



**INDEPENDENT AUDITORS' REVIEW REPORT ON UNAUDITED
CONSOLIDATED FINANCIAL RESULTS**

To,
The Board of Directors,
Alicon Castalloy Limited,
Pune, Maharashtra.

Sirs,

1. We have reviewed the unaudited consolidated financial results of **Alicon Castalloy Limited ("the Company") and its subsidiaries** for the quarter ended June 30, 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement of unaudited consolidated financial results for the quarter ended June 30, 2016 together with the notes thereon is the responsibility of the Company's management and has been approved by the Board of Directors in its meeting held on August 02, 2016. Our responsibility is to issue a report on this Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Statement of unaudited consolidated financial results includes the results of three subsidiaries outside India. As referred in foot note (4) to the Statement, we did not review the unaudited separate financial statements of these subsidiaries, whose consolidated financial statements reflect total revenues of Rs.1428.84 lakhs and total profit of Rs.12.88 lakhs for the quarter ended June 30, 2016. These separate unaudited financial statements of the overseas subsidiaries have been prepared and certified by the Company's management. Accordingly, we are unable to comment on the implications, if any on the financial statements, had it been reviewed by other auditors.
4. Our remarks on review of unaudited standalone financial results of the Company and which are reported in our separate review report are as under.
 - a) The useful lives of some of its fixed assets followed by the Company are different than the lives specified under part C of schedule II to the Companies Act, 2013. The useful lives estimated by the Company's management more than year ago have not been further revised, as it is of the view that the useful lives estimated best represent the period over which it expects to use these assets and thus would not result in any additional amount of provision either on account of impairment or otherwise. The Company has initiated the exercise of identification and determination of useful lives of significant components separately as required under the amended Accounting Standard (AS) -10, 'Property, Plant and Equipment' notified and duly amended under Companies (Accounting Standard), Amendment Rules, 2016. In the absence of technical evaluation and impairment workings, we have relied upon management representations for the same.



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- b) The inventories valued and reported are as certified by the Company's management. However, the Company needs to work upon the allocation of overheads on technical and systematic basis as prescribed under the amended Accounting Standard (AS)-2 - 'Valuation of Inventories'. We are informed, the Company has already initiated the exercise.
 - c) The cost of employee benefits like gratuity, leave entitlements etc. provided in the books of account of the Company are not in accordance with the actuarial valuation method prescribed under Accounting Standard (AS) -15 -'Employee Benefits'.
 - d) Current tax expense provided by the Company for the quarter ended June 30,2016 is on an estimated basis and Deferred tax /(credit) has not been provided for the quarter under review.
 - e) The book balances in respect of trade receivables etc. have remained to be confirmed and reconciled by the Company with the customer ledgers.
5. Based on our review conducted as above, and subject to our remarks in (3) & (4) above, nothing else has come to our attention that causes us to believe that the accompanying statement prepared by the Company's Management in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended under the Companies (Accounting Standard), Amendment Rules, 2016, and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Asit Mehta & Associates
Chartered Accountants
Firm Regn No. 100733W


Sanjay Rane
(Partner)
Membership No.100374



Place:Mumbai
Date:August 02, 2016