MOVING FORWARD

GCL

Goa Carbon Ltd

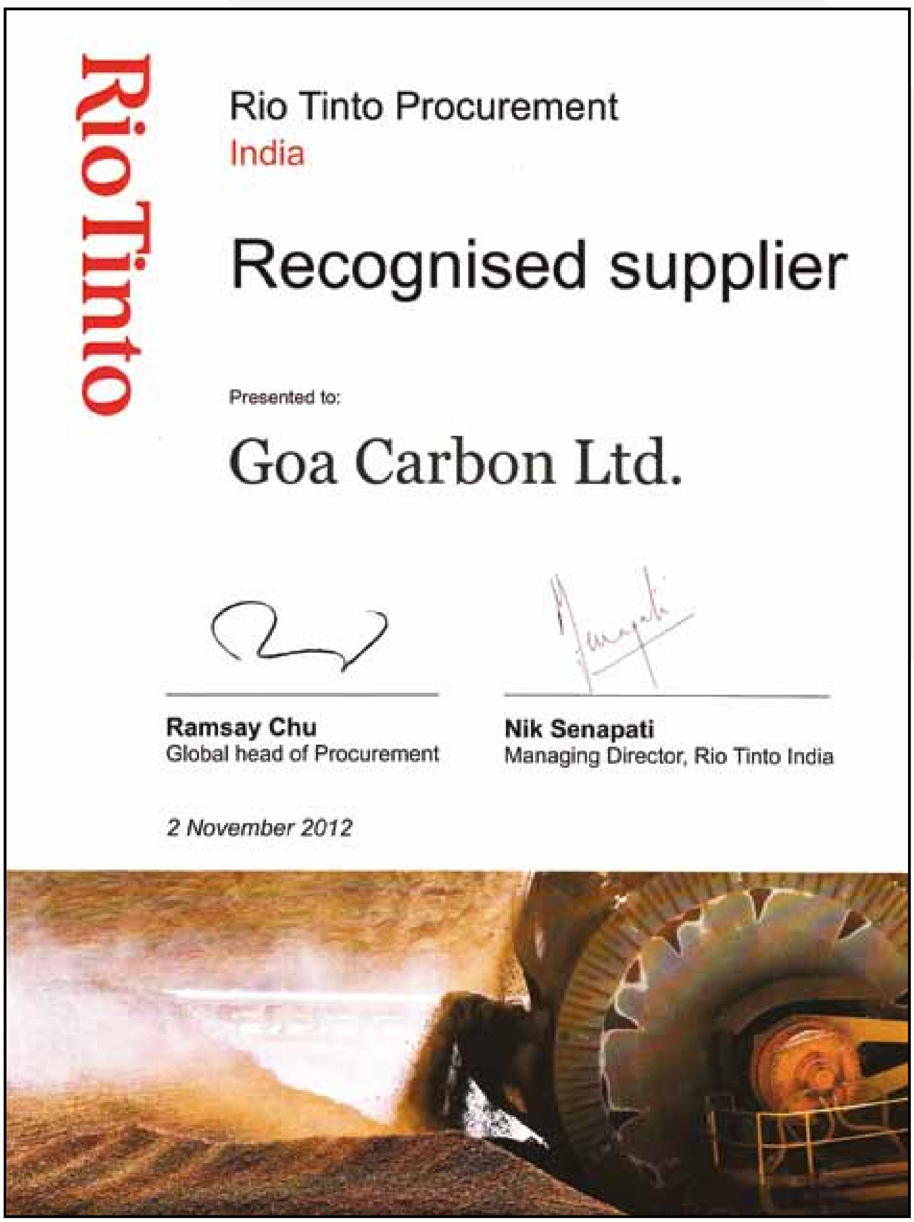
45th ANNUAL REPORT 2012-13

VISION

To become one among the five most admired petroleum coke calcining companies of Asia by the end of the year 2015.

MISSION

To achieve business excellence in the manufacture and supply of calcined petroleum coke through professionalism, teamwork, ethics and responsibility in a manner that satisfies all our stakeholders.



RioTinto

Rio Tinto Procurement
India

Recognised supplier

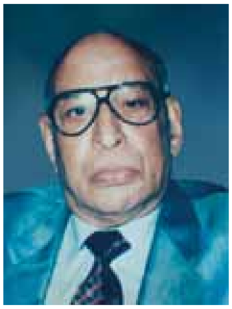
Presented to:

Goa Carbon Ltd.

Ramsay Chu
Global head of Procurement

Nik Senapati
Managing Director, Rio Tinto India

2 November 2012



Late Shri Vasantrao S. Dempo
Founder Chairman

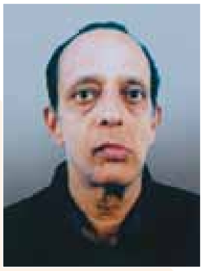
Late Shri Vasudeva V. Dempo
Former Chairman

BOARD OF DIRECTORS

Mr. Shrinivas V. Dempo
Chairman - Promoter

Mr. Dara P. Mehta
Independent Director

Mr. Keki M. Elavia
Independent Director



Mr. Soiru V. Dempo
Non-Executive Director

Dr. A. B. Prasad
Independent Director

Mr. Raman Madhok
Independent Director

Mr. Jagmohan J. Chhabra
Executive Director

Executive Director
Mr. Jagmohan J. Chhabra

Company Secretary
Mr. P. S. Mantri

Sr. General Manager (Finance)
Mr. K. Balaraman

Registered Office
Dempo House, Campal
Panaji-Goa - 403001

Plant Locations

1. St. Jose de Areal
   Salcete, Goa - 403709
2. 34-40, Sector B
   Sirgitti Industrial Area, Bilaspur 495004
   Chhattisgarh State
3. Vill. Udayabata
   P.O. Paradeepgarh, Dist. Jagatsinghpur
   Orissa 754142

Auditors
Deloitte Haskins & Sells
Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar
Chennai 600017

Solicitors
Little & Co.
Central Bank Building
3rd Floor
Mahatma Gandhi Road
Mumbai 400023

Registrars & Transfer Agents
Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai 400078

Bankers
Bank of India
Bank of Baroda

CONTENTS

CHAIRMAN'S LETTER

Mr. Shrinivas V. Dempo

Dear Shareholder,

Financial Year 2012-13 has been one of the most uncertain years in the recent past which witnessed rising inflation, growing current account deficit and high interest rates amongst the threat of a possible downgrade by rating agencies. RBI's active intervention brought some respite to our economy; however, the stance is still precautionary as we have entered FY13-14 with renewed hope and some caution. The recent projections are aimed at bringing down the inflation to around 5.5%. Moving forward, RBI sees FY13-14 GDP growth at 5.7%, which may not be as encouraging as previous years but is still way ahead of the average growth rate of the world.

As economists expect growth prospects to improve in FY14, we expect our industry and company to follow the trend positively.

Though aluminum was first produced in India in 1938, it took more than 50 years for it to be recognized as a commercially viable metal. India ranks fifth in terms of aluminium production and the country's per capita aluminium usage of 1.2 kgs is abysmally low as compared to the global average of 11.2 kgs and 10.6 kgs in China. The government has given an impetus to boost GDP through fast tracking of infrastructure projects offering continued avenues of growth for the aluminium sector, which finds application in almost everything, from power to automotive, building and construction, consumer durables, packaging, transport and construction.

I am delighted to inform you that despite difficult economic conditions your company has consistently maintained a sustainable growth in the last few years. The company has further consolidated its position as India's second largest manufacturer of Calcined Petroleum Coke. Through its plants located at Goa, Paradeep and Bilaspur, Goa Carbon Ltd has a total installed capacity of over 240,000 metric tonnes per annum.

The financial year 2012-13 marked an important event as your company obtained a business license to open a new Company as a step-down subsidiary, Goa Carbon (Cangzhou) Company Limited in China with an annual capacity to manufacture 3,00,000 MT of Calcined Petroleum Coke (CPC). The preliminary work of identifying the land has been completed and the project team is currently working on the planning and designing for the construction of the proposed plant. Through its China step-down subsidiary, the company intends to meet the demand of growing Asian and Middle-East markets.

For the year ended March 31, 2013, Goa Carbon recorded a net profit of ₹ 791.27 lakh and the net income from operations stood at ₹29,547.01 lakh. Last year income from operations stood at ₹ 34,383.64 lakh and net profit at ₹1,048.75 lakh.

The Company's annual general meeting is scheduled to be held on July 06, 2013. The Board of Directors of the Company is pleased to recommend a dividend at the rate of 25% for the year ended March 31, 2013.

Withstanding the turbulence in the last few years, your Company has continued to consistently earn a fair profit for its shareholders. The Company continues to invest in the future through building new capacities, expanding to newer markets and improving financial performance. We are passionate towards investing in Goa Carbon's future as we continue to explore opportunities of expanding our activities in India as well as aboard.

I express my sincere gratitude to the Company's shareholders for your trust and confidence in Goa Carbon Ltd. I also wish to express my sincere appreciation to my colleagues on board for their undeterred spirit along with the Central and State Governments and other regulatory authorities for their continued support.

Thank You,

Shrinivas V. Dempo
Chairman

NOTICE

Notice is hereby given that the Forty-fifth Annual General Meeting of the Members of GOA CARBON LIMITED **('the Company')** will be held at the Registered Office of the Company at **Dempo House, Campal, Panaji-Goa 403 001**, on **Saturday**, the **6th July, 2013** at **11.00 a.m.,** to transact the following business:-

Ordinary Business:

1. To consider and adopt the audited Balance Sheet of the Company as at March 31, 2013, the Profit and Loss Account and Cash Flow Statement for the year ended on that date as also the Reports of the Board of Directors and Auditors thereon.

2. To declare a dividend on equity shares.

3. To appoint a Director in place of Mr. Keki M. Elavia who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint a Director in place of Mr. Raman Madhok who retires by rotation and being eligible offers himself for re-appointment.

5. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business:

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 as existing or modified or re-enacted from time to time and further subject to any other approval as may be required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Jagmohan J. Chhabra as a Whole-time Director of the Company with designation "Executive Director", for a period of three years effective from 1st April, 2013 on the following terms and conditions:

I. Salary:

(i) Basic:
₹ 6,82,500/- per month.

(ii) Allowances:

Not exceeding ₹ 52,500/- per month. In addition to this monthly allowance, soft furnishing allowance not exceeding ₹ 75,000/- per annum.

(iii) Performance Linked Bonus/Incentives :

1% of net profit per annum, subject to maximum of ₹ 35,00,000/-.

II. Perquisites:

In addition to the above salary the Executive Director shall be entitled to the following perquisites:

Housing :

The Company shall provide suitable furnished residential accommodation and expenditure by the Company on hiring such furnished accommodation together with electricity and water charges shall be subject to a ceiling of ₹ 75,000/- per month

Medical Reimbursement:

Medical expenses incurred by the Executive Director for self and family, will be reimbursed by the Company subject to a ceiling of ₹ 1,20,000/- per annum or ₹3,60,000/- for a block of three years.

Over and above the reimbursement of medical expenses as above, the Executive Director shall be entitled for coverage under the hospitalization Mediclaim Scheme of General Insurance Company for a policy with a sum not exceeding ₹ 5,00,000/- per annum.

Leave Travel Concession:

For self and family once in a year, incurred as per rules of the Company, subject to a ceiling of ₹ 1,20,000/- per annum or ₹ 3,60,000/- for a block of three years.

Club fees:

The company shall reimburse actual and reasonable cost of membership during the term hereof in not more than one private Club in Goa. This facility shall not include admission/life membership fees.

Personal Accident Insurance:

Personal Accident Insurance cover for a sum of ₹ 25,00,000/-.

Communication:

The Executive Director shall be provided with a laptop computer as well as mobile phone, land line and internet connection at his residence for the conduct of Company's business.

Car:

Free use of Company's car for official purposes and reimbursement of expenditure incurred in connection with the running and maintenance thereof and salary for the driver as per the rules of the Company.

Leave:

30 days privilege leave with full pay per year, subject to the condition of leave accumulation/encashment as per the Scheme of the Company but restricted to maximum accumulation of 180 days at any time.

In addition, the Executive Director is eligible for Casual Leave and Sick Leave as per the policy of the Company.

Provident fund:

Company's contribution to the provident fund shall be as per the Scheme of the Company.

Gratuity:

Gratuity is payable in accordance with the Scheme of the Company.

III. The remuneration/perquisites of the Executive Director under this Agreement will be subject to tax applicable under the provisions of the Income-Tax Act, 1961.

"**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, the Company shall pay Mr. Jagmohan J. Chhabra, in respect of such financial year, remuneration by way of salary, allowances, perquisites, benefits and contributions, as the Board may deem fit, subject to the limits prescribed here in and in Section II of Part II of Schedule XIII of the Companies Act, 1956, as existing or modified or re-enacted from time to time."

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting ('the Meeting') is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.**
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the special business is annexed hereto.
3. As required in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the information (including profile and expertise in specific functional areas) pertaining to the Directors recommended for appointment / re-appointment in the Annual General Meeting is annexed to this Notice.
4. (a) The Register of Members and Share Transfer Books of the Company will be closed from **Thursday**, the **27th June, 2013** to **Saturday**, the **6th July, 2013** (both days inclusive).

   (b) The dividend on equity shares, if declared at the Meeting, will be paid to those members whose names appear on the Company's Register of Members:

   (i) as beneficial owners as at the end of business hours on **26th June, 2013** as per the lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of shares held in electronic form, and

   (ii) as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before **26th June, 2013**.

5. Members are requested to notify immediately any change of address to their Depository Participants (DP's) in respect of their electronic share accounts and to the Company's Share Transfer Agent, Link Intime India Private Limited, in respect of shares held in physical form.

6. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, their bank details to be incorporated on the dividend warrants.

   (b) Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company shall not entertain any direct requests from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form shall not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are, therefore, requested to advise their Depository Participants about such change with complete details of Bank Account.

   (c) To avoid loss of dividend warrants in postal transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities / towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited.

7. All unclaimed dividend declared up to the financial year ended March 31, 1995 have been transferred to the General Revenue Account of the Central Government as required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 (the Rules). Members who have not so far claimed or collected their dividends declared up to the aforesaid financial year are requested to claim such dividends from the Registrar of Companies, Goa, Daman & Diu, Corporate Law Bhavan, Patto Plaza, Panaji, Goa 403001, by making an application in Form II of the Rules.

8. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends from the financial years ended, March 31, 1996 to June 30, 2005 to the Investor Education and Protection Fund established by the Central Government. Dividends for the financial period ended June 30, 2006 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account shall be transferred by the Company to the Investor Education and Protection Fund. Information in respect of such unclaimed dividends is given below. Members who have not encashed dividend warrant(s) for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company or the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, immediately.

Financial year ended	Due date of transfer
30.06.2006	04.02.2014
31.03.2007	01.09.2014
31.03.2008	03.09.2015
31.03.2009	22.08.2016
31.03.2010	13.09.2017
31.03.2011	25.09.2018
31.03.2012	06.09.2019

Members are requested to note that no claims shall lie against the Company or the Investor Education and Protection Fund for any moneys transferred to the said fund in accordance with the provisions of Section 205C of the Companies Act, 1956.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM 6

Mr. Jagmohan J. Chhabra has been the Executive Director of the Company since April 1, 2010 and in terms of the approval at the Annual General Meeting held on August 7, 2010, his tenure was to expire on March 31, 2013. The Board of Directors of the Company vide Circular Resolution dated March 26, 2013, re-appointed Mr. Jagmohan J. Chhabra as Whole-time Director of the Company with designation “Executive Director” for a period of three years effective from April 1, 2013, subject to approval of the members.

This special resolution, accordingly, seeks members’ approval for appointment of Mr. Jagmohan J. Chhabra as Executive Director of the Company for a period of three years effective from April 1, 2013 on such remuneration and other terms and conditions as mentioned in the said resolution.

Particulars of his qualifications, brief resume, area of expertise and other details are provided in the Annexure attached to this Notice.

No Director, except Mr. Jagmohan J. Chhabra, is concerned or interested in his re-appointment and remuneration payable to him as Executive Director.

The terms of re-appointment of Mr. Jagmohan J. Chhabra, as stated in this notice, may be treated as the abstract of terms and conditions of re-appointment and memorandum of interest under Section 302 of the Companies Act, 1956. The copy of relevant resolution of the Board with respect to the re-appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of this Annual General Meeting.

The Board commends this resolution for your approval.

By Order of the Board of Directors

P. S. Mantri
Company Secretary

Panaji, Goa.
April 8, 2013

Registered Office:
Dempo House, Campal,
Panaji-Goa 403001

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by the companies and has issued circulars inter alia stating that service of notice/ documents including Annual Report can be sent to the registered e-mail addresses of its members. To support this green initiative of the Government in full measure, members desirous of receiving the aforementioned documents in electronic mode, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to inform us by sending an email to us at greeninitiative@goacarbon.com. Further, please note, that if there is any change in the email address registered with us, you are requested to update the same with your Depository Participant (in case of shares held in demat mode) and by sending an email to us at greeninitiative@goacarbon.com (in case of shares held in physical form).

ANNEXURE TO THE NOTICE

Information on Directors recommended for appointment / re-appointment as per note 3 to the Notice:

Name of the Director	**Mr. Keki M. Elavia**	**Mr. Raman Madhok**	**Mr. Jagmohan J. Chhabra**
Date of birth	09-04-1946	02-02-1945	17-04-1962
Date of appointment	22-01-2001	28-01-2010	01-04-2010
Expertise in specific functional area	Mr. Keki M. Elavia, B. Com. (Hons), FCA was a Partner of M/s. Kalyaniwalla & Mistry, Chartered Accountants, till 2009. Mr. Keki M. Elavia joined Kalyaniwalla & Mistry in 1971. He has over 40 years of post qualification experience. He is a Fellow Member of the Institute of Chartered Accountants of India.	Mr. Raman Madhok holds a Bachelor's Degree in Mechanical Engineering. Mr. Raman Madhok has work experience having handled various functions in Sales, Projects & Profitability, R&D, Finance, HR and General Management in various companies including Larsen & Toubro Ltd., NIRO A/S Copenhagen (Denmark), Zuari Industries Ltd. (as Executive President – Fertilizer Division) and Gea Process Engineering (India) Pvt. Ltd. (as Executive Chairman).	Mr. Jagmohan J. Chhabra is a Mechanical Engineer with Masters Degree in Management (with specialization in Marketing). Mr. Jagmohan J. Chhabra has been the Executive Director of the Company since April 1, 2010. He was formerly associated as CEO of TSG Limited, a subsidiary of Frigoglass Group, Athens, Greece.
Qualification	B. Com (Hons), F.C.A.	B.E. (Hons) - Mechanical	B.E. (Mechanical), Masters Degree in Marketing Management, Management Education Programme
Directorship held in other companies	1. Uni VTL Precision Pvt. Ltd. 2. Allcargo Logistics Ltd. 3. Busbar Systems India Pvt. Ltd. 4. Dai-ichi Karkaria Ltd. 5. Development Credit Bank Ltd. 6. Godrej & Boyce Mfg. Co. Ltd. 7. Grindwell Norton Ltd. 8. Insilco Ltd. 9. NRB Bearings Ltd. 10. Peerless Trust Management Company Ltd. 11. Raptor Research and Conservation Fund 12. SinoGoa International Holdings Ltd. 13. Uni Abex Alloy Products Ltd. 14. Uni Deritend Ltd.	1. CMI FPE Industry Ltd., 2. GEA Pharma Systems (India) Pvt. Ltd. 3. GEA Process Engineering (India) Pvt. Ltd.	1. GCL Global Resources SGP Pte Ltd. 2. SinoGoa International Holdings Ltd.

