<b>8,834</b>	<b>14,084</b>

As per our report of even date attached

For **D. Basu & Co.**

Chartered Accountants

Firm Registration No.: 301111E

**Ashis Ranjan Maitra**

Partner

Membership No.: 056520

Place: Kolkata

Date: 30.04.2019

For and on behalf of the Board of Directors of

**Assam Carbon Products Limited**

**Rakesh Himatsingka**

Chairman

(DIN : 00632156)

**K. K. Bhattacharya**

Managing Director

(DIN : 07011241)

**S. K. Lhila**

Director

(DIN : 01383460)

**Subhendu Chakraborty**

Company Secretary

**Pijush Bysack**

Chief Financial Officer

## Statement of changes in equity as at 31 March 2019

(Amount in Rupees thousand)

### A Equity Share Capital

Balance as at 1 April 2018	27,556
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2019</b>	<b>27,556</b>

### B Other Equity

	Attributable to shareholders of Assam Carbon Products Limited				Other Components of Equity		Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income	
Balance as at 1 April 2018	3,586	2,244	4,144	50,819	-	(944)	59,849
Profit / (Loss) for the year	-	-	-	50,516	-	-	50,516
Adjustments for disposal of Equity Instruments	-	-	-	-	-	-	-
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	(1,324)	(1,324)
Total Comprehensive Income / (loss) for the year	-	-	-	50,516	-	(1,324)	49,192
<b>Balance as at 31 March 2019</b>	<b>3,586</b>	<b>2,244</b>	<b>4,144</b>	<b>1,01,335</b>	-	<b>(2,268)</b>	<b>1,09,041</b>
Balance as at 1 April 2017	3,586	2,244	4,144	(6,954)	33	276	3,329
Profit / (Loss) for the year	-	-	-	57,773	-	-	57,773
Adjustments for disposal of Equity Instruments	-	-	-	-	(33)	-	(33)
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	(1,220)	(1,220)
Total Comprehensive Income / (loss) for the year	-	-	-	57,773	(33)	(1,220)	56,520
Balance as at 31 March 2018	3,586	2,244	4,144	50,819	-	(944)	59,849

#### Nature and Purpose of each reserve

**Capital Redemption Reserve :** The Act requires that where a Company redeems its Preference Shares, a sum equal to the nominal value of the shares so redeemed shall be transferred to a Capital Redemption Reserve. This can be applied by the Company in issuing fully paid Bonus Shares.

**General Reserve :** Under the eartswile Indian Companies Act, 1956 a General Reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 these requirement has been withdrawn.

**Retained Earnings:** This reserve represents the cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Items of Other Comprehensive Income:** This represents the effects of remeasurement of defined benefit obligations and fair value of equity instruments through OCI.

#### Significant accounting policies

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For **D. Basu & Co.**

Chartered Accountants

Firm Registration No.: 301111E

**Ashis Ranjan Maitra**

Partner

Membership No.: 056520

Place: Kolkata

Date: 30.04.2019

For and on behalf of the Board of Directors of

**Assam Carbon Products Limited**

**Rakesh Himatsingka**

Chairman

(DIN : 00632156)

**Subhendu Chakraborty**

Company Secretary

**K. K. Bhattacharya**

Managing Director

(DIN : 07011241)

**Pijush Bysack**

Chief Financial Officer

**S. K. Lhila**

Director

(DIN : 01383460)

## Notes to Financial Statements for the year ended 31 March 2019

### 1.A ABOUT THE COMPANY

Assam Carbon Products Limited is a public company. It is incorporated under the Companies Act, 1956 and its shares are listed on the Calcutta Stock Exchange Limited. The Company is primarily engaged in manufacture of carbon products.

### 1.B SIGNIFICANT ACCOUNTING POLICIES

#### i. Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as 'Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India, to the extent applicable.

The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all the amounts are rounded off to nearest thousand (₹ 000) except as stated otherwise.

#### ii. Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

#### Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 1. Useful lives of property, plant and equipment

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

#### 2. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities are disclosed in the notes to the financial statements.

#### 3. Claims, Provisions and Contingent Liabilities

In case of any ongoing dispute / litigation, where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

#### 4. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

#### iii. Current – non current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations, the Company has ascertained its operating cycle for the purpose of current – non current classification of assets and liabilities as 12 months.

All assets and liabilities are classified into current and non-current.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### iv. **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- b. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

#### v. **Property Plant and Equipment**

Freehold land is carried at historical cost. All other items of Properties plant and equipment are stated at their cost of acquisition (net of input credit) or construction and are net of accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be irregular are capitalised.

Fixed assets under construction are disclosed as capital work in progress.

### Depreciation

Depreciation on property plant and equipment commences when the assets are ready for their intended use.

Depreciation on tangible fixed assets is provided under straight line method over useful lives of fixed assets, as estimated by the management. Useful lives so estimated are in line with the useful lives indicated by Schedule II to the Companies Act, 2013. Depreciation on additions/ deletions is provided on pro rata basis in the year of purchase/ disposal.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

### vi. Intangible fixed assets

Intangible assets are stated at their cost of acquisition net of amortisation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Application software is amortised over the estimated economic useful life of 6 years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

### vii. Impairment of non-financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

### viii. Financial Instruments

#### a. Financial Assets

Financial assets, where applicable are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

##### *Classification*

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

The financial assets are classified as those measured at:

1. amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
2. fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
3. fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

##### *Impairment*

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

##### *De-recognition*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

b. **Financial Liabilities**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

*De-recognition of financial liabilities*

A financial liability are de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c. **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

ix. **Inventories**

Raw materials, stores and spare parts are valued at the lower of cost and net realizable value. Cost includes purchase price, duties and taxes, freight and other expenditure incurred in bringing such inventories to their present location and condition. In determining cost, weighted average method is used. The carrying amounts of raw materials, stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products, in which they will be incorporated, are expected to be sold below cost.

Work in progress and finished goods are valued at the lower of cost and net realisable value. Cost comprises of direct material, labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities.

Traded finished goods are valued at the lower of cost and net realisable value.

x. **Revenue**

Revenue from sale of goods is recognised when significant control of ownership in the goods are transferred to customers and it is not unreasonable to expect ultimate collection of the sale consideration that is being recognised as revenue.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

xi. **Income from Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Accordingly, government grants:

- a. related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- b. related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- c. by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

xii. **Foreign exchange transactions**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

### xiii. **Employee benefits**

The Company's obligations towards various employee benefits have been recognised as follows:

#### **Short term benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### **Post-employment benefits**

- a) Monthly contributions to Provident Funds which are in the nature of defined benefit schemes are charged to Statement of Profit and Loss and deposited with the Provident Fund administered through the Company's trust on a monthly basis.
- b) The administration of the gratuity scheme which is in the nature of defined benefit plan, has been entrusted to Life Insurance Corporation of India ('LIC'). Annual charge is recognised on the basis of actuarial valuation at the Balance Sheet date, conducted by an independent actuary appointed by the Company and payments are made to LIC on the basis of annual demand received from them. The Company recognizes all actuarial gains and losses in the Statement of Profit and Loss.