Membership / Chairman of the Committees of the Board of companies	1. Allcargo Logistics Ltd.- Chairman of the Audit Committee / Chairman of the Share Allotment Committee / Member of the Compensation / Remuneration Committee / Member of the Finance Committee 2. Development Credit Bank Ltd.- Chairman of the Audit Committee / Chairman of the Fraud Reporting & Monitoring Committee / Chairman of the Risk Management Committee / Member of the Capital Raising Committee / Member of the Nomination & Remuneration Committee 3. Godrej & Boyce Mfg. Co. Ltd. - Chairman of the Audit Committee / Member of the Remuneration Committee 4. Grindwell Norton Ltd. - Chairman of the Audit Committee 5. Uni Abex Alloy Products Ltd. - Chairman of the Audit Committee / Chairman of the Remuneration Committee 6. Dai-ichi Karkaria Ltd. - Member of the Audit Committee 7. Insilco Ltd.- Member of the Audit Committee / Member of the Remuneration Committee 8. NRB Bearings Ltd. - Member of the Audit Committee 9. Peerless Trust Management Company Ltd. - Member of the Audit Committee 10. Uni Deritend Ltd. - Member of the Remuneration Committee	1. CMI FPE Industry Ltd.- Chairman of the Remuneration Committee / Chair-man of the commitee for Supervision of Industrial Infrastruc-ture Development / Memebr of the Investors' Grievance Commitee.	Nil
Number of shares held in the Company	Nil	Nil	Nil

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 45th Annual Report together with the audited accounts of your Company for the year ended March 31, 2013.

Financial Results

₹ in lacs

	2012-13		2011-12	
Profit before tax for the year		**1216.35**		1566.10
Less: Provision for Tax-				
Current Tax	**443.00**		525.00	
Prior Year Tax	**(1.18)**		(1.84)	
Deferred Tax	**(16.74)**		(5.81)	
		425.08		517.35
Profit for the year after tax		**791.27**		1048.75
Add: Surplus B/F from statement of Profit & Loss of previous year		**1689.58**		1171.25
Amount Available for Appropriations:		**2480.85**		2220.00
Appropriations:				
General Reserve	**80.00**		105.00	
Proposed Dividend	**228.78**		366.04	
Tax on Dividend	**37.11**		59.38	
		345.89		530.42
Balance carried to the Balance Sheet		**2134.96**		1689.58
		2480.85		2220.00

Year in Retrospect

The sales and other income for the financial year under review were ₹ 30,205.34 lacs as compared to ₹ 35,008.66 lacs for the previous financial year. The production of Calcined Petroleum Coke ("CPC") was 1,17,152 tonnes as compared to 1,31,735 tonnes for the previous financial year.

The sales of CPC were 1,22,019 tonnes (including exports 21,055 tonnes) for the financial year under review as compared to 1,34,492 tonnes (including exports 52,364 tonnes) for the previous financial year. The profit after tax during the financial year was ₹ 791.27 lacs as compared to the profit of ₹1048.75 lacs in the previous financial year.

Dividend

After considering the company's profitability, future expansion needs and the needs to conserve resources, your Directors are pleased to recommend a dividend of ₹2.50 per equity share (25%) of ₹10/- each for the financial year ended 31st March, 2013 as against ₹4.00 per equity share (40%) paid in the previous financial year.

Subsidiary Companies / China Project and Consolidated Financial Statements

The Company's wholly owned step down subsidiary company "Goa Carbon (Cangzhou) Company Limited" China ("the China Company") has obtained a business licence to set up a plant in Cangzhou, Hebei Province, The People's Republic of China ("the PRC"), with an annual capacity to manufacture 3,00,000 MT of Calcined Petroleum Coke. The Company has remitted USD 2 million to its wholly owned subsidiary "GCL Global Resources SGP Pte Limited" Singapore (the "Singapore Company") which is the holding company of the China Company. The Singapore Company has correspondingly subscribed USD 2 million to the authorised capital of the China Company which will be used for the purpose of carrying out the preliminary work relating to the setting up of the plant in the PRC.

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with applicable Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 form part of the Annual Report. In terms of the Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Board of Directors has, at its meeting held on April 8, 2013 passed a resolution giving consent for not attaching the Balance Sheet, Statement of Profit and Loss and other documents of its subsidiary companies. The required information on its subsidiary companies is given in this Annual Report. The said documents/

details shall be made available, upon request, to any Member of the Company and will also be made available for inspection by any Member of the Company at the registered office of the Company during working hours on business days.

Listing Information

The equity shares of your Company are listed on the Bombay Stock Exchange Limited (BSE) and on the National Stock Exchange of India Limited (NSE).

The listing fees for the year 2013-2014 shall be paid to BSE and NSE within the stipulated time.

Accreditation

The Company continues to enjoy ISO 9001 & ISO 14001 accreditation made by BUREAU VERITAS

Public Deposits

The Company has not accepted any public deposits during the year under review.

Directors

Due to personal reasons, Mr. P. G. Kakodkar has resigned as Director of the Company during the year under review. The Board expresses its gratitude for the valuable contributions rendered by Mr.P. G. Kakodkar during his long tenure with the Company.

In terms of Article 140 of the Articles of Association of the Company, Mr. Keki M. Elavia and Mr.Raman Madhok, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

During the year under review, the Board of Directors re-appointed Mr. Jagmohan J. Chhabra, Executive Director, whose term of appointment expired on March 31, 2013, for a period of three years with effect from April 1, 2013 subject to the approval of shareholders at the ensuing Annual General Meeting.

Brief resumes of the Directors being appointed / re-appointed together with other relevant details form part of the Notice of the ensuing Annual General Meeting. The Board recommends their appointment / re-appointment.

Directors' Responsibility Statement

As required by Section 217 (2AA) of the Companies Act, 1956, based on the information and representations received from the operating management your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates 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 and of the profit of the Company for that period to the best of their knowledge and ability;

(iii) the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;

(iv) the Directors have prepared the annual accounts on a going concern basis.

Auditors

The Auditors, Deloitte Haskins & Sells, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment as Auditors to audit the accounts of the Company for the financial year 2013-2014.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure – I to the Directors Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, required to be disclosed by Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure – II to this Report.

Corporate Governance

It has been the endeavour of your Company to follow and implement best practices in corporate governance, in letter and spirit. A detailed Corporate Governance Report is attached and forms part of this report.

A certificate from the Statutory Auditors of the Company regarding compliance of the conditions of corporate governance as required under Clause 49 of the Listing Agreement with the Stock Exchanges, forms part of this report.

Acknowledgement

Your Directors would like to express their appreciation for the assistance and co-operation received from the Government authorities, banks, customers, business associates and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf
of the Board of Directors

Shrinivas V. Dempo
Chairman

Panaji, Goa.
Dated: 8th day of April, 2013

Carlo Erba for determination of Apparent Density (AD)

ANNEXURE – I TO THE DIRECTORS' REPORT

Particulars of Employees pursuant to Section 217(2A) of the Companies Act, 1956, read with the (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the year ended 31st March, 2013.

Sr. No.	Name of the Employee	Designation/ Nature of duties	Remuneration (₹in lacs)	Qualifications	Experience in years	Date of Commencement of employment	Age (in yrs)	Last Employment held
(A) Employed throughout the financial year:								
1.	Chhabra Jagmohan J.	Executive Director*	134.24	B.E. (Mechnical), Masters Degree in Marketing Management, Management Education Programme.	29	01.04.2010	50	CEO TSG Limited (Subsidiary of Frigoglass Group, Athens, Greece)

(B) Employed for part of the financial year:

- - - - - - - - - - - - - - - - - - Nil -

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*Appointed as Whole-time Director with designation Executive Director and the nature of his employment was contractual. Other terms and conditions are as per agreement.

Note:

Remuneration as shown above includes Salary, Allowances, Company's Contribution to Provident Fund, Leave Travel Assistance and expenditure by the Company on accommodation, medical and other facilities as per agreement. In addition, the director is entitled to Gratuity and is also covered under the Group Personal Accident Insurance Policy.

ANNEXURE – II TO THE DIRECTORS' REPORT

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, ETC. AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

(A)	**Conservation of Energy**	**Goa Plant**	**Bilaspur Plant**	**Paradeep Plant**
	(a) Energy Conservation Measures	Consumption of electrical energy per metric ton of Calcined Petroleum Coke (CPC) produced during the year was 22.27 kwh/MT of CPC as against 20.42 kwh/MT of previous year. A strict control on routinely maintaining power factor enabled the company to get maximum rebate of ₹ 74,957/-. Furnace Oil consumption during the year was 57,178 litres as against 2,34,349 litres of previous year. This is due to less operative days during the year. Furnace Oil consumption per ton of CPC during the year was 2.46 litres/MT as against 7.64 litres/ MT in the previous year.	Electrical Energy consumption during the year has decreased to 16.13 kwh/MT as compared to 16.79 Kwh/MT of previous year. This has decreased due to higher production running days. A vigilant control on periodically maintained power factor enabled the Company to maximum power factor incentives of ₹ 28,975/-. This was higher than the previous year due to higher production run during the year. Furnace Oil consumption per MT of CPC has decreased from 1.96 litres/MT to 1.05 litres/MT for heating and cooling of the Kiln. Furnace Oil used for processing has increased from 0.20 litres/MT to 1.97 litres/MT due to production of high R.D CPC to meet customers specification.	The specific Electrical Energy consumption for the financial year 2012-13 was 16.31 Kwh/MT. In comparison with the previous financial year 2011-12, the specific energy consumption is more by 0.69 Kwh/MT of CPC produced. The reason for this increased specific energy consumption is lesser production (less by 10,000 MT) and less operative days (23 days). The average production per day is 366 MT/day. The power cost per MT of CPC increased by ₹ 0.87. We have consumed more DG power as a result of undeclared power shut downs by CESU. We have spent around ₹3 lakhs plus on diesel cost alone. The consumption of Furnace oil for production was nil as in the previous year.
	(b) additional investment and proposals, if any, being implemented for reduction of consumption of energy.	1) Installed efficient new glass luminaries to reduce lighting unit consumption.	1) Additional transparent FRP sheets provided in CPC storage godown thereby using natural light.	No additional investment.

		2) Conditioned monitoring of equipments & strict monitoring for efficient usage of equipment is being continued. 3) Better raw material handling method practice during the year to reduce electrical energy consumption.	2) Installed energy efficient luminaries. 3) Initiation to install energy efficient motor.	
	c) impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.	The above steps will help to save 2% to 3% of electrical energy consumption on current connected load.		Replacement of the electrical motors with high efficiency motors has resulted in reduction in specific energy consumption as in the previous year.
	d) total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in the schedule thereto.	....	Not applicable to our industry.	....
(B)	**Technology Absorption** e) efforts made in technology absorption as per Form-B of the Annexure.	.... Please refer to the enclosure.		
(C)	**Foreign Exchange Earnings and Outgo.** f) activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans.	The Company's exports to internationally renowned aluminium majors as per long term contracts still continues.		
	g) total foreign exchange used and earned.	Foreign Exchange used for importing raw material, interest on foreign currency loans and travel expenses of employees for official work etc. were equivalent to ₹16,432.70 lakhs. Foreign Exchange earned during the year 2012-2013 by exporting finished product was equivalent to ₹5,205.38 lakhs.		

FORM-B

(See Rule 2)

Form for disclosure of particulars with respect to Technology Absorption.

Research and Development (R&D)

1.	Specific area in which R & D carried out by the Company.		As reported, the Company has been able to achieve reduction in energy consumption and higher product recovery with efforts towards continuous and consistent reviews of all processes and operations and consequent improvement actions.
2.	Benefits derived as a result of the above R & D.		
3.	Future plan of action.		
4.	Expenditure on R & D a) Capital b) Recurring c) Total d) Total R & D expenditure as a percentage of total turnover.		

Technology absorption,adaptation and innovation.

1.	Efforts, in brief, made towards technology absorption, adaptation and innovation.		The Company has been able to achieve an improvement in the efficiency of the production during the year under review.
2.	Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.		
3.	In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished a) Technology imported. b) Year of Import c) Has Technology been fully absorbed ? d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.		Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Goa Carbon Ltd is one of the leading players in the business of Calcined Petroleum Coke ("CPC"). The basic raw material in the production of CPC is Raw Petroleum Coke ("RPC") also known as Green Petroleum Coke ("GPC"), a by-product of crude oil refining. CPC is one of the key raw material used in the manufacture of carbon anode for the aluminum industry and is also used as a carbon raiser for the titanium dioxide and steel industries.

The Global CPC capacity at the begining of the year 2012 was estimated to be about 28 million tonnes out of which USA and China accounted for approximately 65%. The growth of CPC industry is dependant mainly on the growth of the aluminium industry which consumes about 80% of the global CPC prodction.

Future Outlook

As mentioned above, the aluminum industry, which accounts for about 80% of the total world demand for CPC, grew at about 5% per annum globally, in the past ten years. Aluminum is widely used throughout the world in the transportation, packaging and construction industries, Due to its features viz. light-weight, non-corrosive, high-strength, superior electric conductivity and recyclability, aluminum will continue to find new and improved applications in the infrastructure, aerospace and defence industries. In recent years, we have seen a demographic shift in the production of aluminium from the West to Asia. Large aluminum smelters have been installed in the Middle East, India and China in view of the proximity to demand, supply of raw material and lower power costs. China produces 40% of the global RPC / GPC and is continuously adding new coking capacities. The Company expects to capitalize on these trends and deliver better performance due to its presence in these markets. In view of these promising developments in the aluminium and raw material arena, Goa Carbon has already identified the land and has acquired Business Licence to manufacture 3,00,000 MT of CPC in China. The Company's Project team is presently working on a detailed engineering for the construction of the Plant in China.

The last few years have been very challenging for the Indian market. The slowdown in Indian economy coupled with high inflation and interest rates have affected the overall performance. Crude oil prices have put pressure on the fiscal deficit. Despite all the constraints, outlook for 2013-14 and beyond is positive. The smelter projects which were delayed in 2012-13 are going to be commissioned between 2013 and 2015. The additional capacity of aluminium in India will be 1.75 Million MT, which would need almost 0.8 Million MT of CPC.

The long term growth expectation of aluminum consumption is robust with about 6% Compounded Annual Growth Rate (CAGR) between 2012 and 2016.

Challenges and Risk Management:

During 2011, aluminum industry witnessed a healthy growth of 10%. The demand grew at a slower rate of less than 6%, due to the persistent sovereign debt crisis in Europe which resulted in a negative market sentiment. The year 2012 also witnessed a dip in aluminium price close to 2,000 USD PMT and the Aluminium Finished Goods stocks on the London Metal Exchange reported higher inventories. In addition to this, announcements of production curtailments by some of the smelters in the western developed markets have put pressure on the price realization of CPC.

The Company is negotiating with the suppliers of RPC / GPC to bring down the costs and are working closely with customers to ensure profitable capacity utilization through the year. The Company is also trying to identify new sources of raw materials and achieve cost effective blends to meet customer requirements. As the Company is importing close to 99% of its raw materials, it is vulnerable to the forex risk due to volatility of the Rupee vis-a-vis USD. The Company does not speculate on the forex currency and tries to take the forward cover to control the forex volatility.

The Company being manufacturer of CPC has its usual risks associated with the Hazardous Operations and the Company is taking steps to keep the safety standards always at high level.

Research and Development

Research and development is a continuous process at the Company. The Company is continuously innovating and discovering new methods and concepts to improve the quality of CPC and to achieve efficiency in manufacturing operations. The Company is awarded with quality certification of ISO 9001 and ISO 14001 which demonstrates the ability of the Company to achieve higher level of customer satisfaction.

Financial Review

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956. The key financial ratios are given below in percentage, except for earnings per share:

	As at 31.03.2013	As at 31.03.2012
PAT / Sales	**2.68%**	3.05%
Return on Net Worth	**14.88%**	20.61%
Earnings per share (₹)	**8.65**	11.46

The net cash flow of the Company during the year ended 31.03.2013 is as follows:

₹ in Lacs

	As at 31.03.2013	As at 31.03.2012
Cash (used in)/ from operations	**8,277.78**	(2,310.53)
Cash (used in)/ from investing activities	**(1,896.56)**	1,466.36
Cash (used in)/ from financial activities	**(4,006.18)**	(1,726.72)
Net increase/ (decrease) in cash	**2,375.04**	(2,570.89)

Internal Control System

The Company has adequate internal control systems commensurate with its size and business. The Internal Auditor reviews all the transactions of the company and ensures that they are in line with the compliance of laws, policies and procedures and have been correctly recorded and reported. The Internal Audit is conducted on regular basis and the reports are submitted to the Audit Committee of Directors at their meetings held at every quarter.

Human Resources

As on 31st March 2013, the Company had 252 employees consisting of 93 managerial personnel and 159 other employees including workmen.

The Company enjoys excellent combination of experienced and talented Technical Managers. The Company on a regular basis imparts required training to update its employees on information and new technical developments in the industry which results in greater operational efficiency.

The Company's relation with its employees is cordial. The Company always reciprocates commitment to its employees in order to motivate them to perform the best.

Statutory Compliance

All declarations and compliances with respect to the applicable statutes, enactments and guidelines are submitted at every meeting of the Board of Directors of the Company. The Company Secretary who is also the Compliance Officer gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 1956, SEBI Regulations and Listing Agreements with the Stock Exchanges.

Cautionary Statement

Shareholders are cautioned that certain data and information external to the Company is included in this section. Though these data and information are based on sources believed to be reliable, no representation is made on their accuracy or comprehensiveness.

Some of the statements given in the above management discussion and analysis about the Company's projections, objectives, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The actual results may differ substantially from these expressed or implied statements. Significant factors that could make a difference to the company's operations include domestic and global economic conditions affecting demand and supply and price conditions in the industry, changes in Government laws, tax regime and other statutory changes, environment laws and labour relations. The Company undertakes no obligation to periodically revise any such forward looking statement to reflect future events or circumstances.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-13

(As required under Clause 49 of the Listing Agreements entered into with Stock Exchanges)

Introduction

Your Company has complied in all material respects with the requirements of the Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance Code of the Listing Agreement by the Company is given below:

1. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the Company and help the Company achieve its goal in maximizing value for all its stakeholders.

2. Board of Directors ("Board")

2.1 Composition of the Board

As on 31st March, 2013, the Company has 7 Directors including a Non-Executive Chairman. Of the 7 Directors, 6 are Non-Executive of which 4 are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The names and categories of the Directors on the Board are given below:

Sr. No.	Name	DIN No.	Category	Number of shares held as at March 31, 2013
1.	Mr. Shrinivas V. Dempo (Chairman)	00043413	Promoter Non-Executive	383100
2.	Mr. Dara P. Mehta	00041164	Independent Non-Executive	4,000
3.	Mr. Keki M. Elavia	00003940	Independent Non-Executive	Nil
4.	Mr. Soiru V. Dempo	00206062	Non-Independent Non-Executive	Nil
5.	Dr. A. B. Prasad	00817902	Independent Non-Executive	Nil
6.	Mr. Raman Madhok	01798377	Independent Non-Executive	Nil
7.	Mr. Jagmohan J. Chhabra	01007714	Executive Director	Nil

2.2 Attendance of Directors at Board Meetings and Annual General Meeting

Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) held during the year and the number of directorships and committee chairmanships/ memberships held by them in other companies is given below:

Sr. No.	Name	No. of Board meetings attended during 2012-13		Whether attended last AGM held on August 2, 2012	No. of Directorships in other companies	No. of Committee positions held in other companies	
		Held	Attended			Chairman	Member
1.	Mr. Shrinivas V. Dempo Chairman	4	3	Yes	19*	1	-
2.	Mr. Dara P. Mehta	4	4	Yes	9**	2	-
3.	Mr. P. G. Kakodkar º	4	0	No	N.A.	N.A.	N.A.
4.	Mr. Keki M. Elavia	4	4	Yes	14	5	4
5.	Mr. Soiru V. Dempo	4	4	Yes	8	-	1
6.	Dr. A. B. Prasad	4	4	Yes	3	1	1
7.	Mr. Raman Madhok	4	4	Yes	3	1	1
8.	Mr. Jagmohan J. Chhabra Executive Director	4	4	Yes	2	-	-

* Includes directorships held in 15 private limited companies.

** Includes 3 companies in which Mr. Dara P. Mehta is an Alternate Director.

ºCeased to be Director during the year under review

None of the Directors is a member of more than 10 committees nor is a Chairman of more than 5 committees across all the companies in which he is a Director. The Committees considered for the above purpose are those specified in Clause 49 of the Listing Agreement i.e. Audit Committee and Shareholders' / Investors' Grievance Committee.

2.3 Meetings of the Board of Directors

The Board of Directors of the Company met 4 times during the year 2012-2013 i.e. on April 17, 2012, August 2, 2012, October 22, 2012, and January 12, 2013.

The gap between two meetings did not exceed four months. The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussion and consideration at Board meetings.

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the year ended 31st March, 2013 except for payment of sitting fees.

2.4 Remuneration of each Director on the Board during the financial year 2012-13 is as follows:

Non-Executive Directors:

Sr. No.	Name	Sitting fees* (₹)	Service Contract/ Notice Period/ Severance Fees/ Pension
1.	Mr. Shrinivas V. Dempo	1,13,000	Retirement by rotation
2.	Mr. Dara P. Mehta	1,23,000	Retirement by rotation
3.	Mr. P. G. Kakodkar °	Nil	Retirement by rotation
4.	Mr. Keki M. Elavia	1,72,000	Retirement by rotation
5.	Mr. Soiru V. Dempo	1,55,000	Retirement by rotation
6.	Dr. A. B. Prasad	1,37,000	Retirement by rotation
7.	Mr. Raman Madhok	1,64,000	Retirement by rotation
	TOTAL	**8,64,000**	

* Sitting fees include payments for Board appointed committee meetings.
°Ceased to be Director during the year under review.

Executive Director:

Name: Mr. Jagmohan J. Chhabra

Particulars	Amount (₹)
Salary & Allowances	96,30,000
Performance Bonus	10,48,751
Contribution to Provident Fund & Gratuity Fund	14,55,000
Monetary value of Perquisites	12,90,670
TOTAL	**1,34,24,421**

Period of appointment	3 years w.e.f. 01.04.2013
Notice Period	4 months
Severance Fees	Not specified

2.5 Board Procedures

The Company Secretary prepares the agenda and the explanatory notes in consultation with the Chairman of the Board of Directors and circulates the same in advance to the Directors to enable the Board to take informed decisions. The Board meets at least once every quarter inter alia to review the quarterly results. Additional meetings are held, when necessary. Presentations are made to the Board for complete update on projects / business.

3. Audit Committee

3.1 Details of the Composition of the Audit Committee, meetings and attendance of the members are as follows:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee comprises of 3 Independent, Non-Executive Directors namely Mr. Dara P. Mehta (Chairman), Mr. Keki M. Elavia and Mr. Raman Madhok. The Sr. General Manager (Finance), the Internal Auditor and the Statutory Auditors are permanent invitees to the Meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee. The Committee reviews various aspects of internal controls and the internal auditors' report. The requirements under Clause 49 of the Listing Agreement and as amended from time-to-time are also reviewed by the committee.

The Audit Committee has met four times during the financial year 2012-2013 on:

April 17, 2012, August 1, 2012, October 20, 2012 and January 11, 2013.

Details of meetings attended by the members (who are Independent Directors) of the Audit Committee during the financial year 2012-2013 are as follows:

Committee Members	Profession	Committee Meetings	
		Held	Attended
Mr. Dara P. Mehta Chairman	Solicitor	4	4
Mr. P. G. Kakodkar*	Banking Consultant	4	0
Mr. Keki M. Elavia	Chartered Accountant	4	4
Mr. Raman Madhok**	Corporate Consultant	4	1

*Ceased to be Director / Member of the Committee during the year under review.
** Inducted as Member of the Committee on October 22, 2012.

3.2 Terms of reference

The terms of reference of the Audit Committee broadly are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956

   b. Changes, if any, in accounting policies and practices and reasons for the same

   c. Major accounting entries involving estimates based on the exercise of judgment by management

   d. Significant adjustments made in the financial statements arising out of audit findings

   e. Compliance with listing and other legal requirements relating to financial statements

   f. Disclosure of any related party transactions

   g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.

8. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

9. Discussion with internal auditors on any significant findings and follow up thereon.

10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

4. Remuneration Committee

4.1 Details of the Composition of the Remuneration Committee and attendance of the members are as follows:

The Remuneration Committee of the Company comprises of 3 Directors all of whom are Non Executive Directors namely Mr. Keki M. Elavia (Chairman) Mr. Soiru V. Dempo and Mr. Raman Madhok.

The Remuneration Committee has met three times during the financial year 2012-2013 on:

April 16, 2012, June 22, 2012 and March 25, 2013.

The details of the Committee are given below:

Committee Members	Committee Meetings	
	Held	Attended
Mr. Keki M. Elavia Chairman	3	3
Mr. P. G. Kakodkar*	2	0
Mr. Soiru V. Dempo	3	2
Mr. Raman Madhok	3	3

* Ceased to be Director / Member of the Committee during the year under review.

4.2 Terms of reference

The Remuneration Committee has been constituted to recommend/review the remuneration package of Executive Directors and Senior Executives of the Company.

5. Share Transfer and Investors' Grievance Committee

5.1 Details of the Composition of the Share Transfer and Investors' Grievance Committee, meetings and attendance of the members are as follows:

The Share Transfer and Investors' Grievance Committee of the Company comprises of 3 Directors namely Mr. Raman Madhok, Mr. Soiru V. Dempo and Dr. A. B. Prasad.

The Committee met 23 times during the year 2012-13. The details are as follows:

Committee Members	Committee Meetings	
	Held	Attended
Mr. Raman Madhok* Chairman	4	4
Mr. P. G. Kakodkar**	23	0
Mr. Soiru V. Dempo	23	23
Dr. A. B. Prasad	23	19

*Inducted as Member and Chairman of the Committee on January 12, 2013.

** Ceased to be Director / Member of the Committee during the year under review.

5.2 Terms of reference

The Committee is empowered to consider and approve the physical transfer/ transmission/ transposition of shares, issue of new/duplicate share certificates and oversees and reviews all matters connected with securities transfer. The Committee also specifically looks into the redressal of shareholders' and investors' complaints/grievances pertaining to transfer of shares, non-receipt of dividend warrants etc.

5.3 Details of Shareholders' complaints

As per the report from the Registrar & Share Transfer Agents, 238 letters / complaints were received from the shareholders / investors during the financial year ended March 31, 2013. All letters/ complaints received were replied / resolved to the satisfaction of the shareholders and no letters / complaints remained unattended / pending as on March 31, 2013.

5.4 Compliance Officer

Name, Designation and address of Compliance Officer under Clause 47 of the Listing Agreement with the Stock Exchanges:

P. S. Mantri, *Company Secretary*
Goa Carbon Limited
Dempo House, Campal,
Panaji-Goa 403 001
Tel.: (0832) 2441354 Fax: (0832) 2427192
Email: legal@goacarbon.com

6. Project Review Committee

6.1 Details of the Composition of the Project Review Committee, meetings and attendance of the members are as follows:

Constituted to review new projects, the Committee comprises of 4 Directors namely Mr. Shrinivas V. Dempo, Mr. Keki M. Elavia, Mr. Raman M. Madhoka and Mr. Jagmohan J. Chhabra.

The Committee met 5 times during the year 2012-13. The details are as follows:

Committee Members	Committee Meetings	
	Held	Attended
Mr. Shrinivas V. Dempo Chairman	5	5
Mr. Keki M. Elavia	5	4
Mr. Raman Madhok	5	5
Mr. Jagmohan J. Chhabra	5	5

7. Resources Raising Committee

7.1 Details of the Composition of the Resources Raising Committee, meetings and attendance of the members are as follows:

Constituted to review the proposal of raising equity / preference capital, considering the Company's China Project as well as other projects in India, the Committee comprises of 4 Directors namely Mr. Shrinivas V. Dempo, Mr. Dara P. Mehta, Mr. Keki M. Elavia and Mr. Raman M. Madhok.

The Committee met once during the year 2012-13. The details are as follows:

Committee Members	Committee Meetings	
	Held	Attended
Mr. Shrinivas V. Dempo Chairman	1	1
Mr. Dara P. Mehta	1	1
Mr. Keki M. Elavia	1	1
Mr. Raman Madhok	1	1

8. General Meetings and Postal Ballot

8.1 Location, date & time of Annual General Meeting (AGM) for the last 3 years are as under:

Year	Location	Date & Time
2010 - 42nd AGM	Dempo House, Campal, Panaji-Goa 403 001	August 7, 2010 at 10.00 a.m.
2011 - 43rd AGM	Dempo House, Campal, Panaji-Goa 403 001	August 20, 2011 at 10.30 a.m.
2012 - 44th AGM	Dempo House, Campal, Panaji-Goa 403 001	August 2, 2012 at 10.30 a.m.

All resolutions moved at the last AGM were passed by a show of hands by the requisite majority of members attending the meeting.

The following is the special resolution passed at the AGM:

AGM held on	Special Resolution passed	Summary
August 7, 2010	Yes	Appointment and payment of remuneration to Mr.Jagmohan J. Chhabra as a Whole-time Director with designation "Executive Director" of the Company with effect from April 1, 2010 for a period of 3 years, subject to the approval of the Central Government.
August 20, 2011	Yes	Revision in remuneration payable to Mr. Jagmohan J. Chhabra, Executive Director of the Company with effect from April 1, 2011 for the remaining period of his term in office.
August 2, 2012	No	N.A.

8.2 Postal Ballot

For the year ended March 31, 2013, there has been no ordinary or special resolution passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

9. Disclosures

9.1 Materially significant related party transactions

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no transactions between the Company and the Promoters, Directors or Management, their subsidiaries or relatives, etc. that had a potential conflict with the interests of the Company at large. The Register of Contracts containing transactions in which directors are interested is placed before the Board regularly.

9.2 Statutory Compliance, Penalties and Strictures

There were no instances of non-compliance or penalties, strictures imposed on the Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets, during the last three years.

9.3 Listing Agreement compliance

Pursuant to sub-clause VII (2) of Clause 49, the Company confirms that it has complied with all mandatory requirements prescribed in Clause 49 of the Listing Agreement.

9.4 Code of Conduct:

The Company has formulated a Code of Conduct for the Board Members and Senior Management of the Company which is posted on the Company's website www.goacarbon.com. Requisite annual affirmations of compliance with the code have been made by the Directors and Senior Management of the Company.

The declaration of the Executive Director is given below:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, I, Jagmohan J. Chhabra, Executive Director of Goa Carbon Limited, declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct during the financial year ended March 31, 2013.

Jagmohan J. Chhabra
Executive Director

Panaji, Goa.
April 8, 2013

9.5 CEO/CFO Certification

The CEO and CFO Certification of the financial statements for the year, is enclosed at the end of the report.

9.6 Corporate Social Responsibility (CSR)

During the year under review your Company has continued its efforts to contribute towards various CSR initiatives namely –

- Efforts to minimize its harm to the environment through the use of energy efficient devices at the plants.
- Corporate sponsorship of a promising Goa State Chess player

- Financial Assistance to Matruchaya Trust for the year 2012-13.
- Providing the services of a medical doctor for the locals residing around the Company's Goa Plant.
- Donation to Sri Gomantak Tirupathi Balaji Sausthan.
- Donation to Shri Bhumika Shikshan Sausthan
- Donation to MahaGujarat Medical Society for setting up Comprehensive Cancer Diognostic and Therapeutic Hospital.
- Donation to various Educational Institutes.
- Donation / Sponsorship to various clubs for conduct of sports and cultural activities.

During the year 2012-13, your Company has spent ₹30.58 lakhs on CSR activities against ₹21.17 lakhs during the previous year.

10 Means of Communication

The quarterly unaudited financial results were published in the Financial Express / Economic Times / Navhind Times (English Dailies) and Navprabha (Marathi Daily). The results were also displayed on the Company's web-site at www.goacarbon.com. The shareholders can access the Company's web-site for financial information, shareholding information etc.

No presentations have been made to institutional investors/analysts during the financial year.

The Management Discussion & Analysis Report is provided separately as a part of this Annual Report.

11 General Shareholder Information:

11.1 Annual General Meeting

Date and Time : Saturday, the 6th July, 2013 at 11.00 a.m.

Venue : Dempo House, Campal, Panaji-Goa 403 001

11.2 Financial Year Calendar (2013-2014)

(Tentative and subject to change)

Results for quarter ending June 30, 2013	By August 15, 2013
Results for quarter ending September 30, 2013	By November 15, 2013
Results for quarter ending December 31, 2013	By February 15, 2014
Results for quarter ending March 31, 2014	By May 15, 2014
Annual General Meeting for the year ending March 31, 2014	By September, 2014

11.3 Book Closure Date

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from Thursday, the 27th June, 2013 to Saturday, the 6th July, 2013 (both days inclusive), to determine the entitlement of shareholders to receive dividend for the year ended March 31, 2013.

11.4 Dividend Payment Date

The dividend on equity shares, if declared at the Annual General Meeting to be held on 6th July, 2013, will be credited / despatched on 20th July, 2013 to those members whose names appear on the Company's Register of Members and to the beneficial owners whose particulars are furnished by the depositories as on 26th June, 2013.

11.5 Listing of Equity Shares

The Company's shares are listed on two stock exchanges viz., Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE)

11.6 Stock Codes

Name of Stock Exchange	Scrip Code
Bombay Stock Exchange Ltd.	509567
National Stock Exchange of India Ltd.	GOACARBON

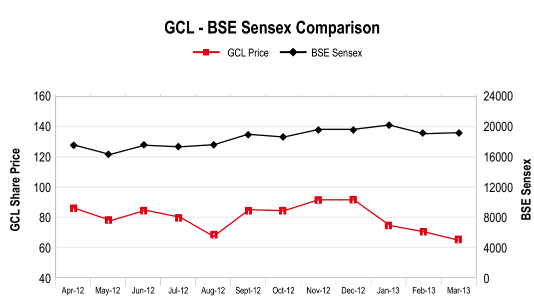
Demat ISIN Number in NSDL & CDSL
INE426D01013

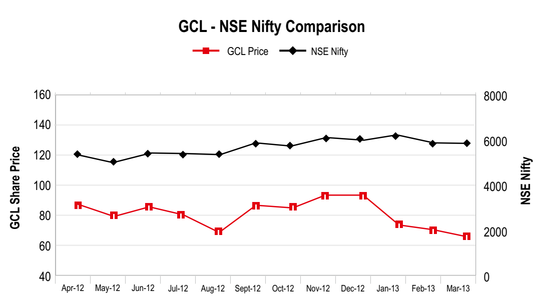
11.7 Market Price Data (In ₹)

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High	Low	Volume	High	Low	Volume
April 2012	94.60	76.05	493544	97.75	76.05	922287
May 2012	87.75	75.50	32712	88.00	77.60	44628
June 2012	86.80	78.70	22477	87.95	75.00	51348
July 2012	116.40	75.10	1922351	116.40	76.00	4321469
August 2012	85.90	69.00	177725	85.95	69.00	344181
September 2012	98.80	69.90	1025582	99.35	69.20	2225609
October 2012	94.00	80.15	398855	94.85	78.00	773559
November 2012	101.80	84.00	1168746	102.95	84.60	2318757
December 2012	95.90	85.00	240266	95.25	87.15	385554
January 2013	97.00	75.10	226844	97.30	75.00	408072
February 2013	87.25	71.65	370283	87.40	68.10	637033
March 2013	78.80	66.55	83891	79.95	63.10	172450

(Source: The information is compiled from the data available on the BSE and NSE websites)

11.8 Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty





11.9 Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai 400 078
Ph.: (022) 25946970
Fax: (022) 2594 6969
Email: rnt.helpdesk@linkintime.co.in

11.10 Share Transfer System

Share Transfers in physical form can be lodged with the Company's Registrar and Share Transfer Agents. The Company in order to improve the quality of services to investors, process share transfer requests within the stipulated time and for reasons of convenience, has given powers to its Registrar and Share Transfer Agents to approve and effect the transmission/transfer/transposition of shares and give effect to dematerialization requests. Shares held in dematerialized form are traded electronically in the Depositories. As at March 31, 2013 no equity shares were pending for transfer.