#### **Other long term benefits**

Cost of long term benefit by way of accumulating compensated absences are recognised when the employees render the service that increases their entitlement to future compensated absences. Such costs are recognised based on actuarial valuation of the Company's year end obligation in this regard by an independent actuary.

#### **Termination benefits**

Costs of termination benefits have been recognised only when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle such obligation and the amount of the obligation can be reliably estimated.

### xiv. **Income taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

- a. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.
- b. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future virtual certainty will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably certain (as the case may be) to be realised.

- c. Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

### xv. Provisions and Contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### xvi. Operating leases

Lease payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

### xvii. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

### xviii. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2. FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimize potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimization/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Company does not enter into derivative financial instruments for speculative purposes. The following table explains the sources of risk and how the entity manages the risk in its financial statements. The management reviews the status of all principal risks with a significant potential impact. Additionally, the Audit Committee carried out focused risk reviews of each Plant and divisions. These reviews included an analysis of both the principal risks, and the controls, monitoring and assurance processes established to mitigate those risks to acceptable levels. As a result of these reviews, a number of actions were identified to continue to improve internal controls and the management of risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit analysis	Credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Cash Flow forecasts	Credit facilities
Market Risk – foreign exchange	Recognised financial assets and liabilities not denominated in INR	Cash Flow forecasts	Monitoring of currency movement.
Market Risk – interest rate	Long Term Borrowings/Liabilities	...	Monitoring of interest rate movements
Market Risk – security prices	Investment in Securities	...	Portfolio Management

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

a. Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risk arises from cash and cash equivalents, investment carried at amortised cost, deposit with banks and financing institutions as well as credit exposure to customer and other parties.

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the entity assesses and manages credit risk based on internal credit evaluation. It monitors party-wise exposure and based on evaluation credit rating is allotted for each party. Thereafter a credit limit is assigned to each party depending on the solvency of the said party.

The entity considers the probability of default on ongoing basis and at each reporting period. Micro-economic information is incorporated as part of internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

The ageing of Trade receivables i.e. receivables which are past due (net of allowances / provisions) are given below:

Age of receivables	31 Mar 2019	31 Mar 2018
1 – 30 days past dues	25,267	17,447
31 – 60 days past dues	12,141	6,308
61 – 90 days past dues	7,804	2,217
91 – 180 days past dues	7,642	4,990
More than 180 days past dues	2,528	3,714

As per the policy, any trade receivables overdue for more than 365 days, equivalent provision / allowance are provided in the books of accounts on the relevant date.

b. Liquidity Risk

The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing to meet its additional need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that Company does not breach borrowing limits or covenants (where applicable ) on any of its borrowing facilities.

The company is required to maintain debt equity ratio as mentioned in the loan agreements at specified levels. In the event to meet any ratios these become callable at the option of the lenders, except where exception is provided by lender.

c. Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments).

(i) Foreign Exchange Risk - The company operates only in India and has not entered in to any foreign exchange or commodity derivative contracts. Accordingly there is no significant exposure to market risk.

(ii) Interest Rate Risk - Interest rate exposure of the Company is mainly on Borrowing from Bank/FI, which is linked to their prime lending rate and the Company does not foresee any risk on the same.

(iii) Security Price Risk – The Management invests its surplus funds in mutual funds operated by only high rated banks/institutions. These investments are generally short-term and accordingly there is no significant exposure.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

3	PROPERTY, PLANT & EQUIPMENTS						
	Owned Assets						Total
	Freehold Land	Buildings	Plant and Machineries	Furniture & Fittings	Office Equipments	Vehicles	
<b>Gross carrying amount</b>							
Original cost as at 1 Apr 2017	1,853	34,252	2,65,342	4,264	16,223	5,126	3,27,060
Additions	-	671	14,448	-	665	584	16,368
Disposals	-	-	395	-	26	-	421
Closing Gross carrying amount as at 31 Mar 2018	1,853	34,923	2,79,395	4,264	16,862	5,710	3,43,007
Accumulated depreciation as at 1 Apr 2017	-	22,256	1,68,938	3,754	15,030	3,098	2,13,076
Depreciation for the Year	-	610	12,986	65	305	466	14,432
Accumulated depreciation on Disposals	-	-	342	-	25	-	367
Accumulated depreciation as at 31 Mar 2018	-	22,866	1,81,582	3,819	15,310	3,564	2,27,141
Net Carrying amount as at 1 April 2017	1,853	11,996	96,404	510	1,193	2,028	1,13,984
Net Carrying amount as at 31 March 2018	1,853	12,057	97,813	445	1,552	2,146	1,15,866
<b>Gross carrying amount</b>							
Original cost as at 1 Apr 2018	1,853	34,923	2,79,395	4,264	16,862	5,710	3,43,007
Additions	-	3,374	40,217	174	535	-	44,300
Disposals	-	-	-	-	-	122	122
Closing Gross carrying amount as at 31 Mar 2019	1,853	38,297	3,19,612	4,438	17,397	5,588	3,87,185
Accumulated depreciation as at 1 Apr 2018	-	22,866	1,81,582	3,819	15,310	3,564	2,27,141
Depreciation for the Year	-	655	13,829	69	381	470	15,404
Accumulated depreciation on Disposals	-	-	-	-	-	116	116
Accumulated depreciation as at 31 Mar 2019	-	23,521	1,95,411	3,888	15,691	3,918	2,42,429
Net Carrying amount as at 31 Mar 2019	1,853	14,776	1,24,201	550	1,706	1,670	1,44,756

Note : Net carrying amount for Vehicle block includes ₹ 494 (31 March 2018 - 620) being asset acquired under Hire Purchase option.

### 3. CAPITAL WORK IN PROGRESS

Balance as at 1 Apr 2017	495	Balance as at 1 Apr 2018	953
Addition	953	Addition	-
Assets capitalised during the year	495	Assets capitalised during the year	953
Balance as at 31 Mar 2018	953	Balance as at 31 Mar 2019	-

### 3. INTANGIBLE FIXED ASSETS - COMPUTER SOFTWARE

COST		COST	
As at 1 Apr 2017	6,297	As at 1 Apr 2018	6,297
Additions	-	Additions	-
Disposals	-	Disposals	-
As at 31 Mar 2018	6,297	As at 31 Mar 2019	6,297
ACCUMULATED DEPRECIATION		ACCUMULATED DEPRECIATION	
As at 1 Apr 2017	5,237	As at 1 Apr 2018	5,568
Additions	331	Depreciation for the Year	331
Disposals	-	Accumulated depreciation on Disposals	-
As at 31 Mar 2018	5,568	As at 31 Mar 2019	5,899
Net Carrying amount as at 31 Mar 2018	729	Net Carrying amount as at 31 March 2019	398

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>4 OTHER FINANCIAL ASSETS</b>				
At amortised cost	Non-current		Current	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
To parties other than related parties				
Security deposits				
Unsecured, considered good	5,772	4,851	2,075	2,264
	5,772	4,851	2,075	2,264
Other loans and advances				
<i>Unsecured considered good, unless otherwise stated</i>				
Interest accrued on bank deposits	-	-	216	41
Bank deposits due to mature after 12 months from the reporting date (Refer note 8) - Held as margin money	101	118	540	551
Others receivable	-	-	11,295	9,149
	5,873	4,969	14,126	12,005

<b>5 INVENTORIES (Valued at lower of cost or net realizable value)</b>		
	31 Mar 2019	31 Mar 2018
Raw materials and components	35,176	27,050
Raw materials in Transit	7,907	6,156
Stores and spares parts	6,520	7,598
Work-in-progress	68,821	63,575
Finished goods		
- Manufactured	13,749	6,691
- Traded	792	887
	1,32,965	1,11,957

<b>6 CURRENT INVESTMENT</b>		
	31 Mar 2019	31 Mar 2018
Non-trade investment		
Investment in Mutual Funds (at fair value through Profit & Loss)		
ICICI Equity Arbitrage Fund	3,412	3,240
2,50,473.720 units with NAV at ₹ 13.6207		
(31 March 2018 - 2,37,541.482 units with NAV at ₹ 13.6401)		
	3,412	3,240

Refer Note 1.B for information about fair value measurements and Note 2 for credit risk and market risk in investments.

<b>7 TRADE RECEIVABLES</b>		
	31 Mar 2019	31 Mar 2018
Unsecured, considered good	1,58,070	1,47,443
Unsecured, considered doubtful	35,180	35,269
	1,93,250	1,82,712
Less: Allowance for doubtful receivables	35,180	35,269
	1,58,070	1,47,443

Refer Note 2 for information about credit risk and market risk on receivables.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>8 CASH AND BANK BALANCES</b>		
	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>
Cash and cash equivalents		
Balance with banks:		
Current accounts	8,710	13,972
Cash on hand	124	112
	<b>8,834</b>	<b>14,084</b>
<b>Details of deposits</b>		
Bank deposits due to mature within 12 months of the reporting date included under 'Other Financial Assets (Current)'	540	551

<b>9 OTHER CURRENT ASSETS</b>	<b>Non-current</b>		<b>Current</b>	
	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>
Unsecured considered good, unless otherwise stated				
Advances to employees	-	-	1,185	1,268
Balance with sale tax authorities	-	-	846	847
Deposit with Registrar, District Judges Court	-	-	3,071	-
Prepaid expenses	-	-	2,416	2,305
Advance for Capital Goods	-	-	1,745	3,180
Advances recoverable in cash or in kind or for value to be received				
- Considered good	-	-	4,186	6,408
- Considered doubtful	-	-	-	-
	<b>-</b>	<b>-</b>	<b>13,449</b>	<b>14,008</b>

<b>10 EQUITY SHARE CAPITAL</b>	<b>31 Mar 2019</b>		<b>31 Mar 2018</b>	
	<b>No of shares</b>	<b>Amount</b>	<b>No of shares</b>	<b>Amount</b>
<b>Authorised shares</b>				
Equity shares of ₹ 10 each	98,00,000	98,000	98,00,000	98,000
	<b>98,00,000</b>	<b>98,000</b>	<b>98,00,000</b>	<b>98,000</b>
Issued, subscribed and fully paid up equity shares of ₹10 each	27,55,600	27,556	27,55,600	27,556
<b>Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
Equity shares of ₹ 10 each fully paid up				
At the commencement and at the end of the year	27,55,600	27,556	27,55,600	27,556

### Terms attached to equity shares

Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders. The dividend if proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

### Particulars of shareholders holding more than 5% shares of the Company

	31 Mar 2019		31 March 2018	
	No of shares	% of holding	No of shares	% of holding
Equity shares of ₹ 10 each fully paid up held by				
Mr. Rakesh Himatsingka	7,96,452	28.90%	7,96,452	28.90%
Mr. S V Himatsingka	8,87,823	32.22%	8,87,823	32.22%
Mrs. Anita Himatsingka	2,75,025	9.98%	2,75,025	9.98%

## 11 OTHER EQUITY

	Attributable to shareholders of Assam Carbon Products Limited						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Other Components of Equity		
					Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income	
Balance as at 1 April 2018	3,586	2,244	4,144	50,819	-	(944)	59,849
Profit / (Loss) for the year	-	-	-	50,516	-	-	50,516
Adjustments for disposal of Equity Instruments	-	-	-	-	-	-	-
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	(1,324)	(1,324)
<b>Total Comprehensive Income / (loss) for the year</b>	-	-	-	50,516	-	(1,324)	49,192
Balance as at 31 Mar 2019	3,586	2,244	4,144	1,01,335	-	(2,268)	1,09,041
Balance as at 1 Apr 2017	3,586	2,244	4,144	(6,954)	33	276	3,329
Profit / (Loss) for the year	-	-	-	57,773	-	-	57,773
Adjustments for disposal of Equity Instruments	-	-	-	-	(33)	-	(33)
Other Comprehensive Income / (loss) for the year	-	-	-	-	-	(1,220)	(1,220)
<b>Total Comprehensive Income / (loss) for the year</b>	-	-	-	57,773	(33)	(1,220)	56,520
Balance as at 31 Mar 2018	3,586	2,244	4,144	50,819	-	(944)	59,849

### Nature and Purpose of each reserve

**Capital Redemption Reserve :** The Act requires that where a Company redeems its Preference Shares, a sum equal to the nominal value of the shares so redeemed shall be transferred to a Capital Redemption Reserve. This can be applied by the Company in issuing fully paid Bonus Shares.

**General Reserve :** Under the erstwhile Indian Companies Act, 1956 a General Reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 these requirement has been withdrawn.