As per the requirement of Clause 47 (c) of the Listing Agreement with the Stock Exchanges, the Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The Audit Reports for the financial year under report have been filed with the Stock Exchanges within one month of the end of each quarter.

11.11 Shares in Unclaimed Suspense Account

The shares remaining unclaimed were transferred to the Unclaimed Suspense Account in the name of "Goa Carbon Limited - Unclaimed Suspense Account" during the year and have since been dematerialised.

Following was the status of outstanding shares lying in the said account as on 31st March, 2013:

Particulars	Number of shareholders	Number of Equity shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1st April, 2012 / transferred to Account during the year ended 31st March, 2013	1321	31,654
Number of shareholders who approached the Company / RTA for transfer of shares from Unclaimed Suspense Account during the year ended 31st March, 2013	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31st March, 2013	-	-
Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31st March, 2013	1321	31,654

11.12 Distribution of Shareholding

Distribution Schedule as on March 31, 2013

No. of Shares	No. of Share-holders	% of Share-holders	No. of Shares	% to Total
Upto 500	15,035	93.59	15,10,392	16.51
501 to 1000	544	3.39	4,31,127	4.71
1001 to 2000	270	1.68	3,88,506	4.25
2001 to 3000	86	0.53	2,17,058	2.37
3001 to 4000	34	0.21	1,20,319	1.31
4001 to 5000	29	0.18	1,35,533	1.48
5001 to 10000	35	0.22	2,41,921	2.64
10001 and above	32	0.20	61,06,196	66.73
TOTAL	**16,065**	**100.00**	**91,51,052**	**100.00**

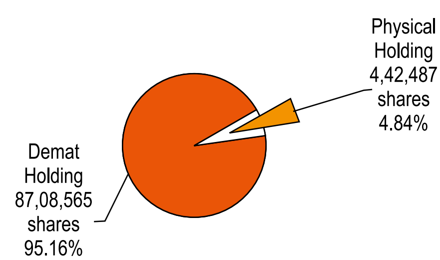
Distribution of Shareholding (Categorywise) as on March 31, 2013

Category	No. of Share-holders	No of Shares held	% of Share-Holding
Promoters, Directors, their relatives & Associates	6	54,90,440	60.00
Mutual Funds / UTI	1	550	0.01
Financial Institutions / Banks	11	3375	0.04
Bodies Corporate	285	3,13,427	3.42
Non-Resident Indians (NRI's)	87	39,538	0.43
Resident Individuals / Trusts	15,581	32,42,521	35.43
Clearing Members	94	61,201	0.67
TOTAL	**16,065**	**91,51,052**	**100.00**

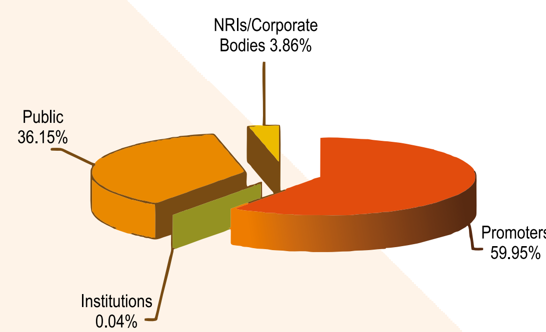
11.13 Dematerialisation of shares and liquidity

As on March 31, 2013, 95.16% of the Company's paid-up capital representing 87,08,565 shares were held in dematerialized form as compared to 94.67% of the Company's paid-up capital representing 86,63,593 shares as on March 31, 2012.

Shares held in Demat / Physical form as at March 31, 2013



Shareholding Pattern as on March 31, 2013



11.14 Outstanding GCRs/ADRs/Warrants or any Convertible instruments

- Nil -

11.15 Plant Locations

Goa Plant

St. Jose de Areal, Salcete, Goa 403 709

Bilaspur Plant
34-40, Sector B, Sirgitti Industrial Area,
Bilaspur 495 004, Chattisgarh State

Paradeep Plant
Vill. Udayabata, P.O. Paradeepgarh,
Dist. Jagatsinghpur, Orissa 754 142

11.16 Address of subsidiary / Stepdown subsidiary

Subsidiary
GCL Global Resources SGP Pte Ltd.
133 Cecil Street #16-01,
Keck Seng Tower,
Singapore 069535

Stepdown Subsidiary
Goa Carbon (Cangzhou) Company Ltd.
East of Tang Liu Road, North of Huangong Road No.1, East District Cangzhou Costal Port Economic and Technological Development Zone, Cangzhou City, Hebei Province, The People's Republic of China

11.17 Address for correspondence

Investor correspondence for transfer / dematerialisation of shares and any other query relating to the shares of the Company should be addressed to -

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai
400078
Ph.: (022) 25946970
Fax: (022) 2594 6969
Email: rnt.helpdesk@linkintime.co.in

Investor correspondence / queries relating to payment / revalidation of dividend on shares should be addressed to -

Secretarial Department,
Goa Carbon Limited
Dempo House, Campal,
Panaji-Goa 403 001
Tel.: (0832) 2441458 Fax: (0832) 2427192
Email: legal@goacarbon.com

Investor complaints, if any, may be addressed to -

P. S. Mantri
Goa Carbon Limited
Dempo House, Campal,
Panaji-Goa 403 001
Tel.: (0832) 2441354 Fax: (0832) 2427192
Email: investorrelations@goacarbon.com

11.18 Status of compliance with Non Mandatory requirements

Clause 49 of the Listing Agreement also requires disclosures of adoption by the Company of non-mandatory requirements specified in the said clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements is given below:-

i) **The Board:**

An office with required facilities for the non-executive Chairman is not provided and maintained by the Company.

No policy has been fixed on the tenure of Independent Directors.

ii) **Remuneration Committee:**

For Remuneration Committee, please refer to Para 4 of this report.

iii) **Shareholders Rights:**

The half yearly financial results are not sent to the shareholders as the same are posted on the web-site of the Company

iv) **Audit Qualifications:**

During the year under review, there were no audit qualifications in the financial statements.

v) **Training of Board Members:**

Not yet adopted by the Company.

vi) **Mechanism for evaluating non-executive Board Members:**

Not yet adopted by the Company.

vii) **Whistle Blower Policy:**

The Company does not have any Whistle Blower Policy. However any employee, if he / she so desires, would have free access to meet Senior Level Management and report any matter of concern.

viii) **MCA voluntary guidelines:**

The Company is in substantial compliance with the voluntary guidelines and it will always be the Company's endeavour to attain the best practices in corporate governance.

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of Goa Carbon Limited,

We have examined the compliance of conditions of Corporate Governance by Goa Carbon Limited ("the Company"), for the year ended on 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the state of affairs of the Company.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm Registration no. 008072S)

B. Ramaratnam
Partner
(Membership no. 21209)

Panaji, Goa, April 8, 2013

CEO & CFO CERTIFICATION UNDER CLAUSE 49(V) OF THE LISTING AGREEMENT

We, Jagmohan J. Chhabra, *Executive Director* and K. Balaraman, *Sr. General Manager (Finance)* of Goa Carbon Limited, ("company") hereby certify that:-

(a) We have reviewed the financial statements and the cash flow statement of the company for the financial year ended March 31, 2013 and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the period, which are fraudulent, illegal or violative of the company's code of conduct

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee

  (i) Significant changes, if any, in internal control over financial reporting during the year;

  (ii) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

  (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager (Finance)

Place: Panaji, Goa.

Date: April 8, 2013.

STANDALONE FINANCIAL STATEMENTS INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GOA CARBON LIMITED

1. Report on the Financial Statements

   We have audited the accompanying financial statements of **GOA CARBON LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

   The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

   Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

   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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

i. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

ii. As required by Section 227(3) of the Act, we report that:

(a) We have 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 and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 008072S)

B. Ramaratnam
Partner
Membership No.21209

Panaji, Goa.
April 8, 2013

Annexure to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) Having regard to the nature of the Company's business/activities/result, clauses vi, x, xi, xii, xiii, xiv, xv, xvi, xviii, xix and xx of CARO are not applicable.

(ii) In respect of Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of Company's inventories:

(a) The inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) (a) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.

(b) In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

The Company has taken an unsecured loan amounting to ₹1,050 lacs from one party covered in the register maintained under section 301 of the Companies Act, 1956. The outstanding balance of such loan at the year end and the maximum amount involved during the year amounted to ₹1,050 lacs.

In our opinion the rate of interest and other terms and conditions of the said loan are not, *prima facie,* prejudicial to the interest of the Company.

The loan is repayable on demand and as no call was made during the year, the question of repayment of the principal amount as per stipulations does not arise. The interest payment on the loan will be made as and when demanded.

(v) In our opinion and according to the information and explanations given to us, and having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(a) the particulars of contracts or arrangements referred to in the said Section 301 that needed to be entered in the Register maintained under the said Section have been so entered; and

(b) where each of such transaction is in excess of ₹5 lacs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

(vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) According to the information and explanations given to us in respect of statutory and other dues:

(a) The Company has been regular in depositing undisputed dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Excise duty, Cess, Custom's duty, Central Sales tax, State Value Added tax, Service tax, Income-tax, Wealth tax, and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed statutory dues payable in respect of Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Excise duty, Cess, Custom's duty, Central Sales tax, State Value Added tax, Service tax, Income-tax, Wealth tax, and other material statutory dues applicable to it were in arrears as at 31st March 2013 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of Income-tax, Central Sales Tax, State Value Added Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2013, on account of any dispute except for the following:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)
The Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal	2005-06	90.09
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals), Panaji	AY 1994-95	37.58
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals), Panaji	AY 2009-10	498.25
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals), Panaji	AY 2010-11	41.57

(x) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.

(xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 008072S)

B. Ramaratnam
Partner
Membership No.21209

Panaji, Goa.
April 8, 2013

BALANCE SHEET
AS AT 31ST MARCH 2013

₹ in lacs

	Note	As on 31st March 2013	As on 31st March 2012
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share capital	3	**915.11**	915.11
Reserves and surplus	4	**7,521.40**	6,996.02
		8,436.51	7,911.13
NON-CURRENT LIABILITIES			
Deferred tax liabilities (net)	5	**365.49**	382.23
		365.49	382.23
CURRENT LIABILITIES			
Short term borrowings	6	**13,313.57**	16,492.42
Trade payables	7	**684.76**	878.96
Other current liabilities	8	**679.06**	672.26
Short term provisions	9	**325.55**	482.56
		15,002.94	18,526.20
		23,804.94	26,819.56
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	10		
Tangible assets		**2,148.06**	2,322.53
Intangible assets		**-**	0.06
Capital work in progress		**-**	8.58
Non-current investments	11	**1,401.04**	4.10
Long-term loans and advances	12	**349.64**	347.45
Other non-current assets	13	**2,145.47**	420.00
		6,044.21	3,102.72
CURRENT ASSETS			
Inventories	14	**7,427.97**	13,694.51
Trade receivables	15	**876.97**	2,812.60
Cash and cash equivalents	16	**7,611.76**	4,167.71
Short term loans and advances	17	**1,702.46**	1,255.87
Other current assets	18	**141.57**	1,786.15
		17,760.73	23,716.84
		23,804.94	26,819.56
See accompanying notes forming part of the financial statements.	1 - 41		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

₹ in lacs

	Note	**Year ended 31st March 2013**	Year ended 31st March 2012
REVENUE FROM OPERATIONS			
Revenue from sale of products			
Sale of calcined petroleum coke		**33,049.48**	37,141.13
Less: Excise duty		**3,502.47**	2,757.49
Net sales		**29,547.01**	34,383.64
Other operating revenue	19	**12.51**	20.75
Other income	20	**645.82**	604.27
		30,205.34	35,008.66
EXPENSES			
Cost of materials consumed	21	**22,507.23**	26,950.43
Changes in inventories of finished goods	22	**1,301.75**	377.20
Employee benefit expenses	23	**1,441.24**	1,313.87
Finance costs	24	**501.29**	745.07
Depreciation and amortisation expense		**224.04**	239.18
Other expenses	25	**3,013.44**	3,816.81
		28,988.99	33,442.56
Profit before tax		**1,216.35**	1,566.10
Less: Provision for tax			
Current		**443.00**	525.00
Prior year		**(1.18)**	(1.84)
Deferred		**(16.74)**	(5.81)
		425.08	517.35
Profit for the year		**791.27**	1,048.75
Earnings per equity share of ₹10/- each (Basic and diluted) (₹)	37	**8.65**	11.46
See accompanying notes forming part of the financial statements.	1 - 41		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

₹ in lacs

		Year ended 31 March 2013		Year ended 31 March 2012	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		**1,216.35**		1,566.10
	Adjustments for :				
	Depreciation and amortisation expense	**224.04**		239.18	
	Finance costs	**501.29**		745.07	
	Loss on assets sold / scrapped	**7.64**		3.49	
	Bad debts written off	**5.63**		9.73	
	Interest income	**(641.05)**		(531.43)	
	Sundry credit balances written back	**(1.38)**		(0.28)	
	Profit on sale of assets	**(1.16)**		(0.37)	
	Unrealised exchange loss/(gain)-(net)	**(87.98)**		(37.65)	
	Dividend income	**(2.23)**		(1.89)	
			4.80		425.85
	Operating Profit before working capital changes		**1,221.15**		1,991.95
	Changes in working capital				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	**6,266.54**		(2,480.93)	
	Trade receivables	**1,930.00**		(1,325.33)	
	Short term loans and advances	**(446.59)**		837.16	
	Other current assets	**1,668.63**		75.61	
	Long term loans and advances	**0.30**		0.58	
	Other non-current assets	**(1,725.47)**		(420.00)	
	Adjustments for increase / (decrease) in operating liabilities:				
	Long term provisions	**-**		(101.06)	
	Trade payables	**(141.12)**		(455.86)	
	Other current liabilities	**(42.36)**		4.55	
	Short term provisions	**5.12**		17.40	
			7,515.05		(3,847.88)
	Cash flow from operations		**8,736.20**		(1,855.93)
	Direct taxes (net)		**(458.42)**		(454.60)
	Net cash (used in)/from operating activities		**8,277.78**		(2,310.53)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on fixed assets including capital advances		**(53.65)**		(48.10)
	Investments in a subsidiary		**(1,396.94)**		-
	Proceeds from sale of fixed assets		**3.75**		2.06
	Margin money and bank deposits placed / (realised)		**(1,061.80)**		1,036.64
	Interest received		**609.85**		473.87
	Dividend received		**2.23**		1.89
	Net cash (used in)/from investing activities		**(1,896.56)**		1,466.36

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013 (CONTD.)

₹ in lacs

			Year ended 31 March 2013		Year ended 31 March 2012
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of short term borrowings from Banks (Net)		**(4,192.63)**		(187.70)
	Proceeds / (Repayment) from / of short term borrowings from the holding company		**1,050.00**		(400.00)
	Finance costs		**(445.28)**		(719.73)
	Dividends paid		**(358.89)**		(359.91)
	Tax on dividend paid		**(59.38)**		(59.38)
	Net cash (used in) from financing activities		**(4,006.18)**		(1,726.72)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		**2,375.04**		(2,570.89)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**739.18**		3,309.44
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		**0.06**		0.63
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**3,114.28**		739.18
	Reconciliation of Cash and cash equivalents with the Balance Sheet:				
	Cash and cash equivalents as per Balance Sheet (Refer Note 16)		**7,611.76**		4,167.71
	Less: Bank balances not considered as Cash and cash equivalents				
	Unpaid dividend account		**(35.68)**		(28.53)
	Deposits more than 3 months		**(2,500.00)**		-
	Margin money deposits		**(1,961.80)**		(3,400.00)
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR *		**3,114.28**		739.18
	* Comprises				
	Cash on hand		**2.68**		4.49
	Cheques and drafts on hand		**10.00**		-
	Balances with banks				
	In current accounts		**251.60**		34.69
	In deposit account with original maturity less than 3 months		**2,850.00**		700.00
	See accompanying notes forming part of the financial statements.	**1 - 41**			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

1 Corporate information

The Company is in the business of manufacture and sale of Calcined Petroleum Coke in its manufacturing facilities at Goa, Paradeep and Bilaspur.

2 Significant accounting policies

a Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and estimates are recognized in the periods in which the results are known / materialized.

c Inventories

Inventories are valued at the lower of cost (net of cenvat where applicable) and the net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In respect of raw materials, cost is determined on specific identification method, while cost of stores and spares is determined on First-in First-out basis.

Finished goods include all direct costs, apportionment of production overheads and excise duty.

d Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e Fixed assets (Tangible / Intangible)

Fixed assets are stated at historical cost (net of CENVAT wherever applicable) less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use.

Capital work-in-progress:

Projects under which assets are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

f Depreciation and amortisation

Depreciation is provided on the straight line method as per the rates specified in Schedule XIV of the Companies Act 1956 except in respect of the following categories of assets, in whose case the life of the asset has been assessed as under:

Computers and printers - 3 years

Mobile phones - One year.

Leasehold land is amortised over the period of the lease. Cost of plot development on leasehold land is amortised over the estimated period of utility.

Assets costing less than ₹5,000 each are fully depreciated in the year of acquisition. Depreciation on additions and deletions during the year are charged on pro- rata basis.

Intangible assets are amortised over their estimated useful life on straight line basis.

g Revenue recognition

Revenue from sale of goods, net of trade discounts and sales returns, is recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods as per the terms of contracts. Sales include excise duty but exclude sales tax and value added tax.