**Retained Earnings:** This reserve represents the cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Items of Other Comprehensive Income:** This represents the effects of remeasurement of defined benefit obligations and fair value of equity instruments through OCI.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

12	BORROWINGS	Non-current		Current	
		31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
	Secured (at amortised cost)				
	Vehicle under Hire Purchase (*)	-	118	-	-
	Unsecured (at amortised cost)				
	Related Parties	-	-	39,500	-
	Others	-	-	10,000	-
		-	118	49,500	-

\* Current portion amount disclosed under 'other liabilities'.

### Secured

The balance is repayable along with interest through equated monthly instalments as stipulated by the Lender.

The balance carries an interest rate of 11.50% and is secured against hypothecation of assets acquired from the proceeds of such amount.

### Un-secured

The balance carries an interest rate of 12%.

The Company's Authorised capital includes 20,000 (31 March 2018 - 20,000) Cumulative Convertible Preference shares of ₹100/- each. No amount is outstanding against such Preference shares.

13	PROVISIONS	Non-current		Current	
		31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
	Provision for employee benefits				
	Gratuity (refer note 29)	18,331	15,824	10,831	7,223
	Compensated absences	11,148	7,884	1,104	511
	Provision for contingencies	-	-	10,000	10,000
	Provision for warranties	-	-	2,188	2,203
		29,479	23,708	24,123	19,937

MOVEMENT OF PROVISIONS	Provision for contingencies		Provision for warranties	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
Opening Balance	10,000	10,000	2,203	2,523
Add: Provision during the year	-	-	-	-
Less: Utilised during the year	-	-	15	320
Closing Balance	10,000	10,000	2,188	2,203

#### a) Provision for contingencies

The Company had entered into a memorandum of settlement with workers of Guwahati factory in the earlier years pursuant to which the Company had agreed to pay a certain amount to workers on achievement of desired productivity norms. Based on the agreement and as estimated by the management, the Company has set aside ₹ 10,000 as provision for future contingencies on account of various personnel costs which may result in possible outflow of resources.

#### b) Provision for warranties

Cost of free replacement of materials was provided in the earlier years based on the estimate of total costs to be incurred with respect to free replacement of defective materials sold to various customers. The closing balance of provision represents the probable replacement due at a future date.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>14</b> <b>TRADE PAYABLES</b>		
	<b>31 Mar 2019</b>	31 Mar 2018
Outstanding dues of creditor other than micro enterprises and small enterprises	<b>26,744</b>	25,044
Outstanding dues of micro enterprises and small enterprises (*)	<b>2,454</b>	2,351
	<b>29,198</b>	27,395
Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprise Development Act, 2006 (MSMED):		
<b>Particulars</b>		
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	<b>2,277</b>	2,174
- Interest	<b>177</b>	177
The amount of interest paid by the buyer as per the MSMED	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>177</b>	177
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED	<b>177</b>	177
(*) The amount includes a Principal amount of ₹ 1760 and interest of ₹ 177 which is subjudice against which an amount of ₹ 3071 has been deposited with Registrar, District Judges Court.		
<b>15</b> <b>OTHER LIABILITIES</b>		
Interest accrued but not due	<b>358</b>	-
Vehicle under Hire Purchase (*)	<b>119</b>	186
Creditor for capital goods	<b>3,410</b>	1,430
Outstanding Liabilities for Expenses	<b>17,087</b>	14,370
Payable under Assignment Agreement	<b>1,31,190</b>	1,98,690
Employee liabilities	<b>29,027</b>	16,448
Statutory dues payable	<b>5,933</b>	6,804
	<b>1,87,124</b>	2,37,928
* Non Current portion amount disclosed under "Borrowings"		
<b>16</b> <b>OTHER CURRENT LIABILITIES</b>		
Advance from customer	<b>1,219</b>	2,337
Subjudice Part Refund of Excise Incentive against furnishing Solvent Surety	<b>15,829</b>	15,829
	<b>17,048</b>	18,166
<b>17</b> <b>CURRENT TAX LIABILITIES</b>		
Provision for tax (net)	<b>8,814</b>	10,597
	<b>8,814</b>	10,597

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>18</b>	<b>INCOME FROM OPERATIONS</b>	
	31 Mar 2019	31 Mar 2018
Sale of products		
Own manufactured	5,10,217	4,35,338
Traded	1,449	3,009
Sale of products (gross)*	5,11,666	4,38,347
Other operating income		
Scrap sales	1,034	952
<b>Total</b>	<b>5,12,700</b>	<b>4,39,299</b>
<b>(* Sale of products</b>		
Manufactured		
EG, HC, NG and RB carbon blocks	60,228	49,374
MG and SG carbon blocks	7,799	9,061
Electrical carbon brushes	2,30,214	2,23,491
Mechanical and Special Carbon components	2,07,045	1,49,087
ISO Graphite components	4,784	3,827
Others	147	498
	<b>5,10,217</b>	<b>4,35,338</b>
Traded		
Carbon Brushes	996	2,415
Commutator Maintenance Accessories	453	594
	<b>1,449</b>	<b>3,009</b>
<b>19</b>	<b>OTHER INCOME</b>	
Interest income	251	245
Dividend Income	176	194
Budgetary support under GST Regime	8,408	8,383
Excise Duty Refund	1,993	-
Provision and liabilities no longer required written back	1,247	4,582
Profit on sale / discard of fixed assets	-	49
Profit on sale of investment in equity instruments	-	33
Gain on foreign exchange fluctuation (net)	-	146
Miscellaneous income	9	1
	<b>12,084</b>	<b>13,633</b>
<b>20</b>	<b>COST OF MATERIALS CONSUMED</b>	
Opening Stock	33,206	29,996
Add : Purchases	1,34,402	1,05,072
	<b>1,67,608</b>	<b>1,35,068</b>
Less : Closing Stock	43,083	33,206
	<b>1,24,525</b>	<b>1,01,862</b>
<b>Break up of cost of material consumed</b>		
Lamp black, carbon black, coke, natural & synthetic graphite, pitch etc	33,191	27,864
Non ferrous metals, copper sheets, brass sheets, flexible wires, tubes etc	34,097	29,269
Copper sheets, brass sheets, flexible wires, tubes, rods etc	13,245	11,640
Carbon brush components	15,947	12,854
ISO graphite & carbon blocks, blanks etc	20,674	15,045
Others	7,371	5,190
	<b>1,24,525</b>	<b>1,01,862</b>
<b>Breakup of inventory - materials</b>		
Lamp black, carbon black, coke, natural & synthetic graphite, pitch etc	19,829	10,657
Non ferrous metals, copper sheets, brass sheets, flexible wires, tubes etc	5,045	4,485
Copper sheets, brass sheets, flexible wires, tubes, rods etc	5,211	5,742
Carbon brush components	4,361	4,042
ISO graphite & carbon blocks, blanks etc	6,974	6,967
Others	1,663	1,313
	<b>43,083</b>	<b>33,206</b>