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

h Foreign currency transactions

Foreign currency transactions entered into by the Company are accounted at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities outstanding at the balance sheet date are restated at the year end rates. Exchange differences arising on settlements/restatements are charged to the Statement of Profit and Loss.

Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

Premium or discount arising at the inception of forward exchange contracts are amortised over the period of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rate changes.

i Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

j Employee Benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under: (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; & (b) in case of non-accumulating compensated absences, when the absences occur.

Long term employee benefits

i) Defined contribution plans

Superannuation:

Fixed contributions to the superannuation fund, which is administered by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, are charged to the Statement of Profit and Loss.

Provident Fund:

In respect of Paradeep and Bilaspur Units, the Company contributes to a government administered provident/pension fund. The fixed contributions to these funds are charged to the Statement of Profit and Loss.

ii) Defined benefit plans

Gratuity:

The Company offers its employees defined benefit plans in the form of gratuity scheme. The gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment. The plan covers all employees as statutorily required under Payment of Gratuity Act 1972. The Company contributes funds to Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, which is irrevocable. Commitments are actuarially determined at the year end. The actuarial valuation is done based on the “Projected Unit Credit” method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss under the head “Contribution to Provident and other Funds”.

Provident Fund:

In respect of Goa unit, contributions are made to the Company’s Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The interest rate guarantee is actuarially determined and the shortfall if any is charged to Statement of Profit and Loss.

iii) Compensated absences

The employees of the Company are entitled to encashment of unavailed leave. The employees can carry forward a portion of the unutilized leave and receive cash compensation at retirement or termination of employment. The Company contributes fund to Life Insurance Corporation of India, which is irrevocable. The Company records an obligation for encashment of unavailed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date carried out by an independent actuary less the fair value of the plan assets. Actuarial gain or loss is recognized in the Statement of Profit and Loss.

k Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

l Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

m Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences arising between the taxable income and accounting income computed using the tax rates and the tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised and reviewed for the appropriateness of their carrying values at each balance sheet date.

n Impairment of assets

The carrying values of assets/cash generating units are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

o Provision, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent liability is disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) 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. Contingent assets are neither recognized nor disclosed in the financial statements.

p Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Palletization of Jumbo bags in G-2 Godown for Export shipment

		As at 31 March 2013		As at 31 March 2012	
		Number of shares	₹ in lacs	Number of shares	₹ in lacs
3	**SHARE CAPITAL**				
	Authorised:				
	Equity shares of ₹ 10/- each with voting rights	**22,000,000**	**2,200.00**	22,000,000	2,200.00
	Preference shares of ₹ 100/- each	**300,000**	**300.00**	300,000	300.00
			2,500.00		2,500.00
	Issued, subscribed and fully paid up:				
	Equity shares of ₹ 10/- each with voting rights	**9,151,052**	**915.11**	9,151,052	915.11
			915.11		915.11
	There has been no movement in equity shares outstanding at the beginning and at the end of the year				
	The Company has only one class of equity shares having a par value of ₹10/-. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting. The amount of dividend proposed to be distributed to equity shareholders is ₹ 228.78 lacs (Previous year ₹366.04 lacs) and the related amount per equity share is ₹2.50 (Previous year ₹4). Repayment of capital will be in proportion to the number of equity shares held.				
	Details of equity shares with voting rights held by each shareholder holding more than 5% shares		**% held**		% held
	V.S. Dempo Holdings Private Limited, the holding company	**5,069,040**	**55.40**	5,069,040	55.40

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
4	**RESERVES AND SURPLUS**				
	Securities premium account		**3,131.01**		3,131.01
	Amalgamation reserve		**475.38**		475.38
	General reserve				
	Opening balance	**1,700.05**		1,595.05	
	Add: Transferred from Statement of Profit and Loss	**80.00**		105.00	
	Closing balance		**1,780.05**		1,700.05
	Surplus in Statement of Profit and Loss				
	Opening balance	**1,689.58**		1171.25	
	Add: Profit for the year	**791.27**		1048.75	
		2,480.85		2220.00	
	Less: Proposed dividend	**228.78**		366.04	
	Tax on proposed dividend	**37.11**		59.38	
	Transfer to general reserve	**80.00**		105.00	
	Closing balance		**2,134.96**		1,689.58
			7,521.40		6,996.02

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
5.	**DEFERRED TAX LIABILITIES (NET)**				
	Deferred tax liability arising on account of:				
	Depreciation		**394.39**		408.27
	Deferred tax asset arising on account of:				
	Provision for doubtful debts	**10.03**		9.57	
	Provision for employee benefits	**18.87**		16.47	
			28.90		26.04
			365.49		382.23
6.	**SHORT TERM BORROWINGS**				
	From banks (secured)				
	Loans repayable on demand				
	Cash credit		**198.92**		1,738.16
	Other loans				
	Loan against fixed deposits	**400.00**		-	-
	Buyers credit	**11,664.65**		14,754.26	
			12,064.65		14,754.26
			12,263.57		16,492.42
	The cash credit and buyers credit facilities are secured by first and equitable mortgage on pari-passu basis of all immovable properties and by hypothecation of all movable fixed assets, inventories, book debts and other receivables of the Company.				
	Loan from related parties repayable on demand (unsecured) (Refer Note 36 (ii)(j))				
	V. S. Dempo Holdings Private Limited, the holding company		**1,050.00**		-
			13,313.57		16,492.42
7.	**TRADE PAYABLES**				
	Trade payables (other than acceptances)		**684.76**		878.96
			684.76		878.96
8.	**OTHER CURRENT LIABILITIES**				
	Interest accrued but not due on borrowings		**58.35**		53.13
	Interest accrued and due on borrowings		**36.79**		-
	Unclaimed dividends (Refer note 39)		**35.68**		28.53
	Other payables:				
	Statutory remittances	**522.58**		565.54	
	Advances from customers	**16.46**		16.01	
	Employee recoveries	**3.65**		4.15	
	Trade and security deposits received	**5.55**		4.90	
			548.24		590.60
			679.06		672.26
9.	**SHORT-TERM PROVISIONS**				
	Employee benefits		**49.49**		44.37
	Provision for tax (net of advance tax)		**10.17**		12.77
	Proposed dividend		**228.78**		366.04
	Tax on proposed dividend		**37.11**		59.38
			325.55		482.56

₹ in lacs

10 FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 01.04.2012	Additions	Deductions	As at 31.03.2013	As at 01.04.2012	For the year	Deductions	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets										
Land (Freehold)	13.58	-	-	13.58	-	-	-	-	13.58	13.58
	13.58	*-*	*-*	*13.58*	*-*	*-*	*-*	*-*	*13.58*	*13.58*
Land (Leasehold)	100.83	-	-	100.83	17.88	1.25	-	19.13	81.70	82.95
	100.83	*-*	*-*	*100.83*	*16.64*	*1.24*	*-*	*17.88*	*82.95*	*84.19*
Plot Development on leasehold land	101.95	-	-	101.95	75.01	10.29	-	85.30	16.65	26.94
	101.95	*-*	*-*	*101.95*	*64.69*	*10.32*	*-*	*75.01*	*26.94*	*37.26*
Buildings	1,405.09	-	-	1,405.09	627.97	37.55	-	665.52	739.57	777.12
	1,405.09	*-*	*-*	*1,405.09*	*590.42*	*37.55*	*-*	*627.97*	*777.12*	*814.67*
Plant & Equipment	3,325.31	39.93	29.90	3,335.34	2,018.70	153.45	23.49	2,148.66	1,186.68	1,306.61
	3,307.67	*17.64*	*-*	*3,325.31*	*1,863.52*	*155.18*	*-*	*2,018.70*	*1,306.61*	*1,444.15*
Furniture & Fixtures	82.59	2.13	-	84.72	72.76	3.36	-	76.12	8.60	9.83
	81.81	*0.78*	*-*	*82.59*	*68.33*	*4.43*	*-*	*72.76*	*9.83*	*13.48*
Office Equipments	105.09	10.60	0.58	115.11	83.15	7.13	0.39	89.89	25.22	21.94
	98.51	*10.12*	*3.54*	*105.09*	*78.32*	*7.15*	*2.32*	*83.15*	*21.94*	*20.19*
Vehicles	126.23	7.08	16.73	116.58	42.67	10.95	13.10	40.52	76.06	83.56
	118.50	*19.56*	*11.83*	*126.23*	*40.52*	*10.03*	*7.88*	*42.67*	*83.56*	*77.98*
	5,260.67	59.74	47.21	5,273.20	2,938.14	223.98	36.98	3,125.14	2,148.06	2,322.53
	5,227.94	*48.10*	*15.37*	*5,260.67*	*2,722.44*	*225.90*	*10.20*	*2,938.14*	*2,322.53*	*2,505.50*
Intangible Assets										
Technical Knowhow	30.21	-	-	30.21	30.21	-	-	30.21	-	-
	30.21	*-*	*-*	*30.21*	*30.21*	*-*	*-*	*30.21*	*-*	*-*
Computer Software	66.27	-	-	66.27	66.21	0.06	-	66.27	-	0.06
	66.27	*-*	*-*	*66.27*	*52.93*	*13.28*	*-*	*66.21*	*0.06*	*13.34*
	96.48	-	-	96.48	96.42	0.06	-	96.48	-	0.06
	96.48	*-*	*-*	*96.48*	*83.14*	*13.28*	*-*	*96.42*	*0.06*	*13.34*
Total	**5,357.15**	**59.74**	**47.21**	**5,369.68**	**3,034.56**	**224.04**	**36.98**	**3,221.62**	**2,148.06**	**2,322.59**
Total	*5,324.42*	*48.10*	*15.37*	*5,357.15*	*2,805.58*	*239.18*	*10.20*	*3,034.56*	*2,322.59*	*2,518.84*

Figures in italics represent previous year figures.

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
11.	**NON-CURRENT INVESTMENTS**				
	Long term investments (at cost)				
	Investments in equity instruments				
	Quoted (Non Trade):				
	13,500 (Previous year: 13,500) fully paid up equity shares of ₹ 10/- each in ICICI Bank Limited		**4.05**		4.05
	Unquoted (Trade):				
	In wholly owned subsidiary company:				
	2,550,000 (Previous year: 100) fully paid up equity shares of USD 1 each in GCL Global Resources SGP Pte. Limited, Singapore		**1,396.99**		0.05
			1,401.04		4.10
	Market value of quoted investment		**141.96**		119.78

12.	**LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)**				
	Capital advances		**328.81**		326.32
	Security deposits		**19.05**		18.99
	Prepaid expenses		**1.26**		-
	Loans to employees		**0.52**		2.14
			349.64		347.45

13.	**OTHER NON-CURRENT ASSETS**				
	Taxes paid in dispute (Refer Note 26(ii) and (iii))		**2,145.47**		420.00
			2,145.47		420.00

14.	**INVENTORIES (At lower of cost and net realisable value)**				
	Raw materials		**3,878.09**		7,305.23
	Raw materials in transit		**-**		1,520.70
	Finished goods		**3,366.85**		4,668.60
	Stores and spares		**183.03**		199.98
			7,427.97		13,694.51

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
15.	**TRADE RECEIVABLES**				
	(Unsecured)				
	Outstanding for a period exceeding six months from the date they were due for payment				
	Considered good	**-**		1.18	
	Doubtful	**29.50**		29.50	
			29.50		30.68
	Other trade receivables				
	Considered good		**876.97**		2,811.42
			906.47		2,842.10
	Less: Provision for doubtful trade receivables		**29.50**		29.50
			876.97		2,812.60

16.	**CASH AND CASH EQUIVALENTS**				
	Cash on hand		**2.68**		4.49
	Cheques and drafts on hand		**10.00**		-
	Balances with banks				
	In current accounts	**251.60**		34.69	
	In deposit accounts	**5,350.00**		700.00	
	Unpaid dividend accounts	**35.68**		28.53	
	Margin money deposits and security against borrowings (Refer note (i) below)	**1,961.80**		3,400.00	
			7,599.08		4,163.22
			7,611.76		4,167.71
	Of the above the balances that meet the definition of cash and cash equivalents as per cash flow statement is		**3,114.28**		739.18
(i)	Includes deposits with remaining maturity of more than 12 months from the Balance Sheet date		**0.50**		-

17.	**SHORT-TERM LOANS AND ADVANCES:**				
	(Unsecured considered good unless otherwise stated)				
	Loans and advances to related parties (Refer note 36(iii))				
	Subsidiaries	**91.77**		14.63	
	Others	**0.35**		-	
			92.12		14.63
	Security and tender deposits		**5.78**		7.63
	Loans and advances to employees		**8.38**		10.41
	Prepaid expenses		**42.95**		60.77
	Balances with government authorities				
	CENVAT credit receivables	**745.86**		858.01	
	VAT credit receivables	**27.28**		7.36	
	Service tax credit receivables	**146.65**		193.81	
			919.79		1,059.18
	Advances to suppliers		**633.44**		103.25
			1,702.46		1,255.87

18.	**OTHER CURRENT ASSETS**				
	Interest accrued on margin money and other bank deposits		**135.45**		104.25
	Unamortised premium on forward contracts		**6.12**		136.39
	Taxes paid in dispute (Refer Note 26(iii))		**-**		1,545.51
			141.57		1,786.15

₹ in lacs

		Year ended 31 March, 2013		Year ended 31 March, 2012	
19.	**OTHER OPERATING REVENUE**				
	Sale of scrap		**12.51**		20.75
			12.51		20.75

20.	**OTHER INCOME**				
	Interest income:				
	From banks deposits	**502.46**		462.80	
	On income tax refunds	**138.39**		68.05	
	Others	**0.20**		0.58	
			641.05		531.43
	Dividend from long-term investments		**2.23**		1.89
	Profit on sale of fixed assets		**1.16**		0.37
	Miscellaneous income		**1.38**		70.58
			645.82		604.27

21.	**COST OF MATERIALS CONSUMED**				
	Opening stock		**8,825.93**		5,973.37
	Add: Purchases		**17,559.39**		29,802.99
			26,385.32		35,776.36
	Less: Closing stock		**3,878.09**		8,825.93
			22,507.23		26,950.43

22.	**CHANGES IN INVENTORIES OF FINISHED GOODS**				
	Inventories of finished goods at the end of the year		**3,366.85**		4,668.60
	Inventories of finished goods at the beginning of the year		**4,668.60**		5,045.80
			1,301.75		377.20

23.	**EMPLOYEE BENEFIT EXPENSES**				
	Salaries, wages, bonus and allowances		**1,183.60**		1,049.99
	Contribution to provident and other funds		**112.44**		136.29
	Staff welfare expenses		**145.20**		127.59
			1,441.24		1,313.87

₹ in lacs

		Year ended 31 March, 2013		Year ended 31 March, 2012	
24.	**FINANCE COSTS**				
	Interest expense on:				
	Borrowings	**314.82**		499.23	
	Delayed payment of income tax	**13.50**		10.50	
	Others	**4.23**		13.73	
			332.55		523.46
	Other borrowing costs		**168.74**		221.61
			501.29		745.07

25.	**OTHER EXPENSES**				
	Fuel and power		**212.86**		255.81
	Excise duty on inventory differential (Refer Note 28)		**2.47**		(17.86)
	Repairs and maintenance				
	Buildings	**93.09**		79.91	
	Plant and machinery	**170.05**		127.90	
	Others	**31.98**		32.30	
			295.12		240.11
	Rent		**55.85**		64.46
	Rates and taxes		**5.42**		64.52
	Insurance		**42.17**		38.61
	Travelling expenses		**109.13**		133.78
	Selling and distribution expenses		**1,325.98**		1,486.42
	Bad debts written off		**5.63**		9.73
	Payments to auditors (net of service tax credit)				
	Audit fees	**10.00**		10.00	
	Taxation matters	**2.25**		2.25	
	Other services	**2.75**		2.75	
	Reimbursement of expenses	**1.19**		1.36	
			16.19		16.36
	Directors' sitting fees		**8.64**		6.09
	Loss on assets sold/scrapped		**7.64**		3.49
	Exchange loss on foreign currency transactions and translations		**375.13**		555.55
	Forward premium expenses		**261.31**		538.77
	Miscellaneous expenses (Refer Note 38)		**289.90**		420.97
			3,013.44		3,816.81

₹ in lacs

26	Contingent Liabilities : (Claims against the Company not acklowledged as debts)		As at 31 March 2013	As at 31 March 2012
	i)	Disallowance of Cenvat Credit and Educational Cess on purchase of raw materials	**90.19**	90.19
	ii)	Income tax demands under appeal.	**1,658.21**	1,396.69
	iii)	The Company's appeal to the High Court of Bombay at Goa against the order of the Income Tax Appellate Tribunal which had confirmed the disallowance of the deduction under section 80HHC of the Income Tax Act, 1961 for Assessment Years 1993-94 to 2004-05 was allowed by the High Court vide its order dated 21.10.2010. The disputed amount of tax and interest paid amounting to ₹963.68 lacs (after adjusting the refund of ₹454.66 lacs received) is included under Other Non Current Assets. The income tax department has filed a Special Leave petition before the Supreme Court praying for ex-parte stay of the aforementioned Order of the High Court. The petition is yet to be admitted.	**-**	-
	The above amounts are based on the notice of demand or the assessment orders or notification by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. No reimbursements are expected.			

₹ in lacs

27	Commitments:	As at 31 March 2013	As at 31 March 2012
	Export obligation in respect of imports under Advance Licence Scheme to be fulfilled within the next three years.	**5,839.38**	8,756.44
28	Excise duty on sales for the year has been disclosed as reduction from Revenue from operations. Excise duty relating to the difference between the closing stock and the opening stock of Finished goods has been included in Note - 25 "Other Expenses".		