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>21 PURCHASES OF STOCK IN TRADE</b>	<b>31 Mar 2019</b>	<b>31 Mar 2018</b>
Carbon brushes and accessories	720	1,792
	<b>720</b>	<b>1,792</b>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE</b>		
Opening inventory		45,778
Work-in-progress	63,575	
Finished goods		
- Manufactured	6,691	7,582
- Traded	887	530
	<b>71,153</b>	<b>53,890</b>
Less :		
Closing inventory		
Work-in-progress	68,821	63,575
Finished goods		
- Manufactured	13,749	6,691
- Traded	792	887
Net increase	<b>(12,209)</b>	<b>(17,263)</b>
<b>23 EMPLOYEE BENEFITS</b>		
Salaries, wages and bonus	1,17,704	93,219
Contribution to Provident and other funds	15,118	9,207
Workmen staff welfare expense	14,802	12,257
	<b>1,47,624</b>	<b>1,14,683</b>
<b>24 OTHER EXPENSES</b>		
Stores and spares parts consumed	38,753	31,276
Power and fuel	64,124	58,256
Fabrication costs	21,926	12,037
Repairs to:		
- building	5,566	5,678
- plant and machinery	8,897	5,813
- others	2,534	2,001
Insurance	645	662
Rent	707	648
Commission - others	2,450	2,740
Corporate social responsibility expenditure (refer note 38)	1,000	-
Packing and freight	6,279	4,938
Travelling expenses	8,054	8,919
Allowance for doubtful trade receivables	-	3,342
Advances & other receivables written off	CY	PY
Bad Debts written off	-	34,091
Less : Adjusted against allowance	-	34,091
Rates and taxes	1,016	1,510
Legal and professional fees	5,283	5,465
Auditors' remuneration (refer note 36)	485	485
Non executive directors' commission and fees	1,297	991
Loss on sale / discard of fixed assets	3	-
Loss on foreign exchange fluctuation (net)	25	-
Loss on reinstatement of investment	4	41
Excise duty related to increase / decrease in inventory of finished goods	-	126
Postage and telephone	1,019	1,010
Security charges	2,770	2,617
Bank charges	189	250
Miscellaneous expenses	10,765	9,518
	<b>1,84,552</b>	<b>1,59,991</b>

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

<b>25 (A) Contingent liability not provided for:</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
(i) Sales tax matters under appeal	–	499
(ii) Bank Guarantee (against which equivalent FDR has been lodged with bank)	<b>540</b>	551
(iii) 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 subjudice.	–	–
(iv) The Company was compelled to declare a lock-out at its Patancheru Factory for the period from 5 December 2016 to 11 January 2017 due to lighting strike by the workmen. The Company on the principle of 'No Work No Pay' has neither ascertained nor made any provision for payment of wages and other employee benefits for the period of lockout.	–	–
<b>(B) Capital and other commitments (to the extent not provided for)</b>		
(i) Estimated amount of contracts (net of advances) remaining to be executed on Capital account and not provided for	<b>10,015</b>	127
(ii) Other Commitments	<b>5</b>	30

**26** The Company has no significant foreign currency exposure as at the year end for which hedging is required.

### **27 DEFERRED TAX**

	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Deferred tax assets</b>		
Provision for doubtful receivables and advances	<b>9,787</b>	12,206
Provision for employee benefits (Through PL)	<b>10,629</b>	10,195
Provision for employee benefits (Through OCI)	<b>893</b>	339
Provision for warranties	<b>609</b>	762
Carried forward tax losses	–	12,695
<b>Total</b>	<b>21,918</b>	36,197
<b>Deferred tax liabilities</b>		
Difference between written down value of fixed assets as per books of accounts and for tax purposes	<b>8,894</b>	11,426
<b>Total</b>	<b>8,894</b>	11,426
<b>Deferred tax asset / (liability) [net]</b>	<b>13,024</b>	24,771

Note: In view of absence of virtual certainty of realisation of deferred tax asset in the foreseeable future, deferred tax asset is not recognised in the financial statements.

### **28 EARNINGS PER SHARE:**

	<b>31 March 2019</b>	<b>31 March 2018</b>
(a) Weighted average number of equity shares outstanding during the year	<b>27,55,600</b>	27,55,600
(b) Net profit / (loss) after tax attributable to equity shareholders (₹ '000)	<b>50,516</b>	57,773
(c) Basic and diluted profit / (loss) per equity share of face value ₹ 10 (₹)	<b>18.33</b>	20.97

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

### 29 EMPLOYEE BENEFITS

#### I. Post Employment Defined Benefit Plans :

##### (A) Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 1B(ii)(4) based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company :

	31 March 2019	31 March 2018
<b>(a) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation :</b>		
Present value of obligation at the beginning of the year	54,431	55,679
Current service cost	3,328	2,415
Interest cost	3,908	4,037
<u>Remeasurement Losses</u>		
Actuarial losses arising from changes in financial assumptions	871	(601)
Actuarial losses arising from changes in experience adjustments	2,090	(1,000)
Benefits paid	3,699	6,099
Present value of obligation at the end of the year	60,929	54,431
<b>(b) Reconciliation of opening and closing balances of the fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	31,384	32,129
Interest income	2,332	2,464
<u>Remeasurement Gains</u>		
Return on plan assets	(250)	(381)
Contribution from employer	2,000	3,271
Benefits paid	3,699	6,099
Fair value of plan assets at the end of the year	31,767	31,384
<b>(c) Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets</b>		
Present value of obligation at the end of the year	60,929	54,431
Fair value of plan assets at the end of the year	31,767	31,384
Liabilities recognised in the balance sheet	29,162	23,047
<b>(d) Actual Return on plan assets</b>	2,082	2,083
<b>(e) Expense recognised in the other comprehensive income</b>		
Remeasurement losses / gain	3,211	(1,220)
<b>(f) Expenses recognised in Profit or Loss</b>		
Current service cost	3,328	2,415
<b>(g) Category of plan assets</b>		
Funded with LIC	100%	100%
<b>(h) Maturity profile of defined benefit obligation</b>		
Within 1 year	11,226	7,380
1-2 years	11,872	11,731
2-5 years	14,803	12,481

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

		31 March 2019	31 March 2018
<b>(i)</b>	<b>Principal actuarial assumptions</b>		
	Discount Rate	7.43%	7.67%
	Salary growth rate	8%	8%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008) Ultimate published by the Institute of Actuaries of India.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

	Changes in assumption	Impact on defined benefit obligation 31 March 2019	Impact on defined benefit obligation 31 March 2018
<b>(j)</b>	<b>Sensitivity analysis</b>		
	Discount rate		
	Increase by 0.5 %	Decrease by ₹ 1,888	Decrease by ₹ 1,861
	Decrease by 0.5 %	Increase by ₹ 1997	Increase by ₹ 1,644
	Salary growth rate		
	Increase by 0.5 %	Increase by ₹ 1,968	Increase by ₹ 1,616
	Decrease by 0.5 %	Decrease by ₹ 1,879	Decrease by ₹ 1,806

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior periods.