29	Raw materials consumed	Year ended 31 March 2013		Year ended 31 March 2012	
		₹ in lacs	%	₹ in lacs	%
	Imported	**22,499.42**	**99.97**	26,357.97	97.80
	Indigenous	**7.81**	**0.03**	592.46	2.20
	Total	**22,507.23**	**100.00**	26,950.43	100.00

30	Value of stores & spare parts consumed for repair jobs	Year ended 31 March 2013		Year ended 31 March 2012	
		₹ in lacs	%	₹ in lacs	%
	Imported	**-**	**-**	-	-
	Indigenous	**130.59**	**100**	106.31	100

₹ in lacs

31		Year ended 31 March 2013	Year ended 31 March 2012
i)	Value of imports on CIF basis:		
	Raw materials	**16,151.73**	26,492.49
ii)	Earnings in foreign currency:		
	FOB value of exports	**5,205.38**	13,368.16
iii)	Expenditure in foreign currency:		
	Travelling	**6.55**	71.26
	Interest	**247.38**	409.69
	Analysis fee, subscriptions, professional fees etc.	**24.50**	22.46
32	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

33	**Derivative instruments:**							
	The Company enters into forward contracts which are not intended for trading or speculative purposes, but for hedging.							
a)	Forward Exchange Contracts outstanding at the year end:							
	As at 31 March 2013				As at 31 March 2012			
	Buy-Sell	**No. of Contracts**	**US Dollars**	**₹ in Lacs**	Buy-Sell	No. of Contracts	US Dollars	₹ in Lacs
	Buy	**6**	**2,186,831**	**1,189.29**	Buy	4	10,194,466	5,252.30

b)	The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:				
		As at 31 March 2013		As at 31 March 2012	
	Amount payable in foreign currency	**US Dollars**	**₹ in Lacs**	US Dollars	₹ in Lacs
	Buyers credit	**19,288,089**	**10,475.36**	18,675,226	9,501.96
	Trade payables	**291,906**	**158.53**	287,362	146.06
	Interest accrued but not due on borrowings	**107,063**	**58.15**	104,424	53.13
	Amount receivable in foreign currency				
	Trade receivables	**-**	**-**	134,050	68.19
	Advances to suppliers	**7,873**	**4.28**	8,237	3.99

34	Employee benefit plans		
a)	Defined benefit plans:		
i)	The following table sets out the status of the gratuity plan as required under AS-15 (Revised):		
			₹ in lacs

	Particulars	As at 31 March 2013	As at 31 March 2012
i)	Change in present value of obligation.		
	Defined benefit obligation at the beginning of the year	**314.83**	276.46
	Current service cost	**41.75**	38.46
	Interest cost	**25.52**	21.46
	Actuarial losses / (gains)	**(11.86)**	(5.16)
	Benefit paid	**(15.53)**	(16.39)
	Defined benefit obligation at the end of the year	**354.71**	314.83
ii)	Change in fair value of plan assets		
	Fair value of plan assets at the beginning of the year	**345.05**	276.50
	Expected return on plan assets	**26.98**	24.06
	Actuarial gain / (loss)	**5.20**	(4.12)
	Contributions	**-**	65.00
	Benefit paid	**(15.53)**	(16.39)
	Fair value of plan assets at the end of the year	**361.70**	345.05
iii)	Net assets / (liability) recognised in the Balance Sheet		
	Defined benefit obligation at the end of the year	**354.71**	314.83
	Fair value of the plan assets at the end of the year	**361.70**	345.05
	Excess of funding over obligation	**6.99**	30.22
iv)	Expenses recognised in the statement of profit and loss		
	Current service cost	**41.75**	38.46
	Interest cost	**25.52**	21.46
	Expected return on plan assets	**(26.98)**	(24.06)
	Net actuarial losses / (gains) recognised in the year	**(17.06)**	(1.04)
	Net cost recognised in the statement of profit and loss	**23.23**	34.82
v)	Return on plan assets		
	Expected return on plan assets	**26.98**	24.06
	Actuarial gain / (loss)	**5.20**	(4.12)
	Actual return on plan assets	**32.18**	19.94
	The plan assets of the company are managed by the Life Insurance Corporation of India and ICICI Prudential Life Insurance and the composition of the investment relating to these assets is not available with the Company		
vi)	Assumption		
	Rate of Mortality	**As per LIC Mortality rate (1994-96)**	
	Discount rate	**8.31%**	8.31%
	Expected salary increase rate	**7.00%**	7.00%
	Expected rate of return on plan assets	**8.00%**	8.00%
	Attrition rate	**3.00%**	3.00%
	The estimates of future salary increases considered in the acturial valuation, take into account inflation, seniority, promotions, increments and other related factors such as supply and demand in the employment market		

₹ in lacs

		2012-13	2011-12	2010-11	2009-10	2008-09
	Experience adjustment					
	Present value of obligation	**354.71**	314.83	276.46	242.34	172.58
	Fair value of plan assets	**361.70**	345.05	276.50	242.34	170.09
	Surplus/(deficit)	**6.99**	30.22	0.04	-	(2.49)
	Experience adjustment on plan liabilities	**11.86**	(1.70)	16.48	8.31	(19.93)
	Experience adjustment of plan assets	**5.20**	(4.12)	1.81	(3.41)	2.44

ii) The following table set out the status of the leave encashment plan as required under AS-15 (Revised).

				₹ in lacs
		Particulars	**As at 31 March 2013**	As at 31 March 2012
	i)	Change in present value of obligation		
		Defined benefit obligation at the beginning of the year	**98.62**	101.06
		Current service cost	**39.40**	35.50
		Interest cost	**8.10**	7.94
		Actuarial losses / (gains)	**(10.52)**	(42.37)
		Benefits paid	**(2.23)**	(3.51)
		Defined benefit obligation at the end of the year	**133.37**	98.62
	ii)	Change in fair value of plan assets		
		Fair value of plan assets at the beginning of the year	**98.62**	-
		Expected return on plan assets	**8.92**	-
		Actuarial gain/(loss)	**0.24**	-
		Contributions	**27.94**	102.13
		Benefit paid	**(2.23)**	(3.51)
		Fair value of plan assets at the end of the year	**133.49**	98.62
	iii)	Net (liability)/assets recognised in the Balance Sheet		
		Defined benefit obligation at the end of the year	**133.37**	98.62
		Fair value of the plan assets at the end of the year	**133.49**	98.62
		(Liability) /Assets recognised in the Balance Sheet	**0.12**	-
	iv)	Expenses recognised in the Statement of Profit and Loss		
		Current service cost	**39.40**	35.50
		Interest on obligation	**8.10**	7.94
		Expected return on plan assets	**(8.92)**	-
		Net actuarial losses / (gains) recognised in the year	**(10.76)**	(42.37)
		Net cost recognised in the statement of profit and loss	**27.82**	1.07
	v)	Assumption		
		Rate of Mortality	**As per LIC Mortality rate (1994-96)**	
		Discount rate	**8.31%**	8.31%
		Expected salary increase rate	**7.00%**	7.00%
		Expected rate of return on plan assets	**8.00%**	8.00%
		Attrition rate	**3.00%**	3.00%

iii)		Actuarial valuation relating to interest rate guarantee on exempt provident fund has resulted in an additional charge of ₹2.00 lacs during the year.
b)		Defined contribution plans:
		A sum of ₹33.09 lacs (Previous year ₹29.72 lacs) has been charged to the statement of profit and loss in respect of Company's contribution to superannuation fund and provident and pension fund for Paradeep and Bilaspur unit employees.

35	**Segment reporting:**
	The Company is engaged in manufacture and sale (both domestic and export) of Calcined Petroleum Coke which constitutes single business segment. As per management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly there are no other business / geographical segments to be reported under Accounting Standard (AS) 17.

36	**Disclosures in respect of Related Parties pursuant to Accounting Standard (AS) 18.**	
	i)	**List of related parties:**
		Names of the related parties and nature of relationship
	a	Holding Company:
		V. S. Dempo Holdings Pvt. Ltd
	b	Subsidiaries:
		GCL Global Resources SGP Pte Ltd, Singapore
		Goa Carbon (Cangzhou) Company Ltd, PRC
	c	Fellow Subsidiaries (with whom transactions have taken place during the year):
		Aparant Iron & Steel Pvt. Ltd.
		Dempo Sports Club Pvt. Ltd
		Dempo Industries Pvt. Ltd.
		Dempo Travels Pvt. Ltd.
		Marmagoa Shipping & Stevedoring Co. Pvt. Ltd.
	d	Individual who is able to exercise significant influence:
		Mr. Shrinivas V. Dempo (Chairman)
	e	Enterprises over which Mr Shrinivas V. Dempo is able to exercise significant influence:
		Dempo Cricket Club
		Dempo Charities Trust
		Devashri Nirman
		Motown Investments Pvt. Ltd.
		Vasantrao Dempo Education and Research Foundation
	f	Key Management Personnel:
		Mr Jagmohan J. Chhabra (Executive Director)

₹ in lacs

ii)	**Disclosure of transactions with Related Parties.**	**Year ended 31 March 2013**	Year ended 31 March 2012
a	Sale of goods		
	Aparant Iron & Steel Pvt. Ltd	**1.30**	12.76
b	Expenses incurred		
	Dempo Industries Pvt. Ltd.	**4.36**	4.19
	Dempo Travels Pvt. Ltd.	**58.50**	67.43
	Marmagoa Shipping & Stevedoring Co. Pvt. Ltd.	**84.98**	169.21
c	Rent paid		
	V. S. Dempo Holdings Pvt. Ltd	**22.90**	22.48
d	Reimbursement of expenses		
	V. S. Dempo Holdings Pvt. Ltd	**0.11**	-
e	Recovery of expenses		
	V. S. Dempo Holdings Pvt. Ltd	**4.65**	4.50
f	Interest on Inter Corporate Deposit		
	V. S. Dempo Holdings Pvt. Ltd	**40.87**	38.36
g	Advances given		
	GCL Global Resources SGP Pte Ltd, Singapore	**3.79**	5.25
	Goa Carbon (Cangzhou) Company Ltd, PRC	**91.77**	-
h	Advances repaid		
	GCL Global Resources SGP Pte Ltd, Singapore	**21.44**	-
i	Investments in Equity Shares		
	GCL Global Resources SGP Pte Ltd, Singapore	**1,396.94**	-
j	Loan taken		
	V. S. Dempo Holdings Pvt. Ltd	**1,050.00**	-
k	Loan repaid		
	V. S. Dempo Holdings Pvt. Ltd	**-**	400.00
l	Sponsorship		
	Dempo Cricket Club.	**10.00**	-
	Dempo Sports Club Pvt. Ltd	**1.10**	6.00
m	Donations		
	Dempo Charities Trust	**40.00**	40.00
n	Remuneration		
	Mr Jagmohan J. Chhabra (Executive Director)	**134.24**	105.68
iii)	**Outstanding (receivable)/payable as at year end.**		
	Dempo Travels Pvt. Ltd.	**(0.35)**	-
	Goa Carbon (Cangzhou) Company Ltd, PRC	**(91.77)**	-
	GCL Global Resources SGP Pte Ltd, Singapore	**-**	(14.63)
	V. S. Dempo Holdings Pvt. Ltd	**1,086.79**	-

37	**Earnings per share:**		**Year ended 31 March 2013**	Year ended 31 March 2012
	i)	Profit after tax as per the Statement of Profit and Loss (₹ in lacs)	**791.27**	1,048.75
	ii)	Number of equity shares	**9,151,052**	9,151,052
	iii)	Basic and diluted earnings per share of ₹10/- each (₹)	**8.65**	11.46

38	Miscellaneous expenses include donation aggregating ₹ 2.50 lacs (Previous year ₹ Nil) made to Bharatiya Janata Party, being contribution to a Political Party.
39	There are no amounts due and payable to Investor Education and Protection Fund.
40	The Company's wholly owned step down subsidiary company "Goa Carbon (Cangzhou) Company Limited" China (the "China Company") has obtained a business licence to set up a plant in Cangzhou, Hebei Province, the People's Republic of China, with an annual capacity to manufacture 3,00,000 MT of Calcined Petroleum Coke. The Company has remitted USD 2.55 million (₹1,396.99 lacs) to its wholly owned subsidiary "GCL Global Resources SGP Pte Limited" Singapore (the "Singapore Company") which is the holding company of the China Company. The Singapore Company has correspondingly subscribed 1,999,953 Equity Shares of USD 1 each to the authorised capital of the China Company which will be used for the purpose of setting up of the plant in China.
41	Previous year's figures have been regrouped wherever necessary, to conform with the current year's disclosures.

For and on behalf of the Board of Directors

Shrinivas V. Dempo	**Jagmohan J. Chhabra**	**K. Balaraman**	**P.S. Mantri**
Chairman	Executive Director	Sr. General Manager-Finance	Company Secretary

Panaji, Goa. 8th April, 2013

STATEMENT PURSUANT TO SECTION 212(3) OF THE COMPANIES ACT, 1956

Amount ₹ in lacs

Name of the Subsidiaries	Extent of interest in the Subsidiaries at the end of financial year of the Subsidiary			Net aggregate amount of the Profits/(Losses) so far as it concerns members of the Holding Company			
				Profits/(Losses) not dealt with in the Holding Company's Accounts		Profits dealt with or (Losses) provided for in the Holding Company's Accounts	
	Subsidiaries Financial year ended on	**No. of shares held (Equity) 1 USD each**	**% of total paid-up capital**	**For the current financial year**	**For the previous financial year**	**For the current financial year**	**For the previous financial year**
GCL Global Resources SGP Pte Limited, Singapore	31.03.2013	2,550,000	100%	(21.15)	(5.33)	Nil	Nil
Goa Carbon (Cangzhou) Company Limited, China	31.03.2013	1,999,953	100%	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Shrinivas V. Dempo	**Jagmohan J. Chhabra**	**K. Balaraman**	**P.S. Mantri**
Chairman	Executive Director	Sr. General Manager-Finance	Company Secretary

Panaji, Goa. 8th April, 2013

FINANCIAL SUMMARY OF THE SUBSIDIARIES OF THE COMPANY FOR THE YEAR ENDING 31ST MARCH 2013

(Statement persuant to exemption received under Section 212(8) of the Companies Act, 1956 relating to Subsidiary Companies)

Name of the Subsidiaries	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investments other than investments in Subsidiaries	Turnover	Profit before taxation	Provision for taxation	Dividend	Country
GCL Global Resources SGP Pte Limited, Singapore	SGD	43.698	3,140,956	(81,800)	3,070,926	11,770	-	-	(48,410)	-	-	Singapore
Goa Carbon (Cangzhou) Company Limited, China	RMB	8.735	12,482,907	-	13,712,643	1,229,736	-	-	-	-	-	China

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

Panaji, Goa. 8th April, 2013

CONSOLIDATED FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Goa Carbon Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **GOA CARBON LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

5. Other Matter

We did not audit the financial statements of the subsidiaries: GCL Global Resources SGP Pte Limited and Goa Carbon (Cangzhou) Company Limited, whose financial statements reflect total assets (net) of ₹1,518 lacs as at 31st March, 2013, total revenues of ₹ Nil and net cash flows amounting to ₹ 945 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 008072S)

B. Ramaratnam
Partner
Membership No.21209

Panaji, Goa. April 8, 2013

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2013

₹ in lacs

	Note	As on 31st March 2013	As on 31st March 2012
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share capital	3	**915.11**	915.11
Reserves and surplus	4	**7,485.06**	6,984.67
		8,400.17	7,899.78
NON-CURRENT LIABILITIES			
Deferred tax liabilities (net)	5	**365.49**	382.23
		365.49	382.23
CURRENT LIABILITIES			
Short term borrowings	6	**13,313.57**	16,492.42
Trade payables	7	**689.91**	880.37
Other current liabilities	8	**679.06**	672.26
Short term provisions	9	**325.55**	482.56
		15,008.09	18,527.61
		23,773.75	26,809.62
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	10		
Tangible assets		**2,148.06**	2,322.53
Intangible assets		**-**	0.06
Capital work in progress (Refer note 37)		**118.09**	8.58
Non-current investments	11	**4.05**	4.05
Long-term loans and advances	12	**720.12**	347.45
Other non-current assets	13	**2,145.47**	420.00
		5,135.79	3,102.67
CURRENT ASSETS			
Inventories	14	**7,427.97**	13,694.51
Trade receivables	15	**876.97**	2,812.60
Cash and cash equivalents	16	**8,556.90**	4,167.71
Short term loans and advances	17	**1,634.55**	1,245.98
Other current assets	18	**141.57**	1,786.15
		18,637.96	23,706.95
		23,773.75	26,809.62
See accompanying notes forming part of the consolidated financial statements.	1 - 38		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

₹ in lacs

	Note	**Year ended 31st March 2013**	Year ended 31st March 2012
REVENUE FROM OPERATIONS			
Revenue from sale of products			
Sale of calcined petroleum coke		**33,049.48**	37,141.13
Less: Excise duty		**3,502.47**	2,757.49
Net sales		**29,547.01**	34,383.64
Other operating revenue	19	**12.51**	20.75
Other income	20	**645.82**	604.27
		30,205.34	35,008.66
EXPENSES			
Cost of materials consumed	21	**22,507.23**	26,950.43
Changes in inventories of finished goods	22	**1,301.75**	377.20
Employee benefits expense	23	**1,441.24**	1,313.87
Finance costs	24	**502.57**	745.07
Depreciation and amortisation expense		**224.04**	239.18
Other expenses	25	**3,039.00**	3,820.22
		29,015.83	33,445.97
Profit before tax		**1,189.51**	1,562.69
Less: Provision for tax			
Current		**443.00**	525.00
Prior year		**(1.18)**	(1.84)
Deferred		**(16.74)**	(5.81)
		425.08	517.35
Profit for the year		**764.43**	1,045.34
Earnings per equity share of ₹ 10/- each (Basic and diluted) (₹)	34	**8.35**	11.42
See accompanying notes forming part of the consolidated financial statements.	1 - 38		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

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Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

₹ in lacs

		Year ended 31 March 2013		Year ended 31 March 2012	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		**1,189.51**		1,562.69
	Adjustments for:				
	Depreciation and amortisation expense	**224.04**		239.18	
	Finance costs	**502.57**		745.07	
	Loss on assets sold/scrapped	**7.64**		3.49	
	Bad debts written off	**5.63**		9.73	
	Interest income	**(641.05)**		(531.43)	
	Sundry credit balances written back	**(1.38)**		(0.28)	
	Profit on sale of assets	**(1.16)**		(0.37)	
	Unrealised exchange loss/(gain)-(net)	**(87.98)**		(39.09)	
	Dividend income	**(2.23)**		(1.89)	
			12.22		424.41
	Operating Profit before working capital changes		**1,201.73**		1,987.10
	Changes in working capital				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	**6,266.54**		(2,480.93)	
	Trade receivables	**1,930.00**		(1,325.33)	
	Short term loans and advances	**(388.57)**		841.75	
	Other current assets	**1,668.63**		75.61	
	Long term loans and advances	**0.30**		0.58	
	Other non-current assets	**(1,725.47)**		(420.00)	
	Adjustments for increase / (decrease) in operating liabilities:				
	Long term provisions	**-**		(101.06)	
	Trade payables	**(137.38)**		(455.60)	
	Other current liabilities	**(42.36)**		4.55	
	Short term provisions	**5.12**		17.40	
			7,576.81		(3,843.03)
	Cash flow from operations		**8,778.54**		(1,855.93)
	Direct taxes (net)		**(458.42)**		(454.60)
	Net cash (used in)/from operating activities		**8,320.12**		(2,310.53)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on fixed assets including capital advances		**(542.22)**		(48.10)
	Proceeds from sale of fixed assets		**3.75**		2.06
	Margin money and bank deposits placed / (realised)		**(1,061.80)**		1,036.64
	Interest received		**609.85**		473.87
	Dividend received		**2.23**		1.89
	Net cash (used in)/from investing activities		**(988.19)**		1,466.36

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013 (CONTD.)