**(k)** The company expects to contribute ₹ 6,000 the funded gratuity plan during the next financial year.

### **(B) Provident fund**

Contributions towards provident funds are recognised as expense for the year. The Company has set up Provident Fund Trusts in respect of certain categories of employees which are administered by Trustees. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment. The Trusts invest funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

In view of the Company's obligation to meet shortfall, if any, on account of interest, Provident Fund trusts set up by the Company are treated as defined benefit plans.

During the year, the Company's contribution of ₹ 6,733 (Previous year – ₹ 6,198) to the Provident Fund Trusts has been expensed under the 'Contribution to Provident and Other Funds' in Note 23.

### **II. Post Employment Defined Contribution Plans**

#### **Superannuation Fund**

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Trustees. The Company makes quarterly contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

### **III. Leave Obligations**

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was ₹12,252 (as at 31 March, 2018 ₹ 8,395). The amount of the provision is current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

amount of accrued leave or require payment within the next 12 months. ₹ 11,148 is not expected to be taken or paid within the next 12 months and shown under Non-current portion.

### IV. Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

#### Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

#### Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

#### Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

## 30 RELATED PARTY DISCLOSURES

### (a) Related parties (where control exists)

None

### (b) Persons having significant influence over the Company

Mr. Rakesh Himatsingka, Chairman

Mrs. Anita Himatsingka

Ms. Maalika Himatsingka

Mr. Shaurya Veer Himatsingka

### (c) Key Managerial Personnel

Mr. K. K. Bhattacharya, Managing Director

Mr. Pijush Bysack, Chief Financial Officer

Mr. Subhendu Chakraborty, Company Secretary & Compliance Officer

### (d) Company / Entity in which Director is interested as Director

India Carbon Limited

Assam Plywood Limited

BudgeBudge Carbon Limited

Manav Kalyan Trust

### (e) Related parties and Key Managerial Personnel with whom there have been transactions during the year:

Name of the party	Nature of relationship	Commission	Remuneration paid	Borrowings	Interest	Sitting Fees	Receivable/(payable) at year end
Mr. Rakesh Himatsingka	Chairman	634	-	-	-	196	(1,31,761)
Mrs. Anita Himatsingka	Director	-	-	-	-	168	-
Ms. Maalika Himatsingka	Director	-	-	-	-	40	-
Mr. K. K. Bhattacharjee	Key managerial personnel	-	1,062	-	-	-	-
Mr. Pijush Bysack	Key managerial personnel	-	1,669	-	-	-	-
Mr. Subhendu Chakraborty	Key managerial personnel	-	587	-	-	-	-
Assam Plywood Limited	Related Company	-	-	22,500	130	-	(22,617)
BudgeBudge Carbon Limited	Related Company	-	-	17,000	249	-	(17,224)
<b>Total</b>		<b>634</b>	<b>3,318</b>	<b>39,500</b>	<b>379</b>	<b>404</b>	<b>-</b>

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

Related parties and Key Managerial Personnel with whom there have been transactions during the previous year:

Name of the party	Nature of relationship	Commission	Remuneration paid	Borrowings	Interest	Sitting Fees	Receivable/ (payable) at year end
Mr. Rakesh Himatsingka	Chairman	684	-	-	-	86	(1,99,305)
Mrs. Anita Himatsingka	Director	-	-	-	-	45	-
Ms. Maalika Himatsingka	Director	-	-	-	-	25	-
Mr. K. K. Bhattacharjee	Key managerial personnel	-	1,660	-	-	-	-
Mr. Pijush Bysack	Key managerial personnel	-	1,583	-	-	-	-
Mr. Subhendu Chakraborty	Key managerial personnel	-	532	-	-	-	-
Total		684	3,775	-	-	156	-

- (f) The Company has purchased raw materials from India Carbon Limited amounting to ₹ 700 (As at 31 Mar 2018 - ₹ 537) and sold finished products of ₹ 784 (As at 31 Mar 2018 ₹ NIL). The balance outstanding as at 31 Mar 2019 was ₹ NIL (As at 31 Mar 2018 - ₹ 354).
- (g) The Company has paid an amount of ₹ 200 (Previous year NIL) to Manav Kalyan Trust under Corporate Social Responsibility Activities.

### 31 DETAILS OF INVENTORIES OF FINISHED GOODS

	31 March 2019	31 March 2018
<b>Class of goods</b>		
MG and SG carbon blocks	193	45
Electrical carbon brushes	8,526	4,448
Machined and special carbon components	4,871	2,060
ISO-Graphite components	159	138
Total	13,749	6,691

### 32 DETAILS OF INVENTORIES OF TRADED GOODS

	31 March 2019	31 March 2018
<b>Class of goods</b>		
Trading Brush	85	75
Commutator maintenance accessories	707	812
Total	792	887

### 33 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital, all other equity reserves and long term as well as short term borrowed capital less reported cash and cash equivalents.

The primary objective of the Company's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Company's policy is to manage the liquidity primarily out of internal accruals. The Company also maintains certain non-fund based facilities to provide additional liquidity. These facilities, together with cash generated from operations are utilised for operations of the Company.

The Company monitors capital on the basis of cost of capital.