₹ in lacs

			Year ended 31 March 2013		Year ended 31 March 2012
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of short term borrowings from Banks (Net)		**(4,192.63)**		(187.70)
	Proceeds / (Repayment) from / of short term borrowings from the holding company		**1,050.00**		(400.00)
	Finance costs		**(446.56)**		(719.73)
	Dividends paid		**(358.89)**		(359.91)
	Tax on dividend paid		**(59.38)**		(59.38)
	Net cash (used in) from financing activities		**(4,007.46)**		(1,726.72)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		**3,324.47**		(2,570.89)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**739.18**		3,309.44
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		**(4.23)**		0.63
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**4,059.42**		739.18
	Reconciliation of Cash and cash equivalents with the Balance Sheet:				
	Cash and cash equivalents as per Balance Sheet (Refer Note 16)		**8,556.90**		4,167.71
	Less: Bank balances not considered as Cash and cash equivalents				
	Unpaid dividend account		**(35.68)**		(28.53)
	Deposits more than 3 months		**(2,500.00)**		-
	Margin money deposits		**(1,961.80)**		(3,400.00)
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR *		**4,059.42**		739.18
	* Comprises				
	Cash on hand		**3.45**		4.49
	Cheques and drafts on hand		**10.00**		-
	Balances with banks				
	In current accounts		**1,195.97**		34.69
	In deposit account with original maturity less than 3 months		**2,850.00**		700.00
	See accompanying notes forming part of the consolidated financial statements.	1 - 38			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B. Ramaratnam
Partner

Panaji, Goa. 8th April, 2013

For and on behalf of the Board of Directors

Shrinivas V. Dempo
Chairman

Jagmohan J. Chhabra
Executive Director

K. Balaraman
Sr. General Manager-Finance

P.S. Mantri
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2013

1 Corporate information

The Group is in the business of manufacture and sale of Calcined Petroleum Coke in its manufacturing facilities at Goa, Paradeep and Bilaspur.

2 Significant accounting policies

a Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of Goa Carbon Limited (the 'Parent') and its subsidiaries (the 'Group') have been prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

b Use of estimates

The preparation of consolidated financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and estimates are recognized in the periods in which the results are known / materialized.

c Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Parent and its subsidiaries have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

ii) The financial statements of the subsidiaries are prepared for the same reporting year as the Parent, using consistent accounting policies to the extent practicable. Adjustments are made to align any dissimilar accounting policies that may exist where practicable.

iii) Particulars of subsidiaries are given below:

Name of the subsidiaries -	Country of Incorporation	% of holding As at	
		31.03.2013	31.03.2012
GCL Global Resources SGP Pte Ltd	Singapore	100%	100%
Goa Carbon (Cangzhou) Company Ltd	China	100% #	NA

\# 100% held by GCL Global Resources SGP Pte Ltd

d Inventories

Inventories are valued at the lower of cost (net of cenvat where applicable) and the net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In respect of raw materials, cost is determined on specific identification method, while cost of stores and spares is determined on First-in First-out basis.

Finished goods include all direct costs, apportionment of production overheads and excise duty.

e Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

f Fixed assets (Tangible / Intangible)

Fixed assets are stated at historical cost(net of CENVAT wherever applicable) less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use.

Capital work-in-progress:

Projects under which assets are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

g Depreciation and amortisation

Depreciation is provided on the straight line method as per the rates specified in Schedule XIV of the Companies Act 1956 except in respect of the following categories of assets, in whose case the life of the asset has been assessed as under:

Computers and printers - 3 years

Mobile phones - One year

Leasehold land is amortised over the period of the lease. Cost of plot development on leasehold land is amortised over the estimated period of utility.

Assets costing less than ₹5,000 each are fully depreciated in the year of acquisition. Depreciation on additions and deletions during the year are charged on pro- rata basis.

Intangible assets are amortised over their estimated useful life on straight line basis.

h Revenue recognition

Revenue from sale of goods, net of trade discounts and sales returns, is recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods as per the terms of contracts. Sales include excise duty but exclude sales tax and value added tax.

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

i Foreign currency transactions

Foreign currency transactions entered into by the Group are accounted at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities outstanding at the balance sheet date are restated at the year end rates. Exchange differences arising on settlements / restatements are charged to the Statement of Profit and Loss.

Transactions in foreign currencies entered into by the Group's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group's integral foreign operations are carried at historical cost.

Premium or discount arising at the inception of forward exchange contracts are amortised over the period of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rate changes.

j Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

k Employee Benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under: (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; & (b) in case of non-accumulating compensated absences, when the absences occur.

Long term employee benefits

i) Defined contribution plans

Superannuation:

Fixed contributions to the superannuation fund, which is administered by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, are charged to the Statement of Profit and Loss.

Provident Fund:

In respect of Paradeep and Bilaspur Units, the Group contributes to a government administered provident/pension fund. The fixed contributions to these funds are charged to the Statement of Profit and Loss.

ii) Defined benefit plans

Gratuity:

The Group offers its employees defined benefit plans in the form of gratuity scheme. The gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment. The plan covers all employees as statutorily required under Payment of Gratuity Act 1972. The Company contributes funds to Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, which is irrevocable. Commitments are actuarially determined at the year end. The actuarial valuation is done based on the "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss under the head "Contribution to Provident and other Funds".

Provident Fund:

In respect of Goa unit, contributions are made to the Group's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is being notified by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The interest rate guarantee is actuarially determined and the shortfall if any is charged to Statement of Profit and Loss.

iii) Compensated absences

The employees of the Group are entitled to encashment of unavailed leave. The employees can carry forward a portion of the unutilized leave and receive cash compensation at retirement or termination of employment. The Group contributes fund to Life Insurance Corporation of India, which is irrevocable. The Company records an obligation for encashment of unavailed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date carried out by an independent actuary less the fair value of the plan assets. Actuarial gain or loss is recognized in the Statement of Profit and Loss.

l Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

m Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

n Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences arising between the taxable income and accounting income computed using the tax rates and the tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised and reviewed for the appropriateness of their carrying values at each balance sheet date.

o Impairment of assets

The carrying values of assets/cash generating units are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

p Provision, contingent liabilities and contingent assets

Provisions are recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent liability is disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) 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. Contingent assets are neither recognized nor disclosed in the financial statements.

q Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Cooler and Kiln Stack

		As at 31 March 2013		As at 31 March 2012	
		Number of shares	**₹ in lacs**	Number of shares	₹ in lacs
3	**SHARE CAPITAL**				
	Authorised:				
	Equity shares of ₹10/- each with voting rights	**22,000,000**	**2,200.00**	22,000,000	2,200.00
	Preference shares of ₹100/- each	**300,000**	**300.00**	300,000	300.00
			2,500.00		2,500.00
	Issued, subscribed and fully paid up:				
	Equity shares of ₹10/- each with voting rights	**9,151,052**	**915.11**	9,151,052	915.11
			915.11		915.11
	There has been no movement in equity shares outstanding at the beginning and at the end of the year				
	The Parent has only one class of equity shares having a par value of ₹10/-. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting. The amount of dividend proposed to be distributed to equity shareholders is ₹228.78 lacs (Previous year ₹366.04 lacs) and the related amount per equity share is ₹2.50 (Previous year ₹4). Repayment of capital will be in proportion to the number of equity shares held.				
	Details of equity shares held by each shareholder holding more than 5% shares		**% held**		% held
	V. S. Dempo Holdings Private Limited, the holding company	**5,069,040**	**55.40**	5,069,040	55.40

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
4	**RESERVES AND SURPLUS**				
	Securities premium account		**3,131.01**		3,131.01
	Amalgamation reserve		**475.38**		475.38
	Foreign currency translation reserve				
	Opening balance	**(1.85)**		(0.41)	
	Add : Transferred during the year	**1.85**		(1.44)	
	Closing balance		**-**		(1.85)
	General reserve				
	Opening balance	**1,700.05**		1,595.05	
	Add: Transferred from Statement of Profit and Loss	**80.00**		105.00	
	Closing balance		**1,780.05**		1,700.05
	Surplus in Statement of Profit and Loss				
	Opening balance	**1,680.08**		1,165.16	
	Add: Profit for the year	**764.43**		1,045.34	
		2,444.51		2,210.50	
	Less: Proposed dividend	**228.78**		366.04	
	Tax on proposed dividend	**37.11**		59.38	
	Transfer to general reserve	**80.00**		105.00	
	Closing balance		**2,098.62**		1,680.08
			7,485.06		6,984.67

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
5	**DEFERRED TAX LIABILITIES (NET)**				
	Deferred tax liability arising on account of:				
	Depreciation		**394.39**		408.27
	Deferred tax asset arising on account of:				
	Provision for doubtful debts	**10.03**		9.57	
	Provision for leave encashment	**18.87**		16.47	
			28.90		26.04
			365.49		382.23
6	**SHORT TERM BORROWINGS**				
	From banks (secured)				
	Loans repayable on demand				
	Cash credit		**198.92**		1,738.16
	Other loans				
	Loan against fixed deposits	**400.00**		-	
	Buyers credit	**11,664.65**		14,754.26	
			12,064.65		14,754.26
			12,263.57		16,492.42
	The cash credit and buyers credit facilities are secured by first and equitable mortgage on pari-passu basis of all immovable properties and by hypothecation of all movable fixed assets, inventories, book debts and other receivables of the Group.				
	Loan from related parties repayable on demand (unsecured) (Refer Note 33 (ii) (g))				
	V. S. Dempo Holdings Private Limited, the holding company		**1,050.00**		-
			13,313.57		16,492.42
7	**TRADE PAYABLES**				
	Trade payables (Other than acceptances)		**689.91**		880.37
			689.91		880.37

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
8	**OTHER CURRENT LIABILITIES**				
	Interest accrued but not due on borrowings		**58.35**		53.13
	Interest accrued and due on borrowings		**36.79**		-
	Unclaimed dividends (Refer note 36)		**35.68**		28.53
	Other payables:				
	Statutory remittances	**522.58**		565.54	
	Advances from customers	**16.46**		16.01	
	Employee recoveries	**3.65**		4.15	
	Trade and security deposits received	**5.55**		4.90	
			548.24		590.60
			679.06		672.26

9	**SHORT-TERM PROVISIONS**				
	Employee benefits		**49.49**		44.37
	Provision for tax (net of advance tax)		**10.17**		12.77
	Proposed dividend		**228.78**		366.04
	Tax on proposed dividend		**37.11**		59.38
			325.55		482.56

Process Silos

₹ in lacs

10 FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 01.04.2012	Additions	Deductions	**As at 31.03.2013**	As at 01.04.2012	For the year	Deductions	**As at 31.03.2013**	**As at 31.03.2013**	As at 31.03.2012
Tangible Assets										
Land (Freehold)	13.58	**-**	**-**	**13.58**	**-**	**-**	**-**	**-**	**13.58**	13.58
	13.58	*-*	*-*	*13.58*	*-*	*-*	*-*	*-*	*13.58*	*13.58*
Land (Leasehold)	100.83	**-**	**-**	**100.83**	17.88	1.25	**-**	**19.13**	**81.70**	82.95
	100.83	*-*	*-*	*100.83*	*16.64*	*1.24*	*-*	*17.88*	*82.95*	*84.19*
Plot Development on leasehold land	101.95	**-**	**-**	**101.95**	75.01	10.29	**-**	**85.30**	**16.65**	26.94
	101.95	*-*	*-*	*101.95*	*64.69*	*10.32*	*-*	*75.01*	*26.94*	*37.26*
Buildings	1,405.09	**-**	**-**	**1,405.09**	627.97	37.55	**-**	**665.52**	**739.57**	777.12
	1,405.09	*-*	*-*	*1,405.09*	*590.42*	*37.55*	*-*	*627.97*	*777.12*	*814.67*
Plant & Equipment	3,325.31	39.93	29.90	**3,335.34**	2,018.70	153.45	23.49	**2,148.66**	**1,186.68**	1,306.61
	3,307.67	*17.64*	*-*	*3,325.31*	*1,863.52*	*155.18*	*-*	*2,018.70*	*1,306.61*	*1,444.15*
Furniture & Fixtures	82.59	2.13	**-**	**84.72**	72.76	3.36	**-**	**76.12**	**8.60**	9.83
	81.81	*0.78*	*-*	*82.59*	*68.33*	*4.43*	*-*	*72.76*	*9.83*	*13.48*
Office Equipments	105.09	10.60	0.58	**115.11**	83.15	7.13	0.39	**89.89**	**25.22**	21.94
	98.51	*10.12*	*3.54*	*105.09*	*78.32*	*7.15*	*2.32*	*83.15*	*21.94*	*20.19*
Vehicles	126.23	7.08	16.73	**116.58**	42.67	10.95	13.10	**40.52**	**76.06**	83.56
	118.50	*19.56*	*11.83*	*126.23*	*40.52*	*10.03*	*7.88*	*42.67*	*83.56*	*77.98*
	5,260.67	**59.74**	**47.21**	**5,273.20**	**2,938.14**	**223.98**	**36.98**	**3,125.14**	**2,148.06**	**2,322.53**
	5,227.94	*48.10*	*15.37*	*5,260.67*	*2,722.44*	*225.90*	*10.20*	*2,938.14*	*2,322.53*	*2,505.50*
Intangible Assets										
Technical Knowhow	30.21	**-**	**-**	30.21	30.21	**-**	**-**	30.21	**-**	**-**
	30.21	*-*	*-*	*30.21*	*30.21*	*-*	*-*	*30.21*	*-*	*-*
Computer Software	66.27	**-**	**-**	66.27	66.21	0.06	**-**	66.27	**-**	0.06
	66.27	*-*	*-*	*66.27*	*52.93*	*13.28*	*-*	*66.21*	*0.06*	*13.34*
	96.48	**-**	**-**	96.48	96.42	0.06	**-**	96.48	**-**	0.06
	96.48	*-*	*-*	*96.48*	*83.14*	*13.28*	*-*	*96.42*	*0.06*	*13.34*
Total	**5,357.15**	**59.74**	**47.21**	**5,369.68**	**3,034.56**	**224.04**	**36.98**	**3,221.62**	**2,148.06**	**2,322.59**
Total	*5,324.42*	*48.10*	*15.37*	*5,357.15*	*2,805.58*	*239.18*	*10.20*	*3,034.56*	*2,322.59*	*2,518.84*

Figures in italics represent previous year figures.

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
11	**NON-CURRENT INVESTMENTS**				
	Long term investments (at cost)				
	Investments in equity instruments				
	Quoted (Non Trade):				
	13,500 (Previous year: 13,500) fully paid up equity shares of ₹10/-each in ICICI Bank Limited		**4.05**		4.05
			4.05		4.05
	Market value of quoted investment		**141.96**		119.78

12	**LONG-TERM LOANS AND ADVANCES**				
	(Unsecured, considered good)				
	Capital advances		**699.29**		326.32
	Security deposits		**19.05**		18.99
	Prepaid expenses		**1.26**		-
	Loans to employees		**0.52**		2.14
			720.12		347.45

13	**OTHER NON-CURRENT ASSETS**				
	Taxes paid in dispute (Refer Note 26(ii) and (iii))		**2,145.47**		420.00
			2,145.47		420.00

14	**INVENTORIES (At lower of cost and net realisable value)**				
	Raw materials		**3,878.09**		7,305.23
	Raw materials in transit		**-**		1,520.70
	Finished goods		**3,366.85**		4,668.60
	Stores and spares		**183.03**		199.98
			7,427.97		13,694.51

15	**TRADE RECEIVABLES**				
	(Unsecured)				
	Outstanding for a period exceeding six months from the date they were due for payment				
	Considered good	**-**		1.18	
	Doubtful	**29.50**		29.50	
			29.50		30.68
	Other trade receivables				
	Considered good		**876.97**		2,811.42
			906.47		2,842.10
	Less: Provision for doubtful trade receivables		**29.50**		29.50
			876.97		2,812.60

₹ in lacs

		As at 31 March 2013		As at 31 March 2012	
16	**CASH AND CASH EQUIVALENTS**				
	Cash on hand		**3.45**		4.49
	Cheques and drafts on hand		**10.00**		-
	Balances with banks				
	In current accounts	**1,195.97**		34.69	
	In deposit accounts	**5,350.00**		700.00	
	Unpaid dividend accounts	**35.68**		28.53	
	Margin money deposits and security against borrowings (Refer note (i) below)	**1,961.80**		3,400.00	
			8,543.45		4,163.22
			8,556.90		4,167.71
	Of the above the balances that meet the definition of cash and cash equivalents as per cash flow statement is		**4,059.42**		739.18
(i)	Includes deposits with remaining maturity of more than 12 months from the Balance sheet date		**0.50**		-

17	**SHORT-TERM LOANS AND ADVANCES:**				
	(Unsecured considered good unless otherwise stated)				
	Loans and advances to related parties (Refer note 33 (iii))		**0.35**		-
	Security and tender deposits		**9.78**		10.57
	Loans and advances to employees		**13.53**		10.41
	Prepaid expenses		**44.68**		62.57
	Balances with government authorities				
	CENVAT credit receivables	**745.86**		858.01	
	VAT credit receivables	**27.28**		7.36	
	Service tax credit receivables	**146.65**		193.81	
			919.79		1059.18
	Advances to suppliers		**646.42**		103.25
			1,634.55		1,245.98

18	**OTHER CURRENT ASSETS**				
	Interest accrued on margin money and other bank deposits		**135.45**		104.25
	Unamortised premium on forward contracts		**6.12**		136.39
	Taxes paid in dispute (Refer Note 26(iii))		**-**		1,545.51
			141.57		1,786.15