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

### 34 CATEGORIES OF FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments :

	31-Mar-19		31-Mar-18	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial Assets</b>				
a. Measured at amortised cost				
Cash & Cash Equivalents	8,834	8,834	14,084	14,084
Trade Receivables	1,58,070	1,58,070	1,47,443	1,47,443
Other Financial assets	19,999	19,999	16,974	16,974
Sub Total	1,86,903	1,86,903	1,78,501	1,78,501
b. Measured at fair value through Profit & Loss				
Investment in Mutual Fund	3,412	3,412	3,240	3,240
Sub Total	3,412	3,412	3,240	3,240
Total Financial Assets	1,90,315	1,90,315	1,81,741	1,81,741
<b>B. Financial Liabilities</b>				
a. Measured at amortised cost				
Borrowings	49,500	49,500	118	118
Trade Payables	29,198	29,198	27,395	27,395
Other Financial Liabilities	1,87,124	1,87,124	2,37,928	2,37,928
Sub Total	2,65,822	2,65,822	2,65,441	2,65,441
Total Financial Liabilities	2,65,822	2,65,822	2,65,441	2,65,441

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 35 FAIR VALUE HIERARCHY

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy does not include any instrument.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	31-Mar-19		31-Mar-18	
	Level I	Level III	Level I	Level III
<b>A. Financial Assets</b>				
Cash & Cash Equivalents	-	8,834	-	14,084
Trade Receivables	-	1,58,070	-	1,47,443
Other Financial Assets	-	19,999	-	16,974
Investment in Mutual Funds	3,412	-	3,240	-
Total Financial Assets	3,412	1,86,903	3,240	1,78,501
<b>B. Financial Liabilities</b>				
Borrowings	-	49,500	-	118
Trade Payables	-	29,198	-	27,395
Other Financial Liabilities	-	1,87,124	-	2,37,928
Total Financial Liabilities	-	2,65,822	-	2,65,441

## Notes to Financial Statements for the year ended 31 March 2019 (Contd.)

(Amount in Rupees thousand)

36	AUDITORS' REMUNERATION INCLUDES	31 Mar 2019	31 Mar 2018
	(a) Statutory audit fees	375	375
	(b) Limited Reviews	30	30
	(c) Certification and Other assignments	80	80
		<b>485</b>	<b>485</b>

37	Incentive declared by the Government of India to eligible Industrial units under Central Excise towards refund of excise duty paid through PLA (Current Account) on finished products vide Notification No. 32/1999-CE dated 8 July 1999 (as amended) was reduced from 100% to 36% during 2008. Being aggrieved by such reduction in the Excise benefit, some of the beneficiaries approached the Court of Law. The Hon'ble Supreme Court had directed the Government through an interim order dated 7 December 2015 to refund 50% of the differential amount to the Company on furnishing solvent surety. Thus, till the final order is passed by the Supreme Court, the 50% of the differential amount of ₹15,829 thousand received by the Company during the financial year 2016-17 is liable to be refunded on demand by the Government. Therefore, the same has been treated as Current Liabilities in the Balance Sheet and the final order is still awaited.
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38	EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
	(a) Gross amount required to be spent	792	-
	(b) Amount spent :		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purpose other than (i) above	1,000	-
	(c) Administrative Expenses	-	-

39	A Memorandum of Settlement has been arrived on 26.02.2019 related to the Guwahati workmen against their Charter of Demands resulting to a liability to the tune of ₹12,135 for the period from June 2016 till January 2019 which has been fully provided for.
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40	Figures of the previous year have been re-arranged / regrouped wherever necessary in order to conform to the current year's classification.
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41	The income-tax expenses for the year can be reconciled to the accounting profit as follows :	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
	Profit before tax	63,411	68,746
	Income tax expenses calculated @ 20.39% (2018 - 20.39%)	12,930	14,016
	Other Differences	-	642
	Total	12,930	14,658
	Adjustment recognised in the current year in relation to the current tax of prior years	(35)	(3,685)
	Income tax recognised in Profit & Loss	12,895	10,973

Income-tax provision has been made in accordance with the provisions of section 115JB of the Income-tax Act, 1961.

As per our report of even date attached

For **D. Basu & Co.**  
Chartered Accountants  
Firm Registration No.: 301111E  
**Ashis Ranjan Maitra**  
Partner  
Membership No.: 056520  
Place: Kolkata  
Date: 30.04.2019

For and on behalf of the Board of Directors of  
**Assam Carbon Products Limited**  
**Rakesh Himatsingka**      **K. K. Bhattacharya**      **S. K. Lhila**  
Chairman                      Managing Director              Director  
(DIN : 00632156)              (DIN : 07011241)              (DIN : 01383460)

**Subhendu Chakraborty**      **Pijush Bysack**  
Company Secretary              Chief Financial Officer

Dear Shareholder,

**Re : Folio No(s).**

**Sub : Updating of Shareholders' details in the records of the Company**

Dear Sir/Madam,

This is in reference to our earlier communications on various dates. We find from our records that you hold shares in our Company in the physical mode.

In this regard, we would like to bring to your kind attention, the followings-

**Updating Bank Mandate, PAN, and contact details**

As per the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, all listed Companies are required to make payment of dividend, if declared, to the members through electronic mode and to maintain updated Bank details of the members / beneficiaries. We would also like to have your contact details for paperless and speedy communication to you. In this respect, you are also requested to give your consent to receive all further communications in electronic mode.

Further, to facilitate speedy disbursement of dividend to your bank account, as and when it will be declared and speedy communication and to comply with the SEBI Regulations, we request you to kindly fill up the enclosed form with your bank account details from where you will collect the proceeds of the dividend payment and your contact details, sign the form and arrange to dispatch the same directly to our RTA, viz M/s CB MANAGEMENT SERVICES (P) LTD (UNIT : Assam Carbon Products Ltd) P-22, BONDEL ROAD, KOLKATA 700019 **within 21 days of this letter** . **Please note that as per the latest SEBI circular, the shareholders are required to provide:**

- 1) a copy of the PAN card and
- 2) original cancelled cheque leaf /attested bank passbook showing name of account holder.

(In case of residents of Sikkim, the requirement of PAN Card be substituted with a valid Identity proof issued by Government.)

Securities holders who are unable to respond to this notice and provide PAN and bank details within 180 days of the SEBI circular or have informed that the securities available in their name as per the records of RTA does not belong to them, shall be subject to enhanced due diligence by the Company.

**Dematerialization of Shares**

You would kindly appreciate that in today's scenario and in line with "green initiative" by government in this regard which encourages paperless holding, the safest possible way to hold shares is in dematerialized form. In case of physical holding, there may be a chance of loss of share certificate, mutilation thereof resulting in compliance on your part, certain matters to restore the share certificates. Besides, if you want to pledge shares, the holding must be in demat mode. Further the dematerialization of shares would also facilitate transfer to and claim from the IEPF Authority. Therefore, we would like to suggest to you to kindly convert your shares of face value of ₹10/- each from physical mode to demat mode as it will be beneficial to you. In case you do not have any demat account, you may contact your nearest Depository Participant (DP) who will guide you in opening the same. Conversion of physical shares to dematerialized shares is a simple process. Further as per SEBI notification No SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 no sale or purchase will be allowed in physical form w.e.f 180 days from the date of publication of the said notification in the official gazette i.e. effective from 5th December, 2018. The deadline was further extended till 1st April, 2019, vide SEBI's PR No.: 49/2018 dated 3rd December, 2018.