₹ in lacs

		Year ended 31 March 2013		Year ended 31 March 2012	
19	**OTHER OPERATING REVENUE**				
	Sale of scrap		**12.51**		20.75
			12.51		20.75

20	**OTHER INCOME**				
	Interest income:				
	From banks deposits	**502.46**		462.80	
	On income tax refunds	**138.39**		68.05	
	Others	**0.20**		0.58	
			641.05		531.43
	Dividend from long-term investments		**2.23**		1.89
	Profit on sale of fixed assets		**1.16**		0.37
	Miscellaneous income		**1.38**		70.58
			645.82		604.27

21	**COST OF MATERIALS CONSUMED**				
	Opening stock		**8,825.93**		5,973.37
	Add: Purchases		**17,559.39**		29,802.99
			26,385.32		35,776.36
	Less: Closing stock		**3,878.09**		8,825.93
			22,507.23		26,950.43

22	**CHANGES IN INVENTORIES OF FINISHED GOODS**				
	Inventories of finished goods at the end of the year		**3,366.85**		4,668.60
	Inventories of finished goods at the beginning of the year		**4,668.60**		5,045.80
			1,301.75		377.20

23	**EMPLOYEE BENEFIT EXPENSES**				
	Salaries, wages, bonus and allowances		**1,183.60**		1,049.99
	Contribution to provident and other funds		**112.44**		136.29
	Staff welfare expenses		**145.20**		127.59
			1,441.24		1,313.87

24	**FINANCE COSTS**				
	Interest expense on:				
	Borrowings	**314.82**		499.23	
	Delayed payment of income tax	**13.50**		10.50	
	Others	**4.23**		13.73	
			332.55		523.46
	Other borrowing costs		**170.02**		221.61
			502.57		745.07

₹ in lacs

25	OTHER EXPENSES	Year ended 31 March 2013		Year ended 31 March 2012	
	Fuel and power		212.86		255.81
	Excise duty on inventory differential (Refer Note 28)		2.47		(17.86)
	Repairs and maintenance				
	Buildings	93.09		79.91	
	Plant and machinery	170.05		127.90	
	Others	31.98		32.30	
			295.12		240.11
	Rent		56.08		64.67
	Rates and taxes		5.42		64.52
	Insurance		42.17		38.61
	Travelling expenses		109.13		133.78
	Selling and distribution expenses		1,325.98		1,486.42
	Bad debts written off		5.63		9.73
	Payments to auditors (net of service tax credit)				
	Audit fees	15.14		11.31	
	Taxation matters	2.25		2.25	
	Other services	2.75		2.75	
	Reimbursement of expenses	1.19		1.36	
			21.33		17.67
	Directors' sitting fees		8.64		6.09
	Loss on assets sold/scrapped		7.64		3.49
	Exchange loss on foreign currency transactions and translations		388.09		553.63
	Forward premium expenses		261.31		538.77
	Miscellaneous expenses (Refer Note 35)		297.13		424.78
			3,039.00		3,820.22

₹ in lacs

26	Contingent Liabilities : (Claims against the Group not acknowledged as debts)		As at 31 March 2013	As at 31 March 2012
	i)	Disallowance of Cenvat Credit and Educational Cess on purchase of raw materials	90.19	90.19
	ii)	Income tax demands under appeal.	1,658.21	1,396.69
	iii)	The Group's appeal to the High Court of Bombay at Goa against the order of the Income Tax Appellate Tribunal which had confirmed the disallowance of the deduction under section 80HHC of the Income Tax Act, 1961 for Assessment Years 1993-94 to 2004-05 was allowed by the High Court vide its order dated 21.10.2010. The disputed amount of tax and interest paid amounting to ₹ 963.68 lacs (after adjusting the refund of ₹454.66 lacs received) is included under Other Non Current Assets. The income tax department has filed a Special Leave petition before the Supreme Court praying for ex-parte stay of the aforementioned Order of the High Court. The petition is yet to be admitted.	-	-
	The above amounts are based on the notice of demand or the assessment orders or notification by the relevant authorities, as the case may be, and the Group is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the Judiciary. No reimbursements are expected.			

₹ in lacs

27	**Commitments:**	**As at 31 March 2013**	As at 31 March 2012
	Export obligation in respect of imports under Advance Licence Scheme to be fulfilled with in the next three years.	**5,839.38**	8,756.44

28	Excise duty on sales for the year has been disclosed as reduction from Revenue from operations. Excise duty relating to the difference between the closing stock and the opening stock of Finished goods has been included in Note - 25 "Other Expenses"
29	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

30	**Derivative instruments:**							
	The Group enters into forward contracts which are not intended for trading or speculative purposes, but for hedging.							
a)	Forward Exchange Contracts outstanding at the year end:							
	As at 31 March 2013				As at 31 March 2012			
	Buy-Sell	**No. of Contracts**	**US Dollars**	**₹ in Lacs**	Buy-Sell	No. of Contracts	US Dollars	₹ in Lacs
	Buy	**6**	**2,186,831**	**1,189.29**	Buy	4	10,194,466	5,252.30
b)	The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:							

		As at 31 March 2013		As at 31 March 2012	
	Amount payable in foreign currency	**US Dollars**	**₹ in Lacs**	US Dollars	₹ in Lacs
	Buyers credit	**19,288,089**	**10,475.36**	18,675,226	9,501.96
	Trade payables	**291,906**	**158.53**	287,362	146.06
	Interest accrued but not due on borrowings	**107,063**	**58.15**	104,424	53.13
	Amount receivable in foreign currency				
	Trade receivables	**-**	**-**	134,050	68.19
	Advances to suppliers	**7,873**	**4.28**	8,237	3.99

31	Employee benefit plans			
a)	Defined benefit plans:			
i)	The following table sets out the status of the gratuity plan as required under AS-15 (Revised):			
				₹ in lacs
		Particulars	**As at 31 March 2013**	As at 31 March 2012
	i)	**Change in present value of obligation.**		
		Defined benefit obligation at the beginning of the year	**314.83**	276.46
		Current service cost	**41.75**	38.46
		Interest cost	**25.52**	21.46
		Actuarial losses / (gains)	**(11.86)**	(5.16)
		Benefits paid	**(15.53)**	(16.39)
		Defined benefit obligation at the end of the year	**354.71**	314.83
	ii)	Change in fair value of plan assets		
		Fair value of plan assets at the begining of the year	**345.05**	276.50
		Expected return on plan assets	**26.98**	24.06
		Actuarial gain/(loss)	**5.20**	(4.12)
		Contributions	**-**	65.00
		Benefit paid	**(15.53)**	(16.39)
		Fair value of plan assets at the end of the year	**361.70**	345.05
	iii)	Net assets/(liability) recognised in the Balance Sheet		
		Defined benefit obligation at the end of the year	**354.71**	314.83
		Fair value of the plan assets at the end of the year	**361.70**	345.05
		Excess of funding over obligation	**6.99**	30.22
	iv)	Expenses recognised in the statement of profit and loss		
		Current service cost	**41.75**	38.46
		Interest cost	**25.52**	21.46
		Expected return on plan assets	**(26.98)**	(24.06)
		Net actuarial losses / (gains) recognised in the year	**(17.06)**	(1.04)
		Net cost recognised in the statement of profit and loss	**23.23**	34.82
	v)	Return on plan assets		
		Expected return on plan assets	**26.98**	24.06
		Actuarial gain/(loss)	**5.20**	(4.12)
		Actual return on plan assets	**32.18**	19.94
		The plan assets of the company are managed by the Life Insurance Corporation of India and ICICI Prudential Life Insurance and the composition of the investment relating to these assets is not available with the company.		
	vi)	Assumption		
		Rate of Mortality	**As per LIC Mortality rate (1994-96)**	
		Discount rate	**8.31%**	8.31%
		Expected salary increase rate	**7.00%**	7.00%
		Expected rate of return on plan assets	**8.00%**	8.00%
		Attrition rate	**3.00%**	3.00%
		The estimates of future salary increases considered in the acturial valuation, take into account inflation, seniority, promotions, increments and other related factors such as supply and demand in the employment market.		

	2012-13	2011-12	2010-11	2009-10	2008-09
Experience adjustment					
Present value of obligation	**354.71**	314.83	276.46	242.34	172.58
Fair value of plan assets	**361.70**	345.05	276.50	242.34	170.09
Surplus/(deficit)	**6.99**	30.22	0.04	-	(2.49)
Experience adjustment on plan liabilities	**11.86**	(1.70)	16.48	8.31	(19.93)
Experience adjustment of plan assets	**5.20**	(4.12)	1.81	(3.41)	2.44

ii)		The following table set out the status of the leave encashment plan as required under AS-15 (Revised).

				₹ in lacs
		Particulars	**As at 31 March 2013**	As at 31 March 2012
	i)	Change in present value of obligation		
		Defined benefit obligation at the beginning of the year	**98.62**	101.06
		Current service cost	**39.40**	35.50
		Interest cost	**8.10**	7.94
		Actuarial losses / (gains)	**(10.52)**	(42.37)
		Benefits paid	**(2.23)**	(3.51)
		Defined benefit obligation at the end of the year	**133.37**	98.62
	ii)	Change in fair value of plan assets		
		Fair value of plan assets at the beginning of the year	**98.62**	-
		Expected return on plan assets	**8.92**	-
		Actuarial gain/(loss)	**0.24**	-
		Contributions	**27.94**	102.13
		Benefit paid	**(2.23)**	(3.51)
		Fair value of plan assets at the end of the year	**133.49**	98.62
	iii)	Net (liability)/assets recognised in the Balance Sheet		
		Defined benefit obligation at the end of the year	**133.37**	98.62
		Fair value of the plan assets at the end of the year	**133.49**	98.62
		(Liability) /Assets recognised in the Balance Sheet	**0.12**	-
	iv)	Expenses recognised in the Statement of Profit and Loss		
		Current service cost	**39.40**	35.50
		Interest on obligation	**8.10**	7.94
		Expected return on plan assets	**(8.92)**	-
		Net actuarial losses / (gains) recognised in the year	**(10.76)**	(42.37)
		Net cost recognised in the statement of profit and loss	**27.82**	1.07
	v)	Assumption		
		Rate of Mortality	**As per LIC Mortality rate (1994-96)**	
		Discount rate	**8.31%**	8.31%
		Expected salary increase rate	**7.00%**	7.00%
		Expected rate of return on plan assets	**8.00%**	8.00%
		Attrition rate	**3.00%**	3.00%

iii)		Actuarial valuation relating to interest rate guarantee on exempt provident fund has resulted in an additional charge of ₹2.00 lacs during the year.
b)		Defined contribution plans:
		A sum of ₹33.09 lacs (Previous year ₹29.72 lacs) has been charged to the statement of profit and loss in respect of Group's contribution to superannuation fund and provident and pension fund for Paradeep and Bilaspur unit employees.

32	**Segment reporting:**
	The Group is engaged in manufacture and sale (both domestic and export) of Calcined Petroleum Coke which constitutes single business segment. As per management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly there are no other business / geographical segments to be reported under Accounting Standard (AS) 17.

33	**Disclosures in respect of Related Parties pursuant to Accounting Standard (AS) 18.**	
	i)	**List of related parties:**
		Names of the related parties and nature of relationship
	a	Holding Company:
		V. S. Dempo Holdings Pvt. Ltd
	b	Fellow Subsidiaries (with whom transactions have taken place during the year):
		Aparant Iron & Steel Pvt. Ltd.
		Dempo Sports Club Pvt. Ltd
		Dempo Industries Pvt. Ltd.
		Dempo Travels Pvt. Ltd.
		Marmagoa Shipping & Stevedoring Co. Pvt. Ltd.
	c	Individual who is able to exercise significant influence:
		Mr. Shrinivas V. Dempo (Chairman)
	d	Enterprises over which Mr Shrinivas V. Dempo is able to exercise significant influence:
		Dempo Cricket Club
		Dempo Charities Trust
		Devashri Nirman
		Motown Investments Pvt. Ltd.
		Vasantrao Dempo Education and Research Foundation
	e	Key Management Personnel:
		Mr Jagmohan J. Chhabra (Executive Director)

₹ in lacs

	ii)	**Disclosure of transactions with Related Parties.**	**Year ended 31 March 2013**	Year ended 31 March 2012
	a	Sale of goods		
		Aparant Iron & Steel Pvt. Ltd	**1.30**	12.76
	b	Expenses incurred		
		Dempo Industries Pvt. Ltd.	**4.36**	4.19
		Dempo Travels Pvt. Ltd.	**58.50**	67.43
		Marmagoa Shipping & Stevedoring Co. Pvt. Ltd.	**84.98**	169.21
	c	Rent paid		
		V. S. Dempo Holdings Pvt. Ltd	**22.90**	22.48
	d	Reimbursement of expenses		
		V. S. Dempo Holdings Pvt. Ltd	**0.11**	-
	e	Recovery of expenses		
		V. S. Dempo Holdings Pvt. Ltd	**4.65**	4.50
	f	Interest on Inter Corporate Deposit		
		V. S. Dempo Holdings Pvt. Ltd	**40.87**	38.36
	g	Loan taken		
		V. S. Dempo Holdings Pvt. Ltd	**1,050.00**	-
	h	Loan repaid		
		V. S. Dempo Holdings Pvt. Ltd	**-**	400.00
	i	Sponsorship		
		Dempo Cricket Club.	**10.00**	-
		Dempo Sports Club Pvt. Ltd	**1.10**	6.00
	j	Donations		
		Dempo Charities Trust	**40.00**	40.00
	k	Remuneration		
		Mr Jagmohan J. Chhabra (Executive Director)	**134.24**	105.68
	iii)	**Outstanding (receivable)/payable as at year end.**		
		Dempo Travels Pvt. Ltd.	**(0.35)**	-
		V. S. Dempo Holdings Pvt. Ltd	**1,086.79**	-

34	Earnings per share:		Year ended 31 March 2013	Year ended 31 March 2012
	i)	Profit after tax as per the Statement of Profit and Loss (₹ in lacs)	**764.43**	1,045.34
	ii)	Number of equity shares	**9,151,052**	9,151,052
	iii)	Basic and diluted earnings per share of ₹ 10/- each (₹)	**8.35**	11.42

35	Miscellaneous expenses include donation aggregating ₹2.50 lacs (Previous year ₹Nil) made to Bharatiya Janata Party, being contribution to a Political Party.
36	There are no amounts due and payable to Investor Education and Protection Fund.

37	Capital Work-in-Progress includes	
	Pre-operative expenditure incurred by Goa Carbon (Cangzhou) Company Limited, China in setting up the CPC Plant.	
		₹ in lacs
	Particulars	**Period ended 31 March 2013**
	Salary & wages	**19.85**
	Repairs and maintenance - others	**0.95**
	Travelling expenses	**70.97**
	Exchange loss on foreign currency transactions and translations	**5.93**
	Miscellaneous expenses	**20.52**
		118.22
	Less: Interest income	**0.13**
		118.09
38	Previous year's figures have been regrouped wherever necessary, to conform with the current year's disclosures.	

For and on behalf of the Board of Directors

Shrinivas V. Dempo	**Jagmohan J. Chhabra**	**K. Balaraman**	**P.S. Mantri**
Chairman	Executive Director	Sr. General Manager-Finance	Company Secretary

Panaji, Goa. 8th April, 2013

FINANCIAL HIGHLIGHTS FOR LAST FIVE YEARS

₹ in lacs

		2012-13	2011-12	2010-11	2009-10	2008-09
Sales (net)		29,547.01	34,383.64	26,775.73	25,071.63	38,963.50
Other Income		658.33	625.02	318.10	883.59	436.09
	(A)	30,205.34	35,008.66	27,093.83	25,955.22	39,399.59
Raw materials & manufacturing expenses		28,263.66	32,458.31	24,677.31	24,678.74	36,224.92
Finance charges		501.29	745.07	755.37	836.52	1,073.73
	(B)	28,764.95	33,203.38	25,432.68	25,515.26	37,298.65
Gross Profit (A - B)	(C)	1,440.39	1,805.28	1,661.15	439.96	2,100.94
Depreciation		224.04	239.18	258.65	254.54	255.20
Provision for Tax		425.08	517.35	483.38	144.77	612.59
	(D)	649.12	756.53	742.03	399.31	867.79
Net Profit (C - D)		791.27	1,048.75	919.12	40.65	1,233.15
Dividend declared		**25%**	**40%**	**40%**	**20%**	**30%**
WHAT THE COMPANY OWNED						
Net Fixed Assets		2,148.06	2,331.17	2,527.42	3,061.67	2,988.90
Non-current investments		1,401.04	4.10	4.10	4.10	4.05
Current Assets, Loans & Advances		20,255.84	24,484.29	24,797.10	16,481.63	25,658.18
		23,804.94	**26,819.56**	**27,328.62**	**19,547.40**	**28,651.13**
WHAT THE COMPANY OWED						
Secured Loans		13,313.57	16,492.42	16,733.44	9,412.18	16,620.89
Unsecured Loans		-	-	400.00	-	-
Deferred tax liability		365.49	382.23	388.04	438.64	363.58
Current Liabilities & Provisions		1,689.37	2,033.78	2,519.34	2,902.48	4,699.79
		15,368.43	**18,908.43**	**20,040.82**	**12,753.30**	**21,684.26**
NET WORTH OF THE COMPANY						
Equity Share Capital		915.11	915.11	915.11	915.11	915.11
Reserves & Surplus		7,521.40	6,996.02	6,372.69	5,878.99	6,051.76
		8,436.51	**7,911.13**	**7,287.80**	**6,794.10**	**6,966.87**

Goa Carbon Ltd

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Goa Plant: St. Jose De Areal, Salcete, Goa 403 709.
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Fax: (91) (832) 2860364, e-mail: head_works@goacarbon.com

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Paradeep Plant: Village Udayabata, Post Office Paradeepgarh
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Tel. No. 09937034882, 09238110372
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FORM A

Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	**Goa Carbon Limited**
2.	Annual financial statements for the year ended	**31^{st} March, 2013**
3.	Type of Audit observation	**Un-qualified**
4.	Frequency of observation	**Not Applicable**
5.	To be signed by- • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman	**(Jagmohan J. Chhabra)** *Executive Director* **(K. Balaraman)** *Sr. General Manager (Finance)* **(B. Ramaratnam)** *Partner* **Deloitte Haskins & Sells** Chartered Accountants (Registration no. 0080725) Membership no. 21209 (Dara P. Mehta) *Chairman – Audit Committee*