Your kind co-operation in this matter is solicited. Kindly ignore this letter, if all the requirements, as aforesaid, have already been done from your end.

Thanking you,

Yours faithfully,

For Assam Carbon Products Ltd.

Sd/-

**S. Chakraborty**

Company Secretary & Compliance Officer

Encl : a/a

**BANK MANDATE AND EMAIL ID REGISTRATION FORM**

To,  
**CB MANAGEMENT SERVICES (P) LTD.,**  
 (UNIT : Assam Carbon Products Ltd.,)  
 P-22, BONDEL ROAD, KOLKATA 700019  
 Phone: (033) 40116700/17/18

Dear Sirs,

I/We give my/our consent to update the following details in the records of Assam Carbon Products Limited and to henceforth arrange all payments and other communications by electronic means in compliance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Shareholder Details		Bank Account Details of First Holder	
Folio No.		Bank Name	
Name of Shareholder(s)		Branch Address	
First Holder			
Second Holder			
Third Holder		Account No.	
PAN (First Holder)		Account Type	Savings/Current*
Email ID (First Holder)		IFSC	
Mobile No. (First Holder)		MICR Code	

\*Strike out whichever is not applicable

Date:

Signature(s)

First holder :

Second holder :

Third holder :

Encl: Photocopy of PAN card duly self attested/ Original cancelled Cheque leaf/Photocopy of Bank pass book-statement duly self attested.



ASSAM CARBON PRODUCTS LTD

**ASSAM CARBON PRODUCTS LIMITED**  
**Regd. Office:** Narengi Chandrapur Road, Birkuchi, Narengi, Guwahati -781026, Assam  
**CIN:** L23101AS1963PLC001206  
**Website:** www.ascarbon.in, **Ph:** (0361)2640262/630, **Fax:** (0361)2640368, **Email:** acplghy@ascarbon.com

**ATTENDANCE SLIP**

**Folio No/DP ID & Client ID :**  
**Name of the Member(s) :**  
**Registered Address :**

**Serial No. :**

**No. of Share(s) Held :**

I/We hereby record my/our presence at the **56th Annual General Meeting (AGM)** of Assam Carbon Products Limited ("the Company") held on **Friday, 27th September, 2019 at 11.45 a.m.** at the Regd. Office of the Company at **Narengi Chandrapur Road, Birkuchi, Narengi, Guwahati -781026, Assam.**

**Name of Shareholder / Proxy (in Block Letters)**

**Signature of Shareholder / Proxy Present**

**Note:** Please bring the Attendance Slip duly signed to the meeting and hand it over at the Entrance of the Meeting Hall. Duplicate slips will not be issued at the venue of the AGM.

**ELECTRONIC VOTING PARTICULARS**

EVSN (Electronic Voting Sequence Number)	User ID	Password

**Note:** Please refer to the Notice of the 56th Annual General Meeting for e-voting instructions.

<b>56<sup>th</sup> Annual General Meeting on Friday, 27th September, 2019 at 11.45 a.m.</b>	<b>ASSAM CARBON PRODUCTS LIMITED</b> <b>Regd. Office:</b> Narengi Chandrapur Road, Birkuchi, Narengi, Guwahati -781026, Assam <b>CIN:</b> L23101AS1963PLC001206 <b>Ph:</b> (0361)2640262/ 2640630, <b>Fax:</b> (0361) 2640368 <b>Website:</b> www.ascarbon.in, <b>Email:</b> acplghy@ascarbon.com	<b>PROXY FORM</b>
<b>[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]</b>		
<b>Name of the Member(s):</b> .....		
<b>Registered Address:</b> .....		
<b>E-mail ID:</b> .....		
<b>Folio No/DP ID &amp; Client ID:</b> .....		
I/We, being the Member(s) of <b>Assam Carbon Products Limited</b> , holding.....Equity Shares of the Company, hereby appoint:		
1)	Name: .....Address: .....	E-mail ID: .....Signature: .....or failing him/her;
2)	Name: .....Address: .....	E-mail ID: .....Signature: .....or failing him/her;
3)	Name: .....Address: .....	E-mail ID: .....Signature: .....

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **56th Annual General Meeting (AGM)** of the Company, to be held on **Friday, 27th September, 2019 at 11.45 a.m.** at the Registered Office of the Company at **Narengi Chandrapur Road, Birkuchi, Narengi, Guwahati -781026, Assam** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1.	Ordinary Resolution for the consideration and adoption of the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Reports of the Board of Directors & Auditors thereon.		
2.	Ordinary Resolution for the re-appointment of Mrs. Anita Himatsingka, (DIN: 01201879), who retires by rotation and being eligible offers herself for reappointment.		
3.	Ordinary Resolution for the re-appointment of Ms. Maalika Himatsingka, (DIN: 07811394), who retires by rotation and being eligible offers herself for reappointment.		
<b>Special Business</b>			
4.	Ordinary Resolution for the appointment of Mr. Susheel Kumar Sharma (DIN: 01636111) as the Director of the Company.		
5.	Ordinary Resolution for the appointment of Mr. Sandip Modi (DIN: 01797999) as an Independent Director of the Company.		
6.	Special Resolution for the re-appointment of Mr. Sanjay Kumar Lhila (DIN: 01383460) as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years, with effect from 31st March, 2020.		
7.	Special Resolution for the re-appointment of Mrs. Rupanjana De (DIN: 01560140) as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years, with effect from 31st March, 2020.		
8.	Ordinary Resolution for the ratification of remuneration payable to the Cost Auditors of the Company M/s. A S & Associates (Firm Regd. No.: 000523).		
9.	Special Resolution for obtaining the consent of the members of the Company for approval of transactions pursuant to Section 185 of the Companies Act, 2013.		
10.	Special Resolution for the approval of the Payment of Commission, upto 1% of the net profits of the Company, to Mr. Rakesh Himatsingka, (DIN: 00632156) Non-Executive Chairman of the Company, for the financial year 2018-2019 and onwards.		

Signed this .....day of .....2019

Member's Folio / DP ID- Client ID No.: .....

Signature of Shareholder(s)..... Signature of Proxy Holder(s) .....

**Notes:** 1. This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office not less than 48 hours before the commencement of the AGM.  
2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of 56th Annual General Meeting of the Company.  
3. \*It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix Revenue Stamp

*If undelivered, please return to :*



**ASSAM CARBON PRODUCTS LTD.**

CIN: L23101AS1963PLC001206

Birkuchi, Narengi Chandrapur Road,  
Narengi, Guwahati- 781 026, Assam

or

6, Old Post Office Street,  
Temple Chambers, 5th Floor, Kolkata- 700